



(ACT) ACTION NEEDED
(INF) INFORMATION ONLY
(DIS) DISCRETIONARY

AGENDA

REGULAR MEETING OF THE CITY COUNCIL
NEEDLES PUBLIC UTILITY AUTHORITY
HOUSING AUTHORITY CITY OF NEEDLES
CITY OF NEEDLES, CALIFORNIA
EL GARCES – 950 FRONT STREET, NEEDLES

THE 5:00 P.M. PORTION OF THE CITY COUNCIL MEETING WILL BE RECESSED BY
THE CITY CLERK'S DEPARTMENT TO 5:30 P.M.

TUESDAY, OCTOBER 8, 2024
COUNCIL EXECUTIVE SESSION – 5:30 PM
CITY COUNCIL MEETING – 6:00 PM

THE PUBLIC MAY ATTEND VIA TEAMS AND MAY SUBMIT ANY COMMENTS IN WRITING PRIOR
TO NOON ON THE DAY OF THE MEETING BY EMAILING cclark@cityofneedles.com

TO JOIN THE LIVE TEAMS MEETING: log into the City of Needles website at
www.cityofneedles.com to access the agenda and [Click here to join the meeting](#)

If asked, enter the following: Meeting ID: 547 430 737#

OR listen in and participate by calling Teams: 1-323-488-2227 - Meeting ID: 547 430 737#
The meetings are being recorded.

CALL TO ORDER
ROLL CALL

**RECESS THE CITY COUNCIL MEETING AND CONVENE A JOINT CITY COUNCIL / NPUA / HACN
MEETING**

PUBLIC COMMENTS PERTAINING TO THE EXECUTIVE SESSION ITEMS

A three-minute time limit per person has been established.

RECESS TO EXECUTIVE SESSION

EXECUTIVE SESSION

- a. Public Employee Performance Evaluation Pursuant to Govt Code Section 54957.
Title: City Manager

EXECUTIVE SESSION REPORT - by City Attorney

CALL TO ORDER
ROLL CALL
PLEDGE OF ALLEGIANCE
INVOCATION
APPROVAL OF AGENDA
CONFLICT OF INTEREST
CORRESPONDENCE
INTRODUCTIONS
CITY ATTORNEY – Parliamentary Procedures

**As a courtesy to those in attendance, we would ask that cell phones be turned off or set in their
silent mode. Thank you**

PUBLIC APPEARANCE - Persons wishing to address the NPUA / City Council on subjects other than
those scheduled are requested to do so at this time. When called by the Mayor, please announce your
name and address for the record. In order to conduct a timely meeting, a three-minute time limit per

person has been established by Municipal Code Section 2-18. Amendments to the California Government Code Section 54950 prohibits the City Council from taking action on a specific item until it appears on the agenda.

PRESENTATION

(A ten-minute time limit per presentation has been established per Municipal Code Section 2-18.)

1. Presentation by Erin Fox, Disaster Program Manager for American Red Cross San Bernardino Chapter (INF)

PUBLIC HEARINGS

2. Adopt Housing Authority of the City of Needles (HACN) Resolution No. 2024-8-HACN, Amending Housing Authority of the City of Needles (HACN) Resolution 2024-6-HACN and Removing and Replacing the Admissions and Continued Occupancy Plan (ACOP), Public Housing Pet Policy, and Public Housing Lease Agreement
 - Staff Report
 - Council questions of staff
 - Mayor to open the public hearing
 - Public Comment
 - Mayor to close the public hearing
 - Council Discussion / Deliberation
 - Adopt Housing Authority of the City of Needles (HACN) Resolution 2024-8-HACN, Amending Housing Authority of the City of Needles (HACN) Resolution 2024-6-HACN and Removing and Replacing the Admissions and Continued Occupancy Plan (ACOP), Public Housing Pet Policy, and Public Housing Lease Agreement
3. Public hearing noticed to consider all evidence and testimony for or against adopting an Amended Appendix to the Conflict of Interest Code pursuant to the Political reform Act of 1974 has been continued to **October 22, 2024.**

COUNCIL / NPUA CONSENT CALENDAR

All matters listed on the Consent Calendar are considered to be routine and will be enacted by one motion in the form listed. The Mayor or any member of the City Council / NPUA may pull an item from the Consent Calendar for discussion. Prior to City Council / NPUA action, a member of the public may address the City Council / NPUA on matters scheduled on the Consent Calendar. A three-minute time limit per person applies. **RECOMMENDED ACTION:** Approve Items 4 through 8 on the Consent Calendar by affirmative roll call vote. **(ACT)**

4. Authorize the City Manager to execute the California Colorado River Contractors Forbearance Agreement for 2024-2026 with Coachella Valley Water District, Imperial Irrigation District, Palo Verde Irrigation District and the Metropolitan Water District of Southern California to allow water to be conserved under the U.S. Bureau of Reclamation's conservation program to be added to Lake Mead
5. Authorize the purchase from Brax for two pumps for Bazoobuth Lift Station not to exceed \$35,000 from Wastewater Asset Replacement
6. Adopt the Needles Solar Energy Sites Evaluation dated August 12, 2024
7. Authorize the City Manager to execute the Physical Security Exemption Letter dated October 1, 2024 and submit it to the California Public Utility Commission (CPUC)
8. Adopt the 2024 Needles Public Utility Authority Wildfire Mitigation Plan Version 5.0.

END OF COUNCIL / NPUA CONSENT CALENDAR

ADJOURN THE JOINT COUNCIL / NPUA / HACN MEETING AND CONVENE A JOINT COUNCIL / HACN MEETING (Roll Call Previously Taken)

PUBLIC COMMENTS PERTAINING TO THE COUNCIL / HACN ITEMS

A three-minute time limit per person has been established.

HACN / COUNCIL REGULAR ITEMS

- [9.](#) Housing Authority of the City of Needles Update (INF)
- [10.](#) Waive the bid process and retain Smith Marion & Co., for the Housing Authority Audit for Fiscal Year ending June 30, 2024 in an amount not to exceed \$20,778. (ACT)

ADJOURN THE HOUSING AUTHORITY OF THE CITY OF NEEDLES MEETING AND RECONVENE THE CITY COUNCIL MEETING (Roll Call previously taken)

PUBLIC COMMENTS PERTAINING TO THE CITY COUNCIL ITEMS

A three-minute time limit per person has been established.

COUNCIL CONSENT CALENDAR All matters listed on the Consent Calendar are considered to be routine and will be enacted by one motion in the form listed. The Mayor or any member of the City Council may pull an item from the Consent Calendar for discussion. Prior to Council action, a member of the public may address the City Council on matters scheduled on the Consent Calendar. A three-minute time limit per person applies. **RECOMMENDED ACTION:** Approve Items 11 through 21 on the Consent Calendar by affirmative roll call vote. (ACT)

- [11.](#) Approve the Warrants Registers through October 8, 2024.
- [12.](#) Approve the Minutes of September 10, 2024
- [13.](#) Waive the reading and adopt Ordinance 667-AC Adopting the California Building Standards Code 2022 Edition; Rescinding Ordinance No. 635-AC adopting the California Building Standards Code 2019 Edition; Amending Municipal Code Article IV "Uniform Administrative Code" and Chapter 2 "Administration" Section 2-10 "Adopted by Reference Where Filed" and Amending Sections of Chapter 6 "Building Regulations." (2nd Read Adopt)
- [14.](#) Approve the removal of Commissioner Renfro from the Parks and Recreation Commission due to excessive unexcused absences.
- [15.](#) Accept the Best Friends Animal Society Grant Agreement dated September 24, 2024 and adopt an FY 25 budget adjustment of \$8,000.
- [16.](#) Authorize the purchase of 1 used John Deere 2500B to Storz Equipment not to exceed \$24,243.75 utilizing the adopted FY 25 Golf Course Budget
- [17.](#) Review and approve new rules/regulations for Duke Watkins Parks Pump Track, Art Wall and Splash Pad.
- [18.](#) Approve recommended changes to the Youth Sports Handbook.
- [19.](#) Accept the work completed by Superb Engineering, Inc. for the Golf Course Irrigation and Efficiency Project, Phase 1; and authorize a NOTICE OF COMPLETION to record with the San Bernardino County Recorder's Office.
- [20.](#) Accept Amendment No. 2 to the Professional Services Agreement with TKE Engineering, Inc. to Provide On-Call Supplemental Engineering Consulting Support Services and authorize staff to issue a Notice to Proceed.
- [21.](#) Accept Change Order No. 1 for the Phase IV-A Street Improvements Project increasing the contract with Vance Corporation by \$167,707.09 for a new total contract amount of \$1,501,026.20.

END OF COUNCIL CONSENT CALENDAR

REGULAR COUNCIL ITEMS

- [22.](#) Form a Route 66 100th Anniversary Ad-Hoc Committee (ACT)
- [23.](#) Cancel the November 26 and December 24, 2024, regular City Council / NPUA / HACN meetings due to the holidays. (ACT)
- [24.](#) Employee Appreciation Event (DIS)

CITY ATTORNEY REPORT

CITY MANAGER REPORT

[City](#) Manager's Report for the weeks of September 20 and September 27, 2024.

COUNCIL REQUESTS

Council Member Campbell
Council Member McCorkle
Vice Mayor Merritt
Council Member Pogue
Council Member Belt
Council Member Longbrake
Mayor Jernigan

ADJOURNMENT

INTERNET ACCESS TO CITY COUNCIL AGENDAS AND STAFF REPORT MATERIAL IS AVAILABLE PRIOR TO CITY COUNCIL MEETINGS AT: <http://www.cityofneedles.com>

Posted: October 4, 2024

SB 343-DOCUMENTS RELATED TO OPEN SESSION AGENDAS -- Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection at the City Clerk's Office, 817 Third Street, Needles, CA 92363.

In compliance with the American with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (760) 326-2113 ext 133. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-104 ADA Title II).

I hereby certify, under penalty of perjury under the laws of the State of California that the foregoing Agenda was posted at the front entrance of City Hall not less than 72 hours prior to the meeting.

Dated this 4th day of October 2024

/s/ Candace Clark, CPMC, Assistant City Clerk

HOT SHOTS



Did you know that 7 people die every day in home fires in the U.S.?

People are 50% more likely to survive a home fire if they have a working alarm in their home.

Join the Hot Shots!

The Hot Shots is our region's elite appointment-based smoke alarm installation team. Teams go out several times a month to install smoke alarms in homes and help make households safer.

We send all new volunteers out with experienced team members to show you the ropes, so you'll get hands-on training. Virtual admin or leadership roles are also available!

Hot Shot Benefits:

- It's an easy and fun way to give back to your community and ensure homes are safer.
- No prior training or experience required.
- You can sign up for shifts in advance and commit to as few or as many days as you want.
- Snacks and drinks are provided.
- Exclusive Hot Shot gear offered to repeat volunteers.
- You will be part of an awesome team!



Join us for our bi-monthly meeting on the last Tuesday of every odd month! Sign up on Volunteer Connection.

For more information, contact Kim: kimberly.aufrecht2@redcross.org or 714-313-5440.



FREE Disaster and Emergency Preparedness for your Community!



Everyone knows the Red Cross helps people during emergencies. But you may not know that it's also part of our mission to help you help yourself! Becoming "Red Cross Ready" for an emergency means following our simple steps in advance to ensure you can weather a crisis safely and comfortably. Being prepared may not prevent a disaster, but it will give you confidence to meet the challenge.

Preparedness Presentations for Adults and Households

Be Red Cross Ready

This 60-minute presentation for adults and households teaches three easy steps to being prepared: get a kit, make a plan, and be informed.

Hands-Only CPR

A 45-minute non-certification training teaching chest compressions through instruction and hands-on practice.

Are you an owner or leader of a small business? Ask about our Ready Rating presentation!

Preparedness Presentations for Elementary Schools

Prepare with Pedro

Kindergarten-2nd Grade

A 30-45 minute preparedness program for students that follows Pedro the Penguin and his friends as they learn how to be prepared and take action during an emergency.

We also offer Be Red Cross Ready for Elementary School parents!

To schedule a presentation, contact Kimberly Aufrecht at kimberly.aufrecht2@redcross.org or 714-313-5440.

All presentations have a 20-participant minimum

Preparedness Essentials

Preparedness Checklist

Disasters disrupt our lives. Some disasters, like floods and home fires, can occur anywhere. Other disasters, like wildfires and hurricanes, are more common in certain areas. Climate change is causing more frequent and extreme weather events. This increases our risk of death, injury, property loss and disruption. But we can take action to prepare. Prepare now to protect yourself, your loved ones and your home.



Be Prepared

Being prepared means that you:

- Know what hazards, like tornadoes or floods, are likely to happen in your community.
- Have plans in place so that you and your loved ones know how to respond.
- Have a way to monitor emergency conditions in your area.
- Have emergency skills, such as CPR and first aid.
- Have emergency supplies, like food, water and medicine, so that you can meet your basic needs.

- Have a battery-powered radio.
- Plan to monitor weather conditions near you.



Learn Emergency Skills

Prepare now so that you have critical skills and can meet your basic needs.

- Learn first aid and CPR.
- Utilities may be offline. Be ready to live without power, gas and water. Plan for your needs, including cell phones and medical equipment. Talk to your doctor. Plan for backup power.



Understand Your Risks

Some hazards, such as floods and home fires, can happen anywhere. Others, including earthquakes and hurricanes, are more common in certain areas. Reach out to your state or local office of emergency management agency to learn more about your local risks.



Gather Emergency Supplies

Gather food, water and medicine. Organize supplies into a Go-Kit and a Stay-at-Home Kit.

- Go-Kit: at least three days of supplies that you can carry with you. Include backup batteries and chargers for your devices (cell phone, CPAP, wheelchair, etc.)
- Stay-at-Home Kit: at least two weeks of supplies. Stores and pharmacies might be closed.
- Have a 1-month supply of medication in a child-proof container and medical supplies or equipment.



Plan to Stay Connected

In a disaster, it is important to stay connected and informed.

- Sign up for free emergency alerts from your local government.
- Have a backup battery or a way to charge your cell phone.



Gather Emergency Supplies

- Keep personal, financial and medical records safe and easy to access (hard copies or securely backed up). Consider keeping a list of your medications and dosages on a small card to carry with you.
- Customize your kits to meet your household's needs and the season.

Basic supplies include:

- Water: 1 gallon per person, per day
- Food: non-perishable, easy-to-prepare items
- Can opener
- Medications and medical items
- Flashlight or battery-powered lanterns
- Battery-powered or hand-crank radio (NOAA Weather Radio, if possible)
- Extra batteries
- First aid kit
- Multi-purpose tool
- Sanitation and personal hygiene items
- Cell phone with chargers
- Family and emergency contact information
- Extra cash
- Emergency blanket
- Hats, gloves, boots, coats, etc. (cold weather)
- Sun hats, sunglasses, sunscreen, bug spray, etc. (warm weather)
- Change of clothes
- Map(s) of the area
- Keep personal, financial and medical records safe and easy to access (hard copies or securely backed up).



Make Plans to Stay Safe

Stay or go? Depending on the emergency, you may need to stay where you are or evacuate to stay safe.

If you need to go somewhere else, think through these questions:

- Where will I go?
- How will I get there?
- Where will I stay?
- What will I bring with me?



Plan to Reconnect With Loved Ones

- If separated, or if the phone or internet is down, have a plan to communicate with loved ones.
- Complete a contact card for each member of your household. Ensure that they carry it with them.
- Text is best. A text message may go through when a phone call will not.
- Designate an out-of-town contact who can help your household reconnect. It may be easier to reach people outside the affected area.
- Agree to meet in a specific place to help you reconnect with loved ones when it is safe.
 - If you need to leave your home, choose a specific location nearby.
 - If you need to leave your community, choose a specific location outside your community.



Plan to Take Care of Yourself

- It's normal to have bad feelings, stress or anxiety after a disaster or other emergency.
- Plan to eat healthy food and get enough sleep to help you deal with stress.
- Know that you can contact the Disaster Distress Helpline for free if you need to talk to someone. Call or text **1-800-985-5990**.

Prepare so you can protect.

| For more information, visit redcross.org/prepare

| Download the Emergency App



Earthquake

Preparedness Checklist

An earthquake is a sudden, rapid shaking of the earth caused by the shifting of underground rock. Deaths and injuries occur when people fall trying to walk or run during shaking or when they are hit by falling debris. Smaller earthquakes, called aftershocks, always follow the mainshock. Earthquakes can cause tsunamis, landslides, fires, and damage to utilities. Earthquakes can happen anywhere, and there is no way to predict them. But we can take action to prepare. Prepare now to protect yourself, your loved ones, and your home.



What to Do: Before



Understand Your Risk

Earthquakes can happen anywhere but are more common in certain areas. Find out if you live in an area prone to earthquakes.



Secure Your Space

To prevent injuries, secure your space.

- Identify things that might fall during shaking. Imagine if the room were picked up, shaken up and down, and side to side. Which items could fall and injure you? Consider things such as televisions, shelves, mirrors, pictures, water heaters, refrigerators, and bookcases.
- Secure these items so they don't injure you during an earthquake. Straps, hooks, latches, and other safety devices are widely available.
- If you live in an area prone to earthquakes, get your building evaluated and consider structural improvements.
- Earthquakes are generally not covered by household or renters' insurance. Earthquake insurance policies may be available. Check with insurance providers.

Practice Drop, Cover, and Hold On

Practice how to DROP, COVER, and HOLD ON, a life-saving skill.

During an earthquake, you should Drop, Cover, and Hold On to protect yourself from falling debris. Practice with your entire household so everyone knows what to do. Here is how to practice:



DROP where you are onto your hands and knees.

This position protects you from being knocked down and allows you to crawl to a protected space.



COVER your head and neck with your arms.

- If a sturdy table or desk is nearby, crawl underneath it for protection.
- If you cannot find a protected space, crawl to an interior wall (away from windows).
- Stay on your knees and bend over to protect yourself from injury.



HOLD ON until the shaking stops.

- If you are under a table or desk, hold onto it as things will be moving. Use an arm to protect your head and neck.
- If you are not under a protected space, protect your head and neck with both arms.



Learn Emergency Skills

- Learn First Aid and CPR to help others. People may be injured, and emergency services may not be available.
- Learn how to turn off the utilities in your home.
- Get a fire extinguisher and learn how to use it safely.
- Be ready to live without power, gas, and water.



Gather Emergency Supplies

Gather food, water, and medicine. Stores and pharmacies might be closed. Organize supplies into a Go-Kit, Stay-at-Home Kit, and a Bed-Kit.

- **Go-Kit:** at least three days of supplies that you can carry with you. Include batteries and chargers for your devices (cell phone, CPAP, wheelchair, etc.)
- **Stay-at-Home Kit:** at least two weeks of supplies.
- **Bed-Kit:** a bag of supplies attached to your bed. Include items you will need if an earthquake happens while you are sleeping. Store sturdy shoes to protect your feet from glass, one of the most common earthquake injuries. Also include a flashlight, glasses, a dust mask, and a whistle.
- Have a 1-month supply of medication in a child-proof container and other needed medical supplies or equipment.
- Keep personal, financial, and medical records safe and easy to access (hard copies or securely backed up). Consider keeping a list of your medications and dosages on a small card to carry **Item 1.**



Plan to Stay Connected

- Have a backup battery or a way to charge your cell phone.
- Have a battery-powered radio so that you can stay informed.
- Create a personal support team of people you may assist and who can assist you.
- There is no way to predict an earthquake, but earthquake early-warning systems are in development. See if they are available in your area.

What to Do: During



When Shaking Starts, DROP, COVER, and HOLD ON to Protect Yourself

Know what to do in different situations:

- If you are in bed, **STAY** there and **COVER** your head and neck with a pillow. Lie face down.
- If you are outdoors, drop, then crawl towards open space if you can. Stay away from buildings, power lines, and trees.

- If you are driving, stop and stay in your vehicle. Avoid stopping near buildings, trees, overpasses, and utility wires. Proceed cautiously once the earthquake has stopped. Avoid bridges or ramps.
- If you are in a wheelchair or use a walker, lock your wheels, and remain seated until the shaking stops. Protect your head and neck with your arms, a pillow, a book, or whatever is available. If you are unable to drop, brace yourself and protect your head and neck.

What to Do: After



Stay Safe

- Wait a minute before getting up. Check for any immediate dangers around you and protect yourself.
- Anticipate broken glass and debris on the ground, so put on sturdy shoes as soon as possible.
- If it is safe, exit the building. Go outside to a clear area. Check to make sure nothing will fall on you, such as bricks from a building, power lines, and trees.
- If you do not have a safe area outside, it may be better to remain inside.
- If you are near the coast, a tsunami could follow the earthquake. As soon as the shaking stops, climb to safety. Walk quickly to higher ground or inland away from the coast. Don't wait for officials to issue a warning.
- Expect aftershocks. **Drop, Cover, and Hold On** whenever you feel shaking.
- If you are trapped:
 - Protect your mouth, nose, and eyes from airborne debris. You can use a cloth, clothing, or a dust mask to cover your mouth and nose.
 - Signal for help. Use a whistle or knock loudly on a solid piece of the building three times every few minutes. Rescue personnel listen for such sounds.
- Care for any injuries you may have and assist others.
- If your home has been damaged and is no longer safe, leave and go to a safer place. If you can, take your Go-Kit of supplies.
- Use flashlights, not candles, due to fire risk.
- Do not use matches, lighters, appliances, or light switches until you are sure there are no gas leaks. Sparks from electrical switches could ignite the gas, causing an explosion.



Stay Connected

- Listen to local radio, TV, or other news sources for emergency information.
- Let friends and family know you are safe when you can.



Check Your Home for Safety

- Follow guidance from local officials.
- Inspect the outside of your home for damage before re-entering. If safe to do so, check the inside of your home.
- Check for damage to gas, water, electrical, and sewage systems. If there is damage, turn the utility off.
 - If you suspect a gas leak, leave your home, and call 911. Once you are in a safe place, report the issue to your utility company.
- If needed, have your home inspected by a professional for damage and safety issues.



Take Care of Yourself

- It's normal to have a lot of bad feelings, stress, or anxiety.
- Eat healthy food and get enough sleep to help you deal with stress.
- You can contact the Disaster Distress Helpline for free if you need to talk to someone. Call or text **1-800-985-5990**.

Prepare so you can protect.

For more information, visit redcross.org/prepare

Download the Emergency App





PrepareSoCal



Weeks to prepare

Week 1				
Tour your home to gather items you already have. Place all items in a waterproof bag or container before packing in kit. Check off each item as you go.				
<input type="checkbox"/> A sturdy, easy-to carry container to hold items (backpack, duffle bag or large tote) <input type="checkbox"/> A set of clothes and sturdy shoes for each family member <input type="checkbox"/> Copies of important papers (birth certificates, ID, insurance policies, passports, home lease/deed, etc.)				
<input type="checkbox"/> A 3 day supply of your medications <input type="checkbox"/> A current list of family phone numbers and e-mails including someone who can be reached if local lines are down. <input type="checkbox"/> A map (mark an evacuation route from your local area) <input type="checkbox"/> Extra cash in small bills <input type="checkbox"/> Spare keys for house and car <input type="checkbox"/> Spare glasses or contacts and solution <input type="checkbox"/> Books or toys				
Week 2	Week 3	Week 4	Week 5	Week 6
<input type="checkbox"/> 1 gallon of water <input type="checkbox"/> 1 jar of peanut butter <input type="checkbox"/> 1 box of crackers <input type="checkbox"/> 2 boxes of energy bars <input type="checkbox"/> Weather radio \$1.75*	<input type="checkbox"/> 1 gallon of water <input type="checkbox"/> 2 cans meat/fish <input type="checkbox"/> 2 cans fruits/veggies <input type="checkbox"/> Manual Can opener <input type="checkbox"/> Weather radio \$1.75*	<input type="checkbox"/> 1 gallon of water <input type="checkbox"/> 1 bottle juice <input type="checkbox"/> 1 pkg hand sanitizer <input type="checkbox"/> 1 antibacterial soap <input type="checkbox"/> Weather radio \$1.75*	<input type="checkbox"/> 1 gallon of water <input type="checkbox"/> 1 liquid dish soap <input type="checkbox"/> 2 rolls toilet paper <input type="checkbox"/> 1 box facial tissue <input type="checkbox"/> Weather radio \$1.75*	<input type="checkbox"/> 1 gallon of water <input type="checkbox"/> First aid kit & guide <input type="checkbox"/> Latex gloves <input type="checkbox"/> Tweezers <input type="checkbox"/> Weather radio \$1.75*
Week 7	Week 8	Week 9	Week 10	Week 11
<input type="checkbox"/> Thermometer <input type="checkbox"/> Allergy/pain reliever in a childproof container <input type="checkbox"/> Sunscreen <input type="checkbox"/> Weather radio \$1.75*	<input type="checkbox"/> 1 gallon of water <input type="checkbox"/> Feminine supplies <input type="checkbox"/> Comb & brush <input type="checkbox"/> 1 potted meat <input type="checkbox"/> Weather radio \$1.75*	<input type="checkbox"/> Towels & washcloths <input type="checkbox"/> Toothbrushes & paste <input type="checkbox"/> Shampoo, bar soap <input type="checkbox"/> Deoderant <input type="checkbox"/> Weather radio \$1.75*	<input type="checkbox"/> Umbrella/slicker <input type="checkbox"/> Scarf <input type="checkbox"/> Winter gloves <input type="checkbox"/> 1 bottle juice <input type="checkbox"/> Weather radio \$1.75*	<input type="checkbox"/> 1 gallon of water <input type="checkbox"/> 1 pkg energy snacks <input type="checkbox"/> Emergency blanket <input type="checkbox"/> Matches <input type="checkbox"/> Weather radio \$1.75*
Week 12	Week 13	Week 14	Week 15	Week 16
<input type="checkbox"/> Flashlight <input type="checkbox"/> Batteries <input type="checkbox"/> Cotton rope <input type="checkbox"/> 1 bottle juice <input type="checkbox"/> Weather radio \$1.75*	<input type="checkbox"/> 1 gallon of water <input type="checkbox"/> Screwdriver <input type="checkbox"/> Utility knife <input type="checkbox"/> Pliers <input type="checkbox"/> Weather radio \$1.75*	<input type="checkbox"/> 2 cans fruit/veggies <input type="checkbox"/> 1 pkg eating utensils <input type="checkbox"/> 1 pkg plastic cups <input type="checkbox"/> Paper towels/napkins <input type="checkbox"/> Weather radio \$1.75*	<input type="checkbox"/> Pet food & dishes <input type="checkbox"/> Extra water <input type="checkbox"/> Leash <input type="checkbox"/> Litter pan/litter <input type="checkbox"/> Weather radio \$1.75*	<input type="checkbox"/> 1 gallon of water <input type="checkbox"/> 2 cans meat/fish <input type="checkbox"/> Cell phone & charger <input type="checkbox"/> Dried fruits & nuts <input type="checkbox"/> Weather radio \$1.75*
Week 17	Week 18	Week 19	Week 20	Week 21
<input type="checkbox"/> 1 gallon of water <input type="checkbox"/> Extra flashlight <input type="checkbox"/> Extra batteries for radio & flashlight <input type="checkbox"/> 1 bottle juice <input type="checkbox"/> Weather radio \$1.75*	<input type="checkbox"/> 1 gallon of water <input type="checkbox"/> Work gloves <input type="checkbox"/> Dust mask <input type="checkbox"/> Chlorine bleach <input type="checkbox"/> Garbage bags & ties <input type="checkbox"/> Weather radio \$1.75*	<input type="checkbox"/> 1 gallon of water <input type="checkbox"/> Plastic sheeting <input type="checkbox"/> Plastic bucket & lid <input type="checkbox"/> Disinfectant <input type="checkbox"/> Notepad & pen <input type="checkbox"/> Weather radio \$1.75*	<input type="checkbox"/> 2 boxes dry cereal <input type="checkbox"/> 1 box graham crackers <input type="checkbox"/> Whistle <input type="checkbox"/> Duct tape <input type="checkbox"/> 1 pkg energy snacks <input type="checkbox"/> Weather radio \$1.75*	<input type="checkbox"/> Comfort foods <input type="checkbox"/> Scissors <input type="checkbox"/> Extra blankets <input type="checkbox"/> Small pillows <input type="checkbox"/> Water container <input type="checkbox"/> Weather radio \$1.75*

*Save \$1.75 a week and purchase your weather radio at the end of 21 weeks.

Customize your kit for your family

For baby: baby food, formula, bottles, diapers, extra water for formula and washing bottles

For seniors: oxygen, walker, adult diapers, hearing aid with extra batteries and extra medications

For pets: carrier, medicines, inoculation and health records, ID tags, photo of you with your pet(s)

For children: toys, travel games, extra batteries, stuffed animal, cards, crayons, paper, books

Daylight Savings Time: When you change your clocks, check your kit! Replace expired food, medicine and batteries. Check clothing for fit and seasons. Also change smoke and carbon monoxide detector batteries.

Item 1.

For more preparedness tips, visit redcross.org

Home Fire Escape Plan

Use the graph to draw your home's floor plan and plot your home fire escape routes.

Tips for creating your home fire escape plan and practicing your 2-minute drill:

- Everyone in your household should know *two* ways to escape from each room in your home.
- Smoke is dangerous. Get low and go!
- Decide where to meet once you get outside:

- Get out and stay out. Never go back inside for people, pets or things.
- If a fire starts, you may have less than **two minutes** to get to safety. So time your fire drills and find out: what's your escape time?



If a fire starts in your home, get out to safety, then dial 911.

You can keep your family safe with 2 simple steps.



Practice your 2-minute drill.



Test your smoke alarms monthly.



FEMA



MAKE SAFE HAPPEN®

Be Red Cross Ready

Prepare so you can protect.







**American
Red Cross**

Emergency Contact Card

Directions:

1. Print out a card for every member of your household.
2. Fill in all information.
3. Carry card to reference in the event of a disaster or other emergency.

Side 2 of the Emergency Contact Card is displayed below.

X Cut along dotted lines. X	<p>Emergency Contact Card</p> <p> American Red Cross</p> <p>Cardholder information:</p> <p>Phone: _____</p> <p>Home address: _____</p> <p>Healthcare provider: _____</p> <p>Fold here _____ Fold here</p> <p>In an emergency, call 911 or:</p> <p>Local Police: _____</p> <p>Local Fire Department: _____</p> <p>Poison Control: (800) 222-1222</p> <p>For more information, please visit redcross.org/prepare</p> <p>Be Red Cross Ready Prepare so you can protect.</p>	<p>Emergency Contact Card</p> <p> American Red Cross</p> <p>Cardholder information:</p> <p>Phone: _____</p> <p>Home address: _____</p> <p>Healthcare provider: _____</p> <p>Fold here _____ Fold here</p> <p>In an emergency, call 911 or:</p> <p>Local Police: _____</p> <p>Local Fire Department: _____</p> <p>Poison Control: (800) 222-1222</p> <p>For more information, please visit redcross.org/prepare</p> <p>Be Red Cross Ready Prepare so you can protect.</p>	X Cut along dotted lines. X
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Emergency Contact Card

Directions:

1. Print out a card for every member of your household.
2. Fill in all information.
3. Carry card to reference in the event of a disaster or other emergency.

Side 2 of the Emergency Contact Card is displayed below.

<p>Emergency Contact Card  American Red Cross</p> <p>Emergency Contacts</p> <p>Local Contacts: _____</p> <p>_____</p> <p>_____</p> <p>Fold here</p> <p>Out-of-Area Contacts: _____</p> <p>_____</p> <p>Meeting Place in Neighborhood: _____</p> <p>Meeting Place Outside of Neighborhood: _____</p> <p>_____</p> <p>253901-07 3/20</p>	<p>Emergency Contact Card  American Red Cross</p> <p>Emergency Contacts</p> <p>Local Contacts: _____</p> <p>_____</p> <p>_____</p> <p>Fold here</p> <p>Out-of-Area Contacts: _____</p> <p>_____</p> <p>Meeting Place in Neighborhood: _____</p> <p>Meeting Place Outside of Neighborhood: _____</p> <p>_____</p> <p>253901-07 3/20</p>
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**American
Red Cross**



Download the New Emergency App

Climate change is causing more extreme weather events. Download the new Emergency app to help you prepare. Search "American Red Cross" on your app store.

- We designed the app with accessibility in mind so that people of all abilities can use it.
- An easy-to-find language toggle makes it simple to change between English and Spanish.
- Customize and choose between over 40 NOAA weather alerts. Choose to receive alerts in Spanish or English.
- Learn how to prepare with step-by-step guides. We explain how climate change has impacted each hazard, so you know what to expect.
- Know what actions to take with our digital to-do list.

Item 1.

In a home fire,
can your family
safely escape
in just 2
minutes?



Home fires claim seven lives every day, but together we can help change that.

The American Red Cross is offering **free** home fire safety information and smoke alarm installations in your community!

To register for an appointment, see link and phone number at the bottom of this flyer. We will contact you when we have a team ready to install in your area. Our install teams will follow COVID-19 guidelines and will wear a mask on request.

Join our national movement and pledge to keep your family safe against home fires.

To request a free smoke alarm appointment, visit our website at SoundTheAlarm.org/SoCal or call 714-481-5334



American Red Cross
Southern California Region



City of Needles, California Request for City Council Action

CITY COUNCIL HACN

Regular Special

Meeting Date: October 8, 2024

Title: Resolution NO. 2024-7-HACN A Resolution of the Housing Authority of the City of Needles (HACN), Amending Resolution No. 2024-6-HACN, and updates the Admissions and Continued Occupancy Plan (ACOP), Public Housing Pet Policy, and Public Housing Lease Agreement by removing and replacing the previous versions.

Background: The Housing Authority of the City of Needles (HACN) received notice from the U.S. Department of Housing and Urban Development (HUD) regarding updating its plans and policies. HACN is now addressing Tier 3 of the required updates to meet HUD’s standards for the Admissions and Continued Occupancy Plan (ACOP), Public Housing Pet Policy, and Public Housing Lease Agreement. These updates will replace the current ACOP and are classified as a Significant Amendment to the HACN Annual and Five-Year Plan.

On September 13, 2024, HACN held a Resident Advisory Board (RAB) meeting at 908 Sycamore Drive, Needles, CA, at 2 p.m. During the meeting, RAB voting members provided feedback on behalf of the residents through the comment process. The RAB raised no comments or concerns regarding the proposed policies.

At the Housing Commission meeting held on September 25, 2024, members unanimously recommended that the Needles Housing Authority Board of Commissioners approve and adopt the revised Admissions and Continued Occupancy Plan (ACOP), Public Housing Pet Policy and Public Housing Lease Agreement.

Critical changes in these updates include revisions to eligibility requirements, pet policies, and the public housing lease agreement, which has not been amended since 2013. These modifications are considered a Significant Amendment to the HACN Annual and Five-Year Plan.

Attached Exhibits:

- Exhibit A: 2024 Tier 3 Admissions and Continued Occupancy Plan (ACOP)
- Exhibit B: 2024 Public Housing Pet Policy
- Exhibit C: 2024 Public Housing Lease Agreement

Fiscal Impact: None

Environmental Impact: None

Recommended Action: Approve Housing Authority of the City of Needles (HACN) Resolution No. 2024-7-HACN, Amending Resolution No. 2024-6-HACN, and updates the Admissions and Continued Occupancy Plan (ACOP), Public Housing Pet Policy, and Public Housing Lease Agreement by removing and replacing the previous versions.

Submitted By: Angelica Deermer, HACN Housing Manager

City Manager Approval: Patrick J. Martinez

Date: 10/2/2024

Other Department Approval (when required): _____

Date: _____

Approved:

Not Approved:

Tabled:

Other:

Agenda Item: _____ Item 2.

RESOLUTION NO. 2024-8-HACN

A RESOLUTION OF THE HOUSING AUTHORITY CITY OF NEEDLES (HACN) AMENDING RESOLUTION 2024-6-HACN AND UPDATES THE ADMISSIONS AND CONTINUED OCCUPANCY PLAN (ACOP), PUBLIC HOUSING PET POLICY, AND PUBLIC HOUSING LEASE AGREEMENT BY REMOVING AND REPLACING THE PREVIOUS VERSIONS.

WHEREAS, the Needles Housing Authority of the City of Needles (HACN) is required by federal statutes and regulations to adopt certain governing and operating policies for the Public Housing Program operated by HACN; and

WHEREAS, the Housing Authority of the City of Needles (HACN) received notice from the U.S. Department of Housing and Urban Development (HUD) regarding updating its plans and policies; and

WHEREAS, HACN is now addressing Tier 3 of the required updates to meet HUD's standards for the Admissions and Continued Occupancy Plan (ACOP), Public Housing Pet Policy, and Public Housing Lease Agreement. These updates will replace the current ACOP and are classified as a Significant Amendment to the HACN Annual and Five-Year Plan; and

WHEREAS, the Admissions and Continued Occupancy Plan (ACOP), the Public Housing Pet Policy, and the Public Housing Lease Agreement are subject to update and revision to account for HUD regulations as amended from time to time; and

WHEREAS, HACN desires to update the ACOP as set forth in **Exhibit "A"** attached hereto and incorporated herein by reference; and

WHEREAS, HACN desires to update the Pet Policy as set forth in **Exhibit "B"** attached hereto and incorporated herein by reference; and

WHEREAS, HACN desires to update the Public Housing Lease Agreement as set forth in **Exhibit "C"** attached hereto and incorporated herein by reference; and

WHEREAS, HACN have endeavored in good faith to set forth the basis for its decision on the proposed updates; and

WHEREAS, all of the findings and conclusions made by the Housing Authority City of Needles pursuant to this Resolution are based upon the oral and written evidence before it as a whole; and

WHEREAS, on September 13, 2024 the Needles Housing Authority held a Resident Advisory Board (RAB) meeting and no feedback was received from the voting members; and

WHEREAS, notice of a public hearing to be held at the September 25, 2024 regular meeting of the Housing Commission was published in the Needles Desert Star at least ten (10) days prior to said meeting; and

WHEREAS, on September 25, 2024, the Housing Commission met at a regular meeting to consider the proposed amendments to the ACOP; the Pet Policy, and the Public Housing Lease Agreement, and to provide an opportunity for the public to comment on the proposed updates to the ACOP, the Public Housing Pet Policy, and the Public Housing Lease Agreement; and

WHEREAS, all other legal prerequisites to the adoption of Resolution 2024-8-HACN have occurred; and

WHEREAS, the Board of Commissioners of the Housing Authority of the City of Needles (HACN) has sufficiently considered all testimony and any documentary evidence

presented to it in order to make the following determination.

NOW THEREFORE, BE IT RESOLVED by the Housing Authority of the City of Needles (HACN) as follows:

SECTION 1. Recitals. The recitals above are hereby incorporated by reference as a substantive component of this Resolution.

SECTION 2. Draft Updates. The Housing Authority City of the Needles (HACN) approve and adopt the amendments to the Admissions and Continued Occupancy Plan (ACOP) (**Exhibit “A”**), the Public Housing Pet Policy (**Exhibit “B”**), and the Public Housing Lease Agreement (**Exhibit “C”**)

SECTION 3. Effective Date. This Resolution shall be effective immediately.

SECTION 4. The HACN HEREBY FINDS AND DETERMINES that facts do exist to recommend approval of RESOLUTION NO. 2024-8-HACN.

PASSED AND ADOPTED at a regular meeting of the Housing Authority City of Needles (HACN) on October 8, 2024 by the following roll call vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

APPROVED:

Mayor Janet Jernigan

ATTEST:

Candace Clark, Assistant City Clerk

Housing Authority of the City of Needles

Admissions and Continued Occupancy Plan

October 2024

Chapter 1

OVERVIEW OF THE PROGRAM AND PLAN

INTRODUCTION

The PHA receives its operating subsidy for the public housing program from the Department of Housing and Urban Development. The PHA is not a federal department or agency. A public housing agency (PHA) is a governmental or public body, created and authorized by state law to develop and operate housing and housing programs for low-income families. The PHA enters into an Annual Contributions Contract with HUD to administer the public housing program. The PHA must ensure compliance with federal laws, regulations and notices and must establish policies and procedures to clarify federal requirements and to ensure consistency in program operation.

This chapter contains information about the PHA and its programs with emphasis on the public housing program. It also contains information about the purpose, intent and use of the plan and guide.

There are three parts to this chapter:

Part I: The Public Housing Agency (PHA). This part includes a description of the PHA, its jurisdiction, its programs, and its mission and intent.

Part II: The Public Housing Program. This part contains information about public housing operation, roles and responsibilities, and partnerships.

Part III: The Admissions and Continued Occupancy (ACOP). This part discusses the purpose and organization of the plan and its revision requirements.

PART I: THE PHA

1-I.A. OVERVIEW

This part describes the PHA's creation and authorization, the general structure of the organization, and the relationship between the PHA Board and staff.

1-I.B. ORGANIZATION AND STRUCTURE OF THE PHA

Public housing is funded by the federal government and administered by the **Housing Authority of the City of Needles** for the jurisdiction of **City of Needles, California**.

PHAs are governed by a board of officials that are generally called “commissioners.” Although some PHAs may use a different title for their officials, this document will hitherto refer to the “board of commissioners” or the “board” when discussing the board of governing officials.

Commissioners are appointed in accordance with state housing law and generally serve in the same capacity as the directors of a corporation. The board of commissioners establishes policies under which the PHA conducts business and ensures that those policies are followed by PHA staff. The board is responsible for preserving and expanding the agency’s resources and assuring the agency’s continued viability and success.

Formal actions of the PHA are taken through written resolutions, adopted by the board and entered into the official records of the PHA.

The principal staff member of the PHA is the executive director (ED), who is selected and hired by the board. The ED oversees the day-to-day operations of the PHA and is directly responsible for carrying out the policies established by the commissioners. The ED’s duties include hiring, training, and supervising the PHA’s staff, as well as budgeting and financial planning for the agency. Additionally, the ED is charged with ensuring compliance with federal and state laws, and program mandates. In some PHAs, the ED is known by another title, such as chief executive officer or president.

1-I.C. PHA MISSION

The purpose of a mission statement is to communicate the purpose of the agency to people inside and outside of the agency. It provides the basis for strategy development, identification of critical success factors, resource allocation decisions, as well as ensuring client and stakeholder satisfaction.

HACN Policy

The PHA's mission is to provide safe, decent and sanitary housing conditions for very low-income families and to manage resources efficiently. The PHA is to promote personal, economic and social upward mobility to provide families the opportunity to make the transition from subsidized to non-subsidized housing.

1-I.D. THE PHA’S COMMITMENT TO ETHICS AND SERVICE

As a public service agency, the PHA is committed to providing excellent service to all public housing applicants, residents, and the public. In order to provide superior service, the PHA resolves to:

- Administer applicable federal and state laws and regulations to achieve high ratings in compliance measurement indicators while maintaining efficiency in program operation to ensure fair and consistent treatment of clients served.
- Provide housing that is safe, habitable, functionally adequate, operable, and free of health and safety hazards—in compliance with the National Standards for the Physical Inspection of Real Estate: Inspection Standards (NSPIRE)—for very low- and low-income families.
- Achieve a healthy mix of incomes in its public housing developments by attracting and retaining higher income families and by working toward deconcentration of poverty goals.
- Encourage self-sufficiency of participant families and assist in the expansion of family opportunities which address educational, socio-economic, recreational and other human services needs.
- Promote fair housing and the opportunity for very low- and low-income families of all races, ethnicities, national origins, religions, ethnic backgrounds, and with all types of disabilities, to participate in the public housing program and its services.
- Create positive public awareness and expand the level of family and community support in accomplishing the PHA’s mission.
- Attain and maintain a high level of standards and professionalism in day-to-day management of all program components.
- Administer an efficient, high-performing agency through continuous improvement of the PHA’s support systems and commitment to our employees and their development.

The PHA will make every effort to keep residents informed of program rules and regulations, and to advise participants of how the program rules affect them.

PART II: THE PUBLIC HOUSING PROGRAM

1-II.A. OVERVIEW AND HISTORY OF THE PROGRAM

The intent of this section is to provide the public and staff an overview of the history and operation of public housing.

The United States Housing Act of 1937 (the “Act”) is responsible for the birth of federal housing program initiatives, known as public housing. The Act was intended to provide financial assistance to states and cities for public works projects, slum clearance and the development of affordable housing for low-income residents. There have been many changes to the program since its inception in 1937.

The Housing Act of 1965 established the availability of federal assistance, administered through local public agencies, to provide rehabilitation grants for home repairs and rehabilitation. This act also created the federal Department of Housing and Urban Development (HUD).

The Housing Act of 1969 created an operating subsidy for the public housing program for the first time. Until that time, public housing was a self-sustaining program.

In 1998, the Quality Housing and Work Responsibility Act (QHWRA) – also known as the Public Housing Reform Act or Housing Act of 1998 – was signed into law. Its purpose was to provide more private sector management guidelines to the public housing program and provide residents with greater choices. It also allowed PHAs more remedies to replace or revitalize severely distressed public housing developments. Highlights of the Reform Act include: the establishment of flat rents; the requirement for PHAs to develop five-year and annual plans; income targeting, a requirement that 40% of all new admissions in public housing during any given fiscal year be reserved for extremely low-income families; and resident self-sufficiency incentives.

On July 29, 2016, the Housing Opportunity Through Modernization Act of 2016 (HOTMA) was signed into law. HOTMA made numerous changes to statutes governing HUD programs, including sections of the United States Housing Act of 1937. Title I of HOTMA contains 14 different sections that impact the public housing and Section 8 programs. The Final Rule implementing broad changes to income and assets in Sections 102 and 104 of HOTMA, and for PHAs that administer the public housing program over-income provisions in Section 103, was officially published in the *Federal Register* on February 14, 2023. On September 29, 2023, HUD issued notice PIH 2023-27, which provided guidance to PHAs on the implementation of the program changes described in the Final Rule.

1-II.B. PUBLIC HOUSING PROGRAM BASICS

HUD writes and publishes regulations in order to implement public housing laws enacted by Congress. HUD contracts with the PHA to administer programs in accordance with HUD regulations and provides an operating subsidy to the PHA. The PHA must create written policies that are consistent with HUD regulations. Among these policies is the PHA's Admissions and Continued Occupancy Policy (ACOP). The ACOP must be approved by the board of commissioners of the PHA.

The job of the PHA pursuant to HUD regulations is to provide safe, habitable dwelling units to low-income families at an affordable rent. The PHA screens applicants for public housing and, if they are determined to be eligible for the program, the PHA makes an offer of a housing unit. If the applicant accepts the offer, the PHA and the applicant will enter into a written lease agreement. At this point, the applicant becomes a tenant in the public housing program.

In the context of the public housing program, a tenant is defined as the adult person(s) (other than a live-in aide who (1) executed the lease with the PHA as lessee of the dwelling unit, or, if no such person now resides in the unit, (2) who resides in the unit, and who is the remaining head of household of the tenant family residing in the dwelling unit. [24 CFR 966.53]. The Public Housing Occupancy Guidebook refers to tenants as "residents." The terms "tenant" and "resident" are used interchangeably in this policy. Additionally, this policy uses the term "family" or "families" for residents or applicants, depending on context.

Since the PHA owns the public housing development, the PHA is the landlord. The PHA must comply with all of the legal and management responsibilities of a landlord in addition to administering the program in accordance with HUD regulations and PHA policy.

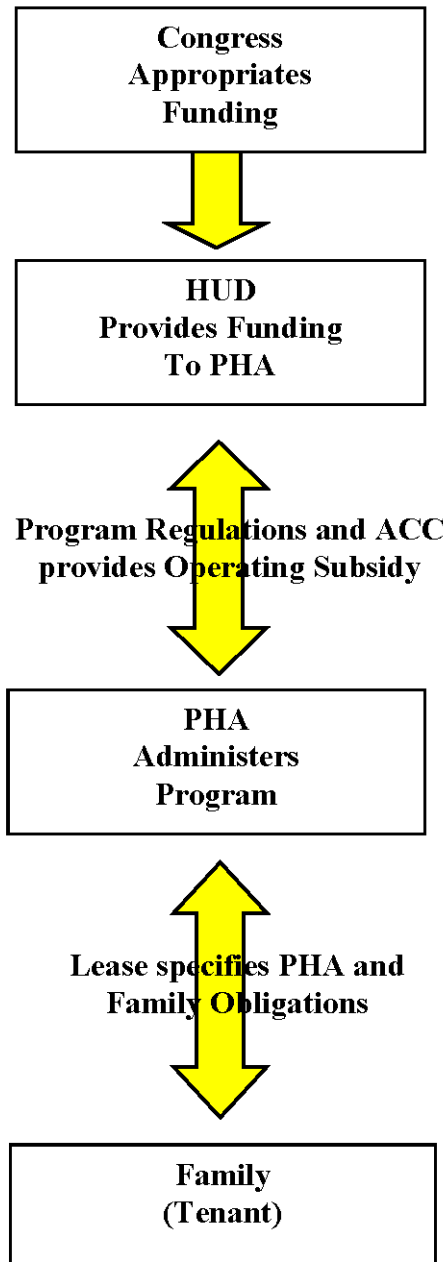
1-II.C. PUBLIC HOUSING PARTNERSHIPS

To administer the public housing program, the PHA must enter into an Annual Contributions Contract (ACC) with HUD. The PHA also enters into a contractual relationship with the tenant through the public housing lease. These contracts define and describe the roles and responsibilities of each party.

In addition to the ACC, the PHA and family must also comply with federal regulations and other HUD publications and directives. For the program to work and be successful, all parties involved – HUD, the PHA, and the tenant – play an important role.

The chart on the following page illustrates key aspects of these relationships.

The Public Housing Relationships



What does HUD do?

Federal law is the source of HUD responsibilities. HUD has the following major responsibilities:

- Develop regulations, requirements, handbooks, notices and other guidance to implement housing legislation passed by Congress
- Allocate operating subsidies to PHAs
- Allocate capital funding to PHAs
- Provide technical assistance to PHAs on interpreting and applying program requirements
- Monitor PHA compliance with program requirements and PHA performance in program administration.

What does the PHA do?

The PHA's responsibilities originate in federal regulations and the ACC. The PHA owns and manages public housing developments, administers the program under contract with HUD and has the following major responsibilities:

- Ensure compliance with all non-discrimination, equal opportunity, and fair housing laws, and ensure that the program is accessible to persons with disabilities
- Establish local policies and procedures for operating the program
- Accept applications from interested applicant families and determine whether they are income eligible for the program
- Maintain waiting list and select families for admission
- Screen applicant families for suitability as renters
- Maintain housing units by making any necessary repairs in a timely manner
- Make unit offers to families (minimize vacancies without overcrowding)
- Maintain properties to the standard of safe, habitable dwelling units (including assuring compliance with National Standards for the Physical Inspection of Real Estate (NSPIRE))
- Make sure the PHA has adequate financial resources to maintain its housing stock
- Perform regular reexaminations of family income and composition in accordance with HUD requirements
- Collect rent due from the assisted family and comply with and enforce provisions of the lease
- Ensure that families comply with program rules
- Provide families with prompt and professional service
- Comply with all fair housing and equal opportunity requirements, HUD regulations and requirements, the ACC, HUD-approved applications for funding, the PHA's ACOP, and other applicable federal, state and local laws.

What does the tenant do?

The tenant's responsibilities are articulated in the public housing lease. The tenant has the following broad responsibilities:

- Comply with the terms of the lease and PHA house rules, as applicable
- Provide the PHA with complete and accurate information, determined by the PHA to be necessary for administration of the program
- Cooperate in attending all appointments scheduled by the PHA
- Allow the PHA to inspect the unit at reasonable times and after reasonable notice
- Take responsibility for care of the housing unit, including any violations of NSPIRE caused by the family
- Not engage in drug-related or violent criminal activity
- Notify the PHA before moving or termination of the lease
- Use the assisted unit only for residence and as the sole residence of the family. Not sublet the unit or assign the lease
- Promptly notify the PHA of any changes in family composition
- Not commit fraud, bribery, or any other corrupt or criminal act in connection with any housing programs
- Take care of the housing unit and report maintenance problems to the PHA promptly

If all parties fulfill their obligations in a professional and timely manner, the program responsibilities will be fulfilled in an effective manner.

1-II.D. APPLICABLE REGULATIONS

Applicable regulations include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 35: Lead-Based Paint
- 24 CFR Part 902: Public Housing Assessment System
- 24 CFR Part 903: Public Housing Agency Plans
- 24 CFR Part 945: Designated Housing
- 24 CFR Part 960: Admission and Occupancy Policies
- 24 CFR Part 965: PHA-Owned or Leased Projects – General Provisions
- 24 CFR Part 966: Lease and Grievance Procedures

PART III: THE ADMISSIONS AND CONTINUED OCCUPANCY POLICIES

1-III.A. OVERVIEW AND PURPOSE OF THE POLICY

The ACOP is the PHA's written statement of policies used to carry out the housing program in accordance with federal law and regulations, and HUD requirements. The ACOP is required by HUD, and it must be available for public review [CFR 24 Part 903]. The ACOP also contains policies that support the objectives contained in the PHA's Agency Plan.

All issues related to public housing not addressed in this ACOP are governed by federal regulations, HUD handbooks and guidebooks, notices and applicable state and local laws. The policies in this ACOP have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding. The PHA is responsible for complying with all changes in HUD regulations pertaining to public housing. If such changes conflict with this plan, HUD regulations will have precedence.

1-III.B. CONTENTS OF THE POLICY

Unlike the housing choice voucher program, HUD regulations for public housing do not contain a list of what must be included in the ACOP. However, individual regulations contain requirements of inclusion in the PHA's written policy. At a minimum, the ACOP plan should cover PHA policies on these subjects:

- The organization of the waiting list and how families are selected and offered available units, including any PHA admission preferences, procedures for removing applicant names from the waiting list, and procedures for closing and reopening the PHA waiting list (Chapters 4 and 5);
- Transfer policies and the circumstances under which a transfer would take precedence over an admission (Chapter 12);
- Standards for determining eligibility, suitability for tenancy, and the size and type of the unit needed (Chapters 3 and 5);
- Procedures for verifying the information the family has provided (Chapter 7);
- The method for achieving deconcentration of poverty and income-mixing of public housing developments (Chapter 4);
- Grievance procedures (Chapter 14);
- Policies concerning payment by a family to the PHA of amounts the family owes the PHA (Chapter 15 and 16);
- Interim redeterminations of family income and composition (Chapter 9);
- Policies regarding community service requirements (Chapter 11);
- Policies and rules about safety and ownership of pets in public housing (Chapter 10).

Mandatory vs. Discretionary Policy

HUD makes a distinction between mandatory policies and non-mandatory policies:

- Mandatory policies: those driven by legislation, regulations, current handbooks, current PIH notices, and legal opinions from the Office of General Counsel
- Optional, non-binding guidance: includes guidebooks, FAQs, PIH notices that have expired, and recommendations from individual HUD staff.

HUD expects PHAs to develop policies and procedures that are consistent with mandatory policies and to make clear the optional policies the PHA has adopted. The ACOP is comprised of mandatory policies and optional PHA policy. HUD emphasizes the need for a clearly written and comprehensive ACOP to guide staff in the clear and consistent application of policy.

HUD suggestions, recommendations, written issuances, and guidance are consistent with mandatory federal policy. Therefore, using HUD guidance in the preparation of PHA policy, even though it is not mandatory, provides a PHA with a “safe harbor.” If a PHA adopts an alternative policy, it must make its own determination that such policy is consistent with legislation, regulations, and other mandatory requirements. There may be very good reasons for adopting a policy or procedure that is different than that suggested by HUD, but PHAs should carefully think through those decisions and be able to articulate how their policy is consistent with federal laws, regulations and mandatory policy.

1-III.C. UPDATING AND REVISING THE POLICY

The PHA will revise this ACOP as needed to comply with changes in HUD regulations. The original policy and any changes must be approved by the board of commissioners of the PHA, the pertinent sections included in the Agency Plan, and a copy provided to HUD.

HACN Policy

The PHA will review and update the ACOP as needed to reflect changes in regulations, PHA operations, or when needed to ensure staff consistency in operation.

Chapter 2

FAIR HOUSING AND EQUAL OPPORTUNITY

INTRODUCTION

This chapter explains the laws and HUD regulations requiring PHAs to affirmatively further civil rights and fair housing in all federally assisted housing programs. The letter and spirit of these laws are implemented through consistent policy and procedures. The responsibility to further nondiscrimination pertains to all areas of the PHA's public housing operations.

This chapter describes HUD regulations and PHA policies related to these topics in three parts:

Part I: Nondiscrimination. This part presents the body of laws and regulations governing the responsibilities of the PHA regarding nondiscrimination.

Part II: Policies Related to Persons with Disabilities. This part discusses the rules and policies of the public housing program related to reasonable accommodation for persons with disabilities. These rules and policies are based on the Fair Housing Act (42.U.S.C.) and Section 504 of the Rehabilitation Act of 1973, and incorporate guidance from the Joint Statement of The Department of Housing and Urban Development and the Department of Justice (DOJ), issued May 17, 2004.

Part III: Prohibition of Discrimination Against Limited English Proficiency Persons. This part details the obligations of the PHA to ensure meaningful access to the public housing program and its activities by persons with limited English proficiency (LEP). This part incorporates the Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons published January 22, 2007, in the *Federal Register*.

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PART I: NONDISCRIMINATION

2-I.A. OVERVIEW

Federal laws require PHAs to treat all applicants and tenant families equally, providing the same quality of service, regardless of family characteristics and background. Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, and disability. In addition, HUD regulations provide for additional protections regarding sexual orientation, gender identity, and marital status. The PHA will comply fully with all federal, state, and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including:

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Orders 11063 and 13988
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)
- The Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity Final Rule, published in the *Federal Register* February 3, 2012, and further clarified in Notice PIH 2014-20
- The Violence against Women Act (VAWA)
- Any applicable state laws or local ordinances and any legislation protecting individual rights of tenants, applicants, or staff that may subsequently be enacted

When more than one civil rights law applies to a situation, the laws will be read and applied together.

HACN Policy

No state or local nondiscrimination laws or ordinances apply.

2-I.B. NONDISCRIMINATION

Federal regulations prohibit discrimination against certain protected classes and other groups of people. State and local requirements, as well as PHA policies, can prohibit discrimination against additional classes of people.

The PHA shall not discriminate because of race, color, sex, religion, familial status, age, disability or national origin (called “protected classes”).

Familial status includes children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18.

The PHA will not discriminate on the basis of marital status, gender identity, or sexual orientation [FR Notice 02/03/12; Executive Order 13988].

HACN Policy

The PHA does not identify any additional protected classes.

The PHA will not use any of these factors to:

- Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to participate in the public housing program
- Provide housing that is different from that provided to others
- Subject anyone to segregation or disparate treatment
- Subject anyone to sexual harassment
- Restrict anyone's access to any benefit enjoyed by others in connection with the housing program
- Treat a person differently in determining eligibility or other requirements for admission
- Steer an applicant or tenant toward or away from a particular area based on any of these factors
- Deny anyone access to the same level of services
- Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program
- Discriminate in the provision of residential real estate transactions
- Discriminate against someone because they are related to or associated with a member of a protected class
- Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class

Providing Information to Families

The PHA must take steps to ensure that families are fully aware of all applicable civil rights laws. As part of the public housing orientation process, the PHA will provide information to public housing applicant families about civil rights requirements.

2-I.C. DISCRIMINATION COMPLAINTS

General Housing Discrimination Complaints

If an applicant or tenant family believes that any family member has been discriminated against by the PHA, the family should advise the PHA. The PHA should make every reasonable attempt to determine whether the applicant or tenant family's assertions have merit and take any warranted corrective action.

In all cases, the PHA will advise the family that they may file a fair housing complaint if the family feels they have been discriminated against under the Fair Housing Act.

HACN Policy

Applicants or tenant families who believe that they have been subject to unlawful discrimination may notify the PHA either orally or in writing.

Within 10 business days of receiving the complaint, the PHA will investigate and attempt to remedy discrimination complaints made against the PHA. The PHA will also advise the family of their right to file a fair housing complaint with HUD's Office of Fair Housing and Equal Opportunity (FHEO). The fair housing poster, posted in conspicuous and accessible locations in PHA lobbies, will reference how to file a complaint with FHEO.

The PHA will keep a record of all complaints, investigations, notices, and corrective actions. (See Chapter 16.)

Complaints under the Equal Access Final Rule [Notice PIH 2014-20]

Notice PIH 2014-20 requires an articulated complaint process for allegations of discrimination under the Equal Access Final rule. The Equal Access Final Rule requires that PHAs provide equal access regardless of marital status, gender identity, or sexual orientation. The PHA will be informed on these obligations by the HUD Field Office or FHEO when an Equal Access complaint investigation begins.

HACN Policy

Applicants or tenant families who believe that they have been subject to unlawful discrimination based on marital status, gender identity, or sexual orientation under the Equal Access Rule may notify the PHA either orally or in writing.

Within 10 business days of receiving the complaint, the PHA will provide a written notice to those alleged to have violated the rule. The PHA will also send a written notice to the complainant informing them that notice was sent to those alleged to have violated the rule, as well as information on how to complete and submit a housing discrimination complaint form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).

The PHA will attempt to remedy discrimination complaints made against the PHA and will conduct an investigation into all allegations of discrimination.

Within 10 business days following the conclusion of the PHA's investigation, the PHA will provide the complainant and those alleged to have violated the rule with findings and either a proposed corrective action plan or an explanation of why corrective action is not warranted.

The PHA will keep a record of all complaints, investigations, notices, and corrective actions. (See Chapter 16.)

VAWA Complaint Processing [Notice FHEO 2023-01]

A complainant may, not later than one year after an alleged VAWA violation has occurred or terminated, file a complaint with FHEO alleging such violation. If there is a violation that began prior to a year before the complaint is filed, but it continues into the one-year time period, HUD will accept the complaint. FHEO will investigate the complaint if it is timely and FHEO otherwise has jurisdiction. If a complaint is filed more than one year after the alleged violation occurred or terminated, FHEO may, but is not required to, investigate the allegations under the additional authority and procedures described in FHEO 2023-01.

Complaints do not need to allege a violation of the Fair Housing Act for FHEO to accept and investigate the complaint.

HACN Policy

Applicants or tenant families who wish to file a VAWA complaint against the PHA may notify the PHA either orally or in writing.

The PHA will advise the family of their right to file a VAWA complaint with HUD's Office of Fair Housing and Equal Opportunity (FHEO). The PHA will inform the family that not later than one year after an alleged VAWA violation has occurred or terminated, applicants and tenants who believe they have been injured by a VAWA violation or will be injured by such a violation that is about to occur may file a VAWA complaint using FHEO's online complaint form via mail, email, or telephone.

The PHA will attempt to remedy complaints made against the PHA and will conduct an investigation into all allegations of discrimination.

The PHA will keep a record of all complaints, investigations, notices, and corrective actions. (See Chapter 16.)

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PART II: POLICIES RELATED TO PERSONS WITH DISABILITIES

2-II.A. OVERVIEW

One type of disability discrimination prohibited by the Fair Housing Act is the refusal to make reasonable accommodation in rules, policies, practices, or services when such accommodation may be necessary to afford a person with a disability the equal opportunity to use and enjoy a program or dwelling under the program.

The PHA must ensure that persons with disabilities have full access to the PHA's programs and services. This responsibility begins with the first inquiry of an interested family and continues through every programmatic area of the public housing program [24 CFR 8].

The PHA must provide a notice to each tenant that the tenant may, at any time during the tenancy, request reasonable accommodation of a handicap of a household member, including reasonable accommodation so that the tenant can meet lease requirements or other requirements of tenancy [24 CFR 966.7(b)].

HACN Policy

The PHA will ask all applicants and resident families if they require any type of accommodations, in writing, on the intake application, reexamination documents, and notices of adverse action by the PHA, by including the following language:

“If you or anyone in your family is a person with disabilities, and you require a specific accommodation in order to fully utilize our programs and services, please contact the housing authority.”

A specific position and phone number will be provided as the contact person for requests for accommodation for persons with disabilities.

The PHA will display posters and other housing information and signage in locations throughout the PHA's office in such a manner as to be easily readable from a wheelchair.

2-II.B. DEFINITION OF REASONABLE ACCOMMODATION

A “reasonable accommodation” is a change, exception, or adjustment to a policy, practice or service that may be necessary for a person with a disability to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces. Since policies and services may have a different effect on persons with disabilities than on other persons, treating persons with disabilities exactly the same as others will sometimes deny them an equal opportunity to use and enjoy a dwelling. [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act]

Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for the PHA, or result in a “fundamental alteration” in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of a provider’s operations.

Types of Reasonable Accommodations

When it is reasonable (see definition above and Section 2-II.E), the PHA shall accommodate the needs of a person with disabilities. Examples include but are not limited to:

- Permitting applications and reexaminations to be completed by mail
- Providing “large-print” forms
- Conducting home visits
- Permitting a higher utility allowance for the unit if a person with disabilities requires the use of specialized equipment related to the disability
- Modifying or altering a unit or physical system if such a modification or alteration is necessary to provide equal access to a person with a disability
- Installing a ramp into a dwelling or building
- Installing grab bars in a bathroom
- Installing visual fire alarms for hearing impaired persons
- Allowing a PHA-approved live-in aide to reside in the unit if that person is determined to be essential to the care of a person with disabilities, is not obligated for the support of the person with disabilities, and would not be otherwise living in the unit.
- Providing a designated handicapped-accessible parking space
- Allowing an assistance animal
- Permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with PHA staff
- Displaying posters and other housing information in locations throughout the PHA's office in such a manner as to be easily readable from a wheelchair

2-II.C. REQUEST FOR AN ACCOMMODATION

If an applicant or participant indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed because of a disability, HUD requires that the PHA treat the information as a request for a reasonable accommodation, even if no formal request is made [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

The family must explain what type of accommodation is needed to provide the person with the disability full access to the PHA's programs and services.

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

HACN Policy

The PHA will require the family to make its request in writing. If the family is unable to do so, the PHA will assist the family in completing a written request.

2-II.D. VERIFICATION OF DISABILITY

The regulatory civil rights definition for persons with disabilities is provided in Exhibit 2-1 at the end of this chapter. The definition of a person with a disability for the purpose of obtaining a reasonable accommodation is much broader than the HUD definition of disability which is used for waiting list preferences and income allowances.

Before providing an accommodation, the PHA must determine that the person meets the definition of a person with a disability, and that the accommodation will enhance the family's access to the PHA's programs and services.

If a person's disability is obvious or otherwise known to the PHA, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to the PHA, the PHA must verify that the person meets the definition of a person with a disability, and that the limitations imposed by the disability require the requested accommodation.

When verifying a disability, the PHA will follow the verification policies provided in Chapter 7. All information related to a person's disability will be treated in accordance with the confidentiality policies provided in Chapter 16 (Program Administration). In addition to the general requirements that govern all verification efforts, the following requirements apply when verifying a disability:

- Third-party verification must be obtained from an individual identified by the family who is competent to make the determination. A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may provide verification of a disability [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].
- The PHA must request only information that is necessary to evaluate the disability-related need for the accommodation. The PHA may not inquire about the nature or extent of any disability.
- Medical records will not be accepted or retained in the participant file.
- In the event that the PHA does receive confidential information about a person's specific diagnosis, treatment, or the nature or severity of the disability, the PHA will dispose of it. In place of the information, the PHA will note in the file that the disability and other requested information have been verified, the date the verification was received, and the name and address of the knowledgeable professional who sent the information [Notice PIH 2010-26].

2-II.E. APPROVAL/DENIAL OF A REQUESTED ACCOMMODATION [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act, Notice PIH 2010-26]

The PHA must approve a request for an accommodation if the following three conditions are met.

- The request was made by or on behalf of a person with a disability.
- There is a disability-related need for the accommodation.
- The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden on the PHA, or fundamentally alter the nature of the PHA's operations.

Requests for accommodations must be assessed on a case-by-case basis. The determination of undue financial and administrative burden must be made on a case-by-case basis involving various factors, such as the overall size of the PHA's program with respect to the number of employees, type of facilities and size of budget, type of operation including composition and structure of workforce, the nature and cost of the requested accommodation, and the availability of alternative accommodations that would effectively meet the family's disability-related needs.

Before making a determination whether to approve the request, the PHA may enter into discussion and negotiation with the family, request more information from the family, or may require the family to sign a consent form so that the PHA may verify the need for the requested accommodation.

HACN Policy

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

If the PHA denies a request for an accommodation because there is no relationship, or connection, found between the disability and the requested accommodation, the notice will inform the family of the right to appeal the PHA's decision through an informal hearing (if applicable) or the grievance process (see Chapter 14).

If the PHA denies a request for an accommodation because it is not reasonable (it would impose an undue financial and administrative burden or fundamentally alter the nature of the PHA's operations), the PHA will discuss with the family whether an alternative accommodation could effectively address the family's disability-related needs without a fundamental alteration to the public housing program and without imposing an undue financial and administrative burden.

If the PHA believes that the family has failed to identify a reasonable alternative accommodation after interactive discussion and negotiation, the PHA will notify the family, in writing, of its determination within 10 business days from the date of the most recent discussion or communication with the family. The notice will inform the family of the right to appeal the PHA's decision through an informal hearing (if applicable) or the grievance process (see Chapter 14).

2-II.F. PROGRAM ACCESSIBILITY FOR PERSONS WITH HEARING OR VISION IMPAIRMENTS

HUD regulations require the PHA to take reasonable steps to ensure that persons with disabilities related to hearing and vision have reasonable access to the PHA's programs and services [24 CFR 8.6].

At the initial point of contact with each applicant, the PHA shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.

HACN Policy

To meet the needs of persons with hearing impairments, TTD/TTY (text telephone display / teletype) communication will be available.

To meet the needs of persons with vision impairments, large-print and audio versions of key program documents will be made available upon request. When visual aids are used in public meetings or presentations, or in meetings with PHA staff, one-on-one assistance will be provided upon request.

Additional examples of alternative forms of communication are sign language interpretation; having material explained orally by staff; or having a third party representative (a friend, relative or advocate, named by the applicant) to receive, interpret and explain housing materials and be present at all meetings.

2-II.G. PHYSICAL ACCESSIBILITY

The PHA must comply with a variety of regulations pertaining to physical accessibility, including the following.

- Notice PIH 2010-26
- Section 504 of the Rehabilitation Act of 1973
- The Americans with Disabilities Act of 1990
- The Architectural Barriers Act of 1968
- The Fair Housing Act of 1988

The PHA's policies concerning physical accessibility must be readily available to applicants and resident families. They can be found in three key documents.

- This policy, the Admissions and Continued Occupancy Policy, describes the key policies that govern the PHA's responsibilities with regard to physical accessibility.
- Notice PIH 2010-26 summarizes information about pertinent laws and implementing regulations related to nondiscrimination and accessibility in federally-funded housing programs.
- The PHA Plan provides information about self-evaluation, needs assessment, and transition plans.

The design, construction, or alteration of PHA facilities must conform to the Uniform Federal Accessibility Standards (UFAS). Notice PIH 2010-26 contains specific information on calculating the percentages of units for meeting UFAS requirements.

Newly-constructed facilities must be designed to be readily accessible to and usable by persons with disabilities. Alterations to existing facilities must be accessible to the maximum extent feasible, defined as not imposing an undue financial and administrative burden on the operations of the public housing program.

2-II.H. DENIAL OR TERMINATION OF ASSISTANCE

A PHA's decision to deny or terminate the assistance of a family that includes a person with disabilities is subject to consideration of reasonable accommodation [24 CFR 966.7].

When applicants with disabilities are denied assistance, the notice of denial must inform them of their right to request an informal hearing [24 CFR 960.208(a)].

When a family's lease is terminated, the notice of termination must inform the family of their right to request a hearing in accordance with the PHA's grievance process [24 CFR 966.4(1)(3)(ii)].

When reviewing reasonable accommodation requests, the PHA must consider whether reasonable accommodation will allow the family to overcome the problem that led to the PHA's decision to deny or terminate assistance. If a reasonable accommodation will allow the family to meet the requirements, the PHA must make the accommodation [24 CFR 966.7].

In addition, the PHA must provide reasonable accommodation for persons with disabilities to participate in the hearing process [24 CFR 966.56(h)].

**PART III: IMPROVING ACCESS TO SERVICES FOR PERSONS WITH
LIMITED ENGLISH PROFICIENCY (LEP)**

2-III.A. OVERVIEW

Language for Limited English Proficiency Persons (LEP) can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the public housing program. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally-assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin. This part incorporates the Final Guidance to Federal Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons, published January 22, 2007, in the *Federal Register*.

The PHA will take affirmative steps to communicate with people who need services or information in a language other than English. These persons will be referred to as Persons with Limited English Proficiency (LEP).

LEP persons are defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this Admissions and Continued Occupancy Policy, LEP persons are public housing applicants and resident families, and parents and family members of applicants and resident families.

In order to determine the level of access needed by LEP persons, the PHA will balance the following four factors: (1) the number or proportion of LEP persons eligible to be served or likely to be encountered by the public housing program; (2) the frequency with which LEP persons come into contact with the program; (3) the nature and importance of the program, activity, or service provided by the program to people's lives; and (4) the resources available to the PHA and costs. Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on the PHA.

2-III.B. ORAL INTERPRETATION

The PHA will offer competent interpretation services free of charge, upon request, to the LEP person.

HACN Policy

The PHA will utilize a language line for telephone interpreter services.

When exercising the option to conduct remote hearings, however, the PHA will coordinate with a remote interpretation service which, when available, uses video conferencing technology rather than voice-only interpretation.

Where LEP persons desire, they will be permitted to use, at their own expense, an interpreter of their own choosing, in place of or as a supplement to the free language services offered by the PHA. The PHA, at its discretion, may choose to use the language services even when LEP persons desire to use an interpreter of their choosing. The interpreter may be a family member or friend. If the interpreter chosen by the family is a minor, the PHA will not rely as on the minor to serve as the interpreter.

The PHA will analyze the various kinds of contacts it has with the public, to assess language needs and decide what reasonable steps should be taken. "Reasonable steps" may not be reasonable where the costs imposed substantially exceed the benefits.

Where feasible and possible, according to its language assistance plan (LAP), the PHA will train and hire bilingual staff to be available to act as interpreters and translators, will pool resources with other PHAs, and will standardize documents.

2-III.C. WRITTEN TRANSLATION

Translation is the replacement of a written text from one language into an equivalent written text in another language.

HACN Policy

In order to comply with written-translation obligations, the PHA will take the following steps:

The PHA will provide written translations of vital documents for each eligible LEP language group that constitutes 5 percent or 1,000 persons, whichever is less, of the population of persons eligible to be served or likely to be affected or encountered. Translation of other documents, if needed, can be provided orally; or

If there are fewer than 50 persons in a language group that reaches the 5 percent trigger, the PHA may not translate vital written materials, but will provide written notice in the primary language of the LEP language group of the right to receive competent oral interpretation of those written materials, free of cost.

2-III.D. IMPLEMENTATION PLAN

After completing the four-factor analysis and deciding what language assistance services are appropriate, the PHA shall determine whether it is necessary to develop a written implementation plan to address the identified needs of the LEP populations it serves.

If the PHA determines that it is not necessary to develop a written implementation plan, the absence of a written plan does not obviate the underlying obligation to ensure meaningful access by LEP persons to the PHA's public housing program and services.

HACN Policy

If it is determined that the PHA serves very few LEP persons, and the PHA has very limited resources, the PHA will not develop a written LEP plan, but will consider alternative ways to articulate in a reasonable manner a plan for providing meaningful access. Entities having significant contact with LEP persons, such as schools, grassroots and faith-based organizations, community groups, and groups working with new immigrants will be contacted for input into the process.

If the PHA determines it is appropriate to develop a written LEP plan, the following five steps will be taken: (1) Identifying LEP individuals who need language assistance; (2) identifying language assistance measures; (3) training staff; (4) providing notice to LEP persons; and (5) monitoring and updating the LEP plan.

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EXHIBIT 2-1: DEFINITION OF A PERSON WITH A DISABILITY UNDER FEDERAL CIVIL RIGHTS LAWS [24 CFR Parts 8.3 and 100.201]

A person with a disability, as defined under federal civil rights laws, is any person who:

- Has a physical or mental impairment that substantially limits one or more of the major life activities of an individual, or
- Has a record of such impairment, or
- Is regarded as having such impairment

The phrase “physical or mental impairment” includes:

- Any physiological disorder or condition, cosmetic or disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or
- Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term “physical or mental impairment” includes, but is not limited to: such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

“Major life activities” includes, but is not limited to, caring for oneself, performing manual tasks, walking, seeing, hearing, breathing, learning, and/or working.

“Has a record of such impairment” means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major live activities.

“Is regarded as having an impairment” is defined as having a physical or mental impairment that does not substantially limit one or more major life activities but is treated by a public entity (such as the PHA) as constituting such a limitation; has none of the impairments defined in this section but is treated by a public entity as having such an impairment; or has a physical or mental impairment that substantially limits one or more major life activities, only as a result of the attitudes of others toward that impairment.

The definition of a person with disabilities does not include:

- Current illegal drug users
- People whose alcohol use interferes with the rights of others
- Persons who objectively pose a direct threat or substantial risk of harm to others that cannot be controlled with a reasonable accommodation under the public housing program

The above definition of disability determines whether an applicant or participant is entitled to any of the protections of federal disability civil rights laws. Thus, a person who does not meet this definition of disability is not entitled to a reasonable accommodation under federal civil rights and fair housing laws and regulations.

The HUD definition of a person with a disability is much narrower than the civil rights definition of disability. The HUD definition of a person with a disability is used for purposes of receiving the disabled family preference, the \$400 elderly/disabled household deduction, the allowance for medical expenses, or the allowance for disability assistance expenses.

The definition of a person with a disability for purposes of granting a reasonable accommodation request is much broader than the HUD definition of disability. Many people will not qualify as a disabled person under the public housing program, yet an accommodation is needed to provide equal opportunity.

Chapter 3

ELIGIBILITY

INTRODUCTION

The PHA is responsible for ensuring that every individual and family admitted to the public housing program meets all program eligibility requirements. This includes any individual approved to join the family after the family has been admitted to the program. The family must provide any information needed by the PHA to confirm eligibility and determine the level of the family's assistance.

To be eligible for the public housing program:

- The applicant family must:
 - Qualify as a family as defined by HUD and the PHA.
 - Have income at or below HUD-specified income limits.
 - Qualify on the basis of citizenship or the eligible immigrant status of family members.
 - Provide social security number information for household members as required.
 - Consent to the PHA's collection and use of family information as provided for in PHA-provided consent forms.
 - Not currently be receiving a duplicative subsidy.
 - Meet net asset and property ownership restriction requirements.
- The PHA must determine that the current or past behavior of household members does not include activities that are prohibited by HUD or the PHA.

This chapter contains three parts:

Part I: Definitions of Family and Household Members. This part contains HUD and PHA definitions of family and household members and explains initial and ongoing eligibility issues related to these members.

Part II: Basic Eligibility Criteria. This part discusses income eligibility, and rules regarding citizenship, social security numbers, and family consent.

Part III: Denial of Admission. This part covers factors related to an applicant's past or current conduct (e.g., criminal activity) that can cause the PHA to deny admission as well as the asset limitation for public housing.

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PART I: DEFINITIONS OF FAMILY AND HOUSEHOLD MEMBERS

3-I.A. OVERVIEW

Some eligibility criteria and program rules vary depending upon the composition of the family requesting assistance. In addition, some requirements apply to the family as a whole and others apply to individual persons who will live in the public housing unit. This part provides information that is needed to correctly identify family and household members and explains HUD's eligibility rules.

3-I.B. FAMILY AND HOUSEHOLD [24 CFR 5.105(a)(2), 24 CFR 5.403, FR Notice 02/03/12, Notice PIH 2014-20, Notice PIH 2023-27, and FR Notice 2/14/23]

The terms *family* and *household* have different meanings in the public housing program.

Family

To be eligible for admission, an applicant must qualify as a family. *Family* as defined by HUD, includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status, a single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; an otherwise eligible youth who has attained at least 18 years of age and not more than 24 years of age and who has left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act (42 U.S.C. 675(5)(H)), and is homeless or is at risk of becoming homeless at age 16 or older; or a group of persons residing together. Such group includes, but is not limited to, a family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family), an elderly family, a near-elderly family, a disabled family, a displaced family, and the remaining member of a tenant family. The PHA has the discretion to determine if any other group of persons qualifies as a family.

Gender Identity means actual or perceived gender characteristics.

Sexual orientation means homosexuality, heterosexuality, or bisexuality.

HACN Policy

A family also includes two or more individuals who are not related by blood, marriage, adoption, or other operation of law, but who either can demonstrate that they have lived together previously or certify that each individual's income and other resources will be available to meet the needs of the family.

Each family must identify the individuals to be included in the family at the time of application and must update this information if the family's composition changes.

Household

Household is a broader term that includes additional people who, with the PHA's permission, live in a public housing unit, such as live-in aides, foster children, and foster adults.

3-I.C. FAMILY BREAKUP AND REMAINING MEMBER OF TENANT FAMILY

Family Breakup

Except under the following conditions, the PHA has discretion to determine which members of an assisted family continue to receive assistance if the family breaks up:

- If the family breakup results from an occurrence of domestic violence, dating violence, sexual assault, stalking, or human trafficking, the PHA must ensure that the victim retains assistance. (For documentation requirements and policies related to domestic violence, dating violence, sexual assault, stalking, and human trafficking see section 16-VII.D of this ACOP.)
- If a court determines the disposition of property between members of the assisted family, the PHA is bound by the court's determination of which family members continue to receive assistance.

HACN Policy

When a family on the waiting list breaks up into two otherwise eligible families, only one of the new families may retain the original application date. Other former family members may submit a new application with a new application date if the waiting list is open.

If a family breaks up into two otherwise eligible families while living in public housing, only one of the new families will retain occupancy of the unit.

If a court determines the disposition of property between members of an applicant or resident family, the PHA will abide by the court's determination.

In the absence of a judicial decision or an agreement among the original family members, the PHA will determine which family will retain their placement on the waiting list or continue in occupancy. In making its determination, the PHA will take into consideration the following factors: (1) the interest of any minor children, including custody arrangements; (2) the interest of any ill, elderly, or disabled family members; (3) the interest of any family member who is or has been the victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking, including a family member who was forced to leave a public housing unit as a result of such actual or threatened abuse, and provides documentation in accordance with section 16-VII.D of this ACOP; (4) any possible risks to family members as a result of criminal activity, and (5) the recommendations of social service professionals.

Remaining Member of a Tenant Family [24 CFR 5.403]

The HUD definition of family includes the *remaining member of a tenant family*, which is a member of a resident family who remains in the unit when other members of the family have left the unit [PH Occ GB, p. 26]. Household members such as live-in aides, foster children, and foster adults do not qualify as remaining members of a family.

If dependents are the only “remaining members of a tenant family” and there is no family member able to assume the responsibilities of the head of household, see Chapter 6, Section 6-I.B, for the policy on “Caretakers for a Child.”

3-I.D. HEAD OF HOUSEHOLD [24 CFR 5.504(b)]

Head of household means the adult member of the family who is considered the head for purposes of determining income eligibility and rent. The head of household is responsible for ensuring that the family fulfills all of its responsibilities under the program, alone or in conjunction with a cohead or spouse.

PHA Policy

The family may designate any qualified family member as the head of household.

The head of household must have the legal capacity to enter into a lease under state and local law. A minor who is emancipated under state law may be designated as head of household.

3-I.E. SPOUSE, COHEAD, AND OTHER ADULT

A family may have a spouse or cohead, but not both [HUD-50058 IB, p. 13].

Spouse means the marriage partner of the head of household.

HACN Policy

A *marriage partner* includes the partner in a "common law" marriage as defined in state law. The term "spouse" does not apply to friends, roommates, or significant others who are not marriage partners. A minor who is emancipated under state law may be designated as a spouse.

A *cohead* is an individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all of its responsibilities under the program, but who is not a spouse. A family can have only one cohead.

HACN Policy

Minors who are emancipated under state law may be designated as a cohead.

Other adult means a family member, other than the head, spouse, or cohead, who is 18 years of age or older. Foster adults and live-in aides are not considered other adults [HUD-50058 IB, p. 14].

3-I.F. DEPENDENTS AND MINORS [24 CFR 5.603]

A *minor* is a member of the family, other than the head of family or spouse, who is under 18 years of age.

A *dependent* is a family member who is under 18 years of age or a person of any age who is a person with a disability or a full-time student, except that the following persons can never be dependents: the head of household, spouse, cohead, foster children/adults and live-in aides. Identifying each dependent in the family is important because each dependent qualifies the family for a deduction from annual income as described in Chapter 6.

Joint Custody of Dependents

HACN Policy

Dependents that are subject to a joint custody arrangement will be considered a member of the family if they live with the applicant or resident family 50 percent or more of the time.

When more than one applicant or assisted family (regardless of program) are claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family should claim them, the PHA will make the determination based on available documents such as court orders, an IRS income tax return showing which family has claimed the child for income tax purposes, school records, or other credible documentation.

3-I.G. FULL-TIME STUDENT [24 CFR 5.603]

A *full-time student* (FTS) is a person who is attending school or vocational training on a full-time basis. The time commitment or subject load that is needed to determine if attendance is full-time is defined by the educational institution.

Identifying each FTS is important because (1) each family member that is an FTS, other than the head, spouse, or cohead, qualifies the family for a dependent deduction and (2) the income of such an FTS is treated differently from the income of other family members.

3-I.H. ELDERLY AND NEAR-ELDERLY PERSONS, AND ELDERLY FAMILY [24 CFR 5.100, 5.403, 945.105, and FR Notice 02/03/12]

Elderly Persons

An *elderly person* is a person who is at least 62 years of age.

Near-Elderly Persons

A *near-elderly person* is a person who is 50-61 years of age.

Elderly Family

An *elderly family* is one in which the head, spouse, cohead, or sole member is an elderly person. Identifying elderly families is important because these families qualify for the elderly family allowance and the medical allowance as described in Chapter 6 and may qualify for a particular type of development as noted in Chapter 4.

3-I.I. PERSONS WITH DISABILITIES AND DISABLED FAMILY [24 CFR 5.403, FR Notice 02/03/12]

Persons with Disabilities

Under the public housing program, special rules apply to persons with disabilities and to any family whose head, spouse, or cohead is a person with disabilities. The technical definitions of individual with handicaps and persons with disabilities are provided in Exhibit 3-1 at the end of this chapter. These definitions are used for a number of purposes including ensuring that persons with disabilities are not discriminated against based upon disability.

As discussed in Chapter 2, the PHA must make all aspects of the public housing program accessible to persons with disabilities and consider requests for reasonable accommodations when a person's disability limits their full access to the unit, the program, or the PHA's services.

Disabled Family

A *disabled family* is one in which the head, spouse, or cohead is a person with disabilities. Identifying disabled families is important because these families qualify for the disabled family allowance and the medical allowance as described in Chapter 6 and may qualify for a particular type of development as noted in Chapter 4.

Even though persons with drug or alcohol dependencies are considered persons with disabilities for the purpose of non-discrimination, this does not prevent the PHA from denying admission or taking action under the lease for reasons related to alcohol and drug abuse in accordance with the policies found in Part III of this chapter and in Chapter 13.

3-I.J. GUESTS [24 CFR 5.100]

A *guest* is defined as a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant.

The lease must provide that the tenant has the right to exclusive use and occupancy of the leased unit by the members of the household authorized to reside in the unit in accordance with the lease, including reasonable accommodation of their guests [24 CFR 966.4(d)]. The head of household is responsible for the conduct of visitors and guests, inside the unit as well as anywhere on or near PHA premises [24 CFR 966.4(f)].

HACN Policy

A resident family must notify the PHA when overnight guests will be staying in the unit for more than three days. A guest can remain in the unit no longer than 14 consecutive days or a total of 30 cumulative calendar days during any 12-month period. Notification must be made in writing and must include the guests names and other information deemed pertinent to perform a ‘soft’ background check of sex offender data bases to ensure the safety of other tenant. Registered sex offenders will not be permitted as guests.

A family may request an exception to this policy for valid reasons (e.g., care of a relative recovering from a medical procedure expected to last 20 consecutive days). An exception will not be made unless the family can identify and provide documentation of the residence to which the guest will return. Requests for exceptions will be approved at the discretion of the PHA

Children who are subject to a joint custody arrangement or for whom a family has visitation privileges, that are not included as a family member because they live outside of the public housing unit more than 50 percent of the time, are not subject to the time limitations of guests as described above.

Former residents who have been evicted are not permitted as overnight guests.

Guests who represent the public housing unit address as their residence address or address of record for receipt of benefits or any other purposes will be considered unauthorized occupants. In addition, guests who remain in the unit beyond the allowable time limit will be considered to be unauthorized occupants, and their presence constitutes a violation of the lease.

3-I.K. FOSTER CHILDREN AND FOSTER ADULTS [24 CFR 5.603]

A *foster adult* is a member of the household who is 18 years of age or older and meets the definition of a foster adult under state law. In general, a foster adult is a person who is 18 years of age or older, is unable to live independently due to a debilitating physical or mental condition, and is placed with the family by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction.

A *foster child* is a member of the household who meets the definition of a foster child under state law. In general, a foster child is placed with the family by an authorized placement agency (e.g., public child welfare agency) or by judgment, decree, or other order of any court of competent jurisdiction.

Foster children and foster adults that are living with an applicant or resident family are considered household members but not family members. The income of foster children/adults is not counted in family annual income and foster children/adults do not qualify for a dependent deduction [24 CFR 5.603 and HUD-50058 IB, pp. 13-14].

HACN Policy

A foster child or foster adult may be allowed to reside in the unit if their presence would not overcrowd the unit.

Children that are temporarily absent from the home as a result of placement in foster care are discussed in Section 3-I.L.

3-I.L. ABSENT FAMILY MEMBERS

Individuals may be temporarily or permanently absent from the unit for a variety of reasons including educational activities, placement in foster care, employment, and illness.

Definitions of Temporarily and Permanently Absent

HACN Policy

Generally, an individual who is or is expected to be absent from the public housing unit for 180 consecutive days or less is considered temporarily absent and continues to be considered a family member. Generally, an individual who is or is expected to be absent from the public housing unit for more than 180 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

Absent Students

HACN Policy

When someone who has been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to the PHA indicating that the student has established a separate household or the family declares that the student has established a separate household.

Absences Due to Placement in Foster Care [24 CFR 5.403]

Children temporarily absent from the home as a result of placement in foster care are considered members of the family.

HACN Policy

If a child has been placed in foster care, the PHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member. In the event the PHA is unable to verify information with an agency, the responsible guardian for the minor may supply the verification via 3rd party documentation.

Absent Head, Spouse, or Cohead

HACN Policy

An employed head, spouse, or cohead absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member.

Individuals Confined for Medical Reasons

HACN Policy

An individual permanently confined to a nursing home or hospital may not be named a family head, spouse, or cohead but may continue to be a family member at the family's discretion. The family has a choice with regard to how the permanently confined individual's income will be counted. The family may elect either of the following:

Include the individual's income and receive the allowable deductions related to the medical care of the permanently confined individual.

Exclude the individual's income and do not receive the allowances related to the medical care of the permanently confined individual.

If there is a question about the status of a family member, the PHA will request verification from a responsible medical professional and will use this determination. If the responsible medical professional cannot provide a determination, the person generally will be considered temporarily absent. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

Return of Permanently Absent Family Members

HACN Policy

The family must request PHA approval for the return of any adult family members that the PHA has determined to be permanently absent. The individual is subject to the eligibility and screening requirements discussed in this chapter.

3-I.M. LIVE-IN AIDE

Live-in aide means a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who: (1) is determined to be essential to the care and well-being of the person(s), (2) is not obligated for the support of the person(s), and (3) would not be living in the unit except to provide the necessary supportive services [24 CFR 5.403].

The PHA must approve a live-in aide if needed as a reasonable accommodation for a person with disabilities in accordance with 24 CFR 8.

A live-in aide is considered a household member but not a family member. The income of the live-in aide is not counted in determining the annual income of the family [24 CFR 5.609(c)(5)]. Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide. However, a relative who serves as a live-in aide is not considered a family member and would not be considered a remaining member of a tenant family.

PHA Policy

A family's request for a live-in aide must be made in writing. The PHA will verify the need for a live-in aide, if necessary, with a reliable, knowledgeable professional as provided by the family, such as a doctor, social worker, or case worker. For continued approval, the family may be required to submit a new, written request—subject to PHA verification—at each annual reexamination.

In addition, the family and live-in aide will be required to submit a certification stating that the live-in aide is (1) not obligated for the support of the person(s) needing the care, and (2) would not be living in the unit except to provide the necessary supportive services.

The PHA has the discretion not to approve a particular person as a live-in aide, and may withdraw such approval, if [24 CFR 966.4(d)(3)(i)]:

The person commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;

The person has a history of drug-related criminal activity, violent criminal activity, or is a registered sex offender; or

The person currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

Within 10 business days of receiving a request for a live-in aide, including all required documentation related to the request, the PHA will notify the family of its decision in writing.

PART II: BASIC ELIGIBILITY CRITERIA

3-II.A. INCOME ELIGIBILITY AND TARGETING

Income Limits

HUD is required by law to establish income limits that determine the income eligibility of applicants for HUD's assisted housing programs, including the public housing program. The income limits are published annually and are based on HUD estimates of the median incomes for families of different sizes in a particular area or county.

Types of Low-Income Families [24 CFR 5.603(b)]

Low-income family. A family whose annual income does not exceed 80 percent of the median income for the area, adjusted for family size.

Very low-income family. A family whose annual income does not exceed 50 percent of the median income for the area, adjusted for family size.

Extremely low-income family. A family whose annual income does not exceed the federal poverty level or 30 percent of the median income for the area, whichever number is higher.

Area median income is determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30, 50, or 80 percent of the median income for an area if HUD finds that such variations are necessary because of unusually high or low family incomes.

HUD also publishes over-income limits annually, but these are not used at admission. Over-income limits will be discussed in Chapter 13.

Using Income Limits for Eligibility [24 CFR 960.201 and Notice PIH 2023-27]

Income limits are used to determine eligibility at admission. Eligibility is established by comparing a family's annual income with HUD's published income limits. To be income-eligible, a family must be a *low-income* family. Income and net family assets of household members are excluded when determining income eligibility; however, household members are considered for purposes of unit size and subsidy standards.

Using Income Limits for Targeting [24 CFR 960.202(b)]

At least 40 percent of the families admitted from the PHA waiting list to the public housing program during a PHA fiscal year must be *extremely low-income* families. This is called the “basic targeting requirement.”

If admissions of extremely low-income families to the PHA’s housing choice voucher program during a PHA fiscal year exceed the 75 percent minimum targeting requirement for that program, such excess shall be credited against the PHA’s public housing basic targeting requirement for the same fiscal year.

The fiscal year credit for housing choice voucher program admissions that exceed the minimum voucher program targeting requirement must not exceed the lower of:

- Ten percent of public housing waiting list admissions during the PHA fiscal year
- Ten percent of waiting list admission to the PHA’s housing choice voucher program during the PHA fiscal year
- The number of qualifying low-income families who commence occupancy during the fiscal year of public housing units located in census tracts with a poverty rate of 30 percent or more. For this purpose, qualifying low-income family means a low-income family other than an extremely low-income family.

For discussion of how income targeting is used in tenant selection, see Chapter 4.

3-II.B. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS [24 CFR 5, Subpart E]

Housing assistance is available only to individuals who are U.S. citizens, U.S. nationals (herein referred to as citizens and nationals), or noncitizens that have eligible immigration status. At least one family member must be a citizen, national, or noncitizen with eligible immigration status in order for the family to qualify for any level of assistance.

All applicant families must be notified of the requirement to submit evidence of their citizenship status when they apply. Where feasible, and in accordance with the PHA's Limited English Proficiency Plan, the notice must be in a language that is understood by the individual if the individual is not proficient in English.

Declaration [24 CFR 5.508]

HUD requires each family member to declare whether the individual is a citizen, a national, or an eligible noncitizen, except those members who elect not to contend that they have eligible immigration status. Those who elect not to contend their status are considered to be ineligible noncitizens. For citizens, nationals and eligible noncitizens the declaration must be signed personally by the head, spouse, cohead, and any other family member 18 or older, and by a parent or guardian for minors. The family must identify in writing any family members who elect not to contend their immigration status (see Ineligible Noncitizens below). No declaration is required for live-in aides, foster children, or foster adults.

U.S. Citizens and Nationals

In general, citizens and nationals are required to submit only a signed declaration that claims their status. However, HUD regulations permit the PHA to request additional documentation of their status, such as a passport.

HACN Policy

Family members who declare citizenship or national status may be required to provide additional documentation for verification purposes.

Eligible Noncitizens

In addition to providing a signed declaration, those declaring eligible noncitizen status must sign a verification consent form and cooperate with PHA efforts to verify their immigration status as described in Chapter 7. The documentation required for establishing eligible noncitizen status varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, the person's age, and the date on which the family began receiving HUD-funded assistance.

Lawful residents of the Marshall Islands, the Federated States of Micronesia, and Palau, together known as the Freely Associated States, or FAS, are eligible for housing assistance under section 141 of the Compacts of Free Association between the U.S. Government and the Governments of the FAS [Public Law 106-504].

Ineligible Noncitizens

Those noncitizens who do not wish to contend their immigration status are required to have their names listed on a noncontending family members listing, signed by the head, spouse, or cohead (regardless of citizenship status), indicating their ineligible immigration status. The PHA is not required to verify a family member's ineligible status and is not required to report an individual's unlawful presence in the U.S. to the United States Citizenship and Immigration Services (USCIS).

Providing housing assistance to noncitizen students is prohibited [24 CFR 5.522]. This prohibition extends to the noncitizen spouse of a noncitizen student as well as to minor children who accompany or follow to join the noncitizen student. Such prohibition does not extend to the citizen spouse of a noncitizen student or to the children of the citizen spouse and noncitizen student. Such a family is eligible for prorated assistance as a mixed family.

Mixed Families

A family is eligible for admission as long as at least one member is a citizen, national, or eligible noncitizen. Families that include eligible and ineligible individuals are considered *mixed families*. Such families will be given notice that their assistance will be prorated, and that they may request a hearing if they contest this determination. See Chapter 6 for a discussion of how rents are prorated, and Chapter 14 for a discussion of grievance hearing procedures.

Ineligible Families [24 CFR 5.514(d), (e), and (f)]

A PHA may elect to provide assistance to a family before the verification of the eligibility of the individual or one family member [24 CFR 5.512(b)]. Otherwise, no individual or family may be assisted prior to the affirmative establishment by the PHA that the individual or at least one family member is eligible [24 CFR 5.512(a)].

HACN Policy

The PHA will not provide assistance to a family before the verification of at least one family member as a citizen, national, or eligible noncitizen.

When a PHA determines that an applicant family does not include any citizens, nationals, or eligible noncitizens, following the verification process, the family will be sent a written notice within 10 business days of the determination.

The notice will explain the reasons for the denial of assistance and will advise the family of its right to request an appeal to the United States Citizenship and Immigration Services (USCIS), or to request a grievance hearing with the PHA. The grievance hearing with the PHA may be requested in lieu of the USCIS appeal, or at the conclusion of the USCIS appeal process. The notice must also inform the applicant family that assistance may not be delayed until the conclusion of the USCIS appeal process, but that it may be delayed pending the completion of the grievance hearing process.

Grievance hearing procedures are contained in Chapter 14.

Time Frame for Determination of Citizenship Status [24 CFR 5.508(g)]

For new occupants joining the resident family the PHA must verify status at the first interim or regular reexamination following the person's occupancy, whichever comes first.

If an individual qualifies for a time extension for the submission of required documents, the PHA must grant such an extension for no more than 30 days [24 CFR 5.508(h)].

Each family member is required to submit evidence of eligible status only one time during continuous occupancy.

HACN Policy

The PHA will verify the status of applicants at the time other eligibility factors are determined.

3-II.C. SOCIAL SECURITY NUMBERS [24 CFR 5.216 and 5.218, Notice PIH 2018-24]

The applicant and all members of the applicant's household must disclose the complete and accurate social security number (SSN) assigned to each household member, and the documentation necessary to verify each SSN. If a child under age six has been added to an applicant family within the six months prior to program admission, an otherwise eligible family may be admitted to the program and must disclose and document the child's SSN within 90 days of admission. A detailed discussion of acceptable documentation is provided in Chapter 7.

Note: These requirements do not apply to noncitizens who do not contend eligible immigration status.

In addition, each participant who has not previously disclosed an SSN, has previously disclosed an SSN that HUD or the SSA determined was invalid, or has been issued a new SSN must submit their complete and accurate SSN and the documentation required to verify the SSN at the time of the next interim or annual reexamination or recertification. Participants age 62 or older as of January 31, 2010, whose determination of eligibility was begun before January 31, 2010, are exempt from this requirement and remain exempt even if they move to a new assisted unit.

The PHA must deny assistance to an applicant family if they do not meet the SSN disclosure and documentation requirements contained in 24 CFR 5.216.

3-II.D. FAMILY CONSENT TO RELEASE OF INFORMATION [24 CFR 5.232]

HUD requires each adult family member, and the head of household, spouse, or cohead, regardless of age, to sign form HUD-9886, Authorization for the Release of Information Privacy Act Notice, the form HUD-52675, Debts Owed to Public Housing Agencies and Terminations, and other consent forms as needed to collect information relevant to the family's eligibility and level of assistance. Chapter 7 provides detailed information concerning the consent forms and verification requirements. The consent form remains effective until the family is denied assistance, assistance is terminated, or the family provides written notification to revoke consent.

The PHA must deny admission to the program if any member of the applicant family fails to sign and submit consent forms which allow the PHA to obtain information that the PHA has determined is necessary in administration of the public housing program [24 CFR 960.259(a) and (b) and 24 CFR 5.232(a)].

However, this does not apply if the applicant or participant, or any member of their family, revokes their consent with respect to the ability of the PHA to access financial records from financial institutions, unless the PHA establishes a policy that revocation of consent to access financial records will result in denial or termination of assistance or admission [24 CFR 5.232(c)].

HACN Policy

The PHA has established a policy that the family's revocation of consent to allow the PHA to access records from financial institutions will result in denial of admission.

3-II.E. EIV SYSTEM SEARCHES [EIV FAQs; EIV System Training 9/30/20; and Notice PIH 2023-27]

Existing Tenant Search

Prior to admission to the program, the PHA must search for all household members using the EIV Existing Tenant Search module. The PHA must review the reports for any SSA matches involving another PHA or a multifamily entity and follow up on any issues identified. The PHA must provide the family with a copy of the Existing Tenant Search results if requested. At no time may any family member receive duplicative assistance.

If the tenant is a new admission to the PHA, and a match is identified at a multifamily property, the PHA must report the program admission date to the multifamily property and document the notification in the tenant file. The family must provide documentation of move-out from the assisted unit, as applicable.

HACN Policy

The PHA will contact the other PHA or owner identified in the report to confirm that the family has moved out of the unit and obtain documentation of current tenancy status, including a form HUD-50058 or 50059, as applicable, showing an end of participation. The PHA will only approve assistance contingent upon the move-out from the currently occupied assisted unit.

Debts Owed to PHAs and Terminations

All adult household members must sign the form HUD-52675, Debts Owed to Public Housing and Terminations. Prior to admission to the program, the PHA must search for each adult family member in the Debts Owed to PHAs and Terminations module.

If a current or former tenant disputes the information in the module, the tenant should contact the PHA directly in writing to dispute the information and provide any documentation that supports the dispute. If the PHA determines that the disputed information is incorrect, the PHA will update or delete the record from EIV. Former tenants may dispute debt and termination information for a period of up to three years from the end of participation date in the program.

HACN Policy

The PHA will require each adult household member to sign the form HUD-52675 once at the eligibility determination. Any new members added to the household after admission will be required to sign the form HUD-52675 prior to being added to the household.

The PHA will search the Debts Owed to PHAs and Terminations module as part of the eligibility determination for new households and as part of the screening process for any household members added after the household is admitted to the program. If any information on debts or terminations is returned by the search, the PHA will determine if this information warrants a denial in accordance with the policies in Part III of this chapter.

Income and Income Validation Tool (IVT) Reports

For each new admission, the PHA is required to review the EIV Income and IVT Reports to confirm and validate family reported income within 120 days of the IMS/PIC submission date of the new admission. The PHA must print and maintain copies of the EIV Income and IVT reports in the tenant file and resolve any discrepancies with the family within 60 days of the EIV Income or IVT report dates.

PART III: DENIAL OF ADMISSION

3-III.A. OVERVIEW

A family that does not meet the eligibility criteria discussed in Parts I and II must be denied admission.

In addition, HUD requires or permits the PHA to deny admission based on certain types of current or past behaviors of family members as discussed in this part. The PHA's authority in this area is limited by the Violence against Women Act (VAWA), which prohibits the denial of admission to an otherwise qualified applicant on the basis or as a direct result of the fact that the applicant is or has been the victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking [see 24 CFR 5.2005(b)].

While the regulations state that the PHA must prohibit admission for certain types of criminal activity and give the PHA the option to deny for other types of previous criminal history, more recent HUD rules and OGC guidance must also be taken into consideration when determining whether a particular individual's criminal history merits denial of admission.

When considering any denial of admission, PHAs may not use arrest records as the basis for the denial. Further, HUD does not require the adoption of "One Strike" policies and reminds PHAs of their obligation to safeguard the due process rights of applicants and tenants [Notice PIH 2015-19].

HUD's Office of General Counsel issued a memo on April 4, 2016, regarding the application of Fair Housing Act standards to the use of criminal records. This memo states that a PHA violates the Fair Housing Act when their policy or practice has an unjustified discriminatory effect, even when the PHA had no intention to discriminate. Where a policy or practice that restricts admission based on criminal history has a disparate impact on a particular race, national origin, or other protected class, that policy or practice is in violation of the Fair Housing Act if it is not necessary to serve a substantial, legitimate, nondiscriminatory interest of the PHA, or if that interest could be served by another practice that has a less discriminatory effect [OGC Memo 4/4/16]. HUD codified this stance on disparate impact and discriminatory effects in a final rule dated March 31, 2023. In doing so, HUD also standardized its long-practiced three-step approach to assessing burdens of proof.

PHAs who impose blanket prohibitions on any person with any conviction record, no matter when the conviction occurred, what the underlying conduct entailed, or what the convicted person has done since then will be unable to show that such policy or practice is necessary to achieve a substantial, legitimate, nondiscriminatory interest. Even a PHA with a more tailored policy or practice that excludes individuals with only certain types of convictions must still prove that its policy is necessary. To do this, the PHA must show that its policy accurately distinguishes between criminal conduct that indicates a demonstrable risk to resident safety and property and criminal conduct that does not.

This part covers the following topics:

- Required denial of admission
- The asset limitation in public housing
- Other permitted reasons for denial of admission
- Screening
- Criteria for deciding to deny admission
- Prohibition against denial of admission to victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking
- Notice of eligibility or denial

3-III.B. REQUIRED DENIAL OF ADMISSION [24 CFR 960.204]

PHAs are required to establish standards that prohibit admission of an applicant to the public housing program if they have engaged in certain criminal activity or if the PHA has reasonable cause to believe that a household member's current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

Where the statute requires that the PHA prohibit admission for a prescribed period of time after some disqualifying behavior or event, the PHA may choose to continue that prohibition for a longer period of time [24 CFR 960.203(c)(3)(ii)].

HUD requires the PHA to deny assistance in the following cases:

- Any member of the household has been evicted from federally assisted housing in the last three years for drug-related criminal activity. HUD permits but does not require the PHA to admit an otherwise-eligible family if the household member has completed a PHA-approved drug rehabilitation program or the circumstances which led to eviction no longer exist (e.g. the person involved in the criminal activity no longer lives in the household).

HACN Policy

The PHA will admit an otherwise-eligible family who was evicted from federally assisted housing within the past five years for drug-related criminal activity, if the PHA is able to verify that the household member who engaged in the criminal activity has completed a supervised drug rehabilitation program approved by the PHA, or the person who committed the crime is no longer living in the household.

- The PHA determines that any household member is currently engaged in the use of illegal drugs. *Drug* means a controlled substance as defined in section 102 of the Controlled Substances Act [21 U.S.C. 802]. *Currently engaged in the illegal use of a drug* means a person has engaged in the behavior recently enough to justify a reasonable belief that there is continuing illegal drug use by a household member [24 CFR 960.205(b)(1)].

HACN Policy

Currently engaged in is defined as any use of illegal drugs during the previous three months, exceptions may be made if the applicant is enrolled in, and compliant with treatment.

- The PHA has reasonable cause to believe that any household member's current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol, may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

HACN Policy

In determining reasonable cause, the PHA will consider all credible evidence, including but not limited to, any record of convictions, arrests, or evictions of household members related to the use of illegal drugs or the abuse of alcohol. A record or records of arrest will not be used as the sole basis for the denial or proof that the applicant engaged in disqualifying criminal activity. The PHA will also consider evidence from treatment providers or community-based organizations providing services to household members.

- Any household member has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing.
- Any household member is subject to a lifetime registration requirement under a state lifetime sex offender registration program.

3-III.C. RESTRICTION ON ASSISTANCE BASED ON ASSETS [24 CFR 5.618]

There are two circumstances under which a family is ineligible for the program based on asset ownership.

First, assistance may not be provided to any family if the family's net assets exceed \$100,000 (adjusted annually by HUD).

Second, the family has real property that is suitable for occupancy by the family as a residence and the family has:

- A present ownership interest in the real property;
- A legal right to reside in the real property; and
- The effective legal authority to sell (based on state or local laws of the jurisdiction where the property is located) the real property.

However, the real property restriction does not apply in the following circumstances:

- Any property for which the family is receiving assistance for a manufactured home under 24 CFR 982.620 or under the HCV Homeownership program;
- Any property that is jointly owned by a member of the family and at least one non-household member who does not live with the family, if the non-household member resides at the jointly owned property;
- Any family that is offering the property for sale; or
- Any person who is a victim of domestic violence, dating violence, sexual assault, or stalking.
 - When a family asks for an exception because a family member is a victim of domestic violence, dating violence, sexual assault, or stalking, the PHA must comply with all the confidentiality requirements under VAWA. The PHA must accept a self-certification from the family member, and the restrictions on requesting documentation under VAWA apply.

A property is considered *suitable for occupancy* unless the family demonstrates that it:

- Does not meet the disability-related needs for all members of the family (e.g., physical accessibility requirements, disability-related need for additional bedrooms, proximity to accessible transportation, etc.);
- Is not sufficient for the size of the family;

HACN Policy

The PHA defines *not sufficient for the size of the family* as being overcrowded based on the PHA's occupancy standards in Chapter 5.

- Is geographically located so as to be a hardship for the family (e.g., the distance or commuting time between the property and the family's place of work or school would be a hardship to the family, as determined by the PHA or owner);

- Is not safe to reside in because of the physical condition of the property (e.g., property’s physical condition poses a risk to the family’s health and safety and the condition of the property cannot be easily remedied); or
- Is not a property that a family may reside in under the State or local laws of the jurisdiction where the property is located.

3-III.D. OTHER PERMITTED REASONS FOR DENIAL OF ADMISSION

HUD permits but does not require the PHA to deny admission for the reasons discussed in this section.

Criminal Activity [24 CFR 960.203(c)]

The PHA is responsible for screening family behavior and suitability for tenancy. In doing so, the PHA may consider an applicant’s history of criminal activity involving crimes of physical violence to persons or property and other criminal acts which would adversely affect the health, safety, or welfare of other tenants.

HACN Policy

If any household member is currently engaged in or has engaged in any of the following criminal activities within the past five years, the family will be denied admission.

Drug-related criminal activity, defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug [24 CFR 5.100].

Violent criminal activity, defined by HUD as any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage [24 CFR 5.100].

Criminal activity that may threaten the health, safety, or welfare of other tenants [24 CFR 960.203(c)(3)].

Criminal activity that may threaten the health or safety of PHA staff, contractors, subcontractors, or agents.

Criminal sexual conduct, including but not limited to sexual assault, incest, open and gross lewdness, or child abuse.

Evidence of such criminal activity includes, but is not limited to:

Any record of convictions, arrests, or evictions for suspected drug-related or violent criminal activity of household members within the past five years.

A record or records of arrest will not be used as the sole basis for the denial or proof that the applicant engaged in disqualifying criminal activity.

In making its decision to deny assistance, the PHA will consider the factors discussed in Sections 3-III.F and 3-III.G. Upon consideration of such factors, the PHA may, on a case-by-case basis, decide not to deny assistance.

Previous Behavior [960.203(c) and (d) and PH Occ GB, p. 48]

HUD authorizes the PHA to deny admission based on relevant information pertaining to the family's previous behavior and suitability for tenancy.

In the event of the receipt of unfavorable information with respect to an applicant, the PHA must consider the time, nature, and extent of the applicant's conduct (including the seriousness of the offense). As discussed in Section 3-III.F, the PHA may also need to consider whether the cause of the unfavorable information may be that the applicant is the victim of domestic violence, dating violence, sexual assault, or stalking.

HACN Policy

The PHA will deny admission to an applicant family if the PHA determines that the family:

Has a pattern of unsuitable past performance in meeting financial obligations, including rent within the past five years.

Has a pattern of disturbance of neighbors, destruction of property, or living or housekeeping habits at prior residences within the past five years which may adversely affect the health, safety, or welfare of other tenants.

Owes rent or other amounts to this or any other PHA or owner in connection with any assisted housing program.

Misrepresented or does not provide complete information related to eligibility, including income, award of preferences for admission, expenses, family composition or rent.

Has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program in the last five years.

Owes rent or other amounts to any PHA in connection with Section 8, public housing, or other public housing assistance under the 1937 Act, unless the family repays the full amount of the debt prior to being selected from the waiting list.

Has engaged in or threatened violent or abusive behavior toward PHA personnel.

Abusive or violent behavior towards PHA personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.

Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence

When denying admission due to family debts as shown in HUD's EIV system, the PHA will provide the family with a copy of the EIV Debt Owed to PHA and Termination report.

If the family wishes to dispute the information in the report, the family must contact the PHA that entered the information in EIV in writing, explaining why EIV information is disputed. The family must also provide a copy of the letter and

all applicable verification to the PHA to support the family's claim. The PHA will consider the information provided by the family prior to issuing a notice of denial.

In making its decision to deny admission, the PHA will consider the factors discussed in Sections 3-III.F and 3-III.G. Upon consideration of such factors, the PHA may, on a case-by-case basis, at the sole discretion of the PHA, decide not to deny admission.

The PHA will consider the existence of mitigating factors, such as loss of employment or other financial difficulties, before denying admission to an applicant based on the failure to meet prior financial obligations.

3-III.E. SCREENING

Screening for Eligibility

PHAs are authorized to obtain criminal conviction records from law enforcement agencies to screen applicants for admission to the public housing program. This authority assists the PHA in complying with HUD requirements and PHA policies to deny assistance to applicants who are engaging in or have engaged in certain criminal activities. In order to obtain access to the records the PHA must require every applicant family to submit a consent form signed by each adult household member [24 CFR 5.903].

The PHA may not pass along to the applicant the costs of a criminal records check [24 CFR 960.204(d)].

HACN Policy

The PHA will perform criminal background checks through public records for all adult household members.

If the results of the criminal background check indicate there may have been past criminal activity, but the results are inconclusive, the PHA may request a fingerprint card and will request information from the National Crime Information Center (NCIC).

PHAs are required to perform criminal background checks necessary to determine whether any household member is subject to a lifetime registration requirement under a state sex offender program in the state where the housing is located, as well as in any other state where a household member is known to have resided [24 CFR 960.204(a)(4)].

HACN Policy

The PHA will use the Dru Sjudin National Sex Offender, and any other available sex offender databases to screen applicants for admission.

Additionally, PHAs must ask whether the applicant, or any member of the applicant's household, is subject to a lifetime registered sex offender registration requirement in any state [Notice PIH 2012-28].

If the PHA proposes to deny admission based on a criminal record or on lifetime sex offender registration information, the PHA must notify the household of the proposed action and must provide the subject of the record and the applicant a copy of the record and an opportunity to dispute the accuracy and relevance of the information prior to a denial of admission [24 CFR 5.903(f) and 5.905(d)].

Obtaining Information from Drug Treatment Facilities [24 CFR 960.205]

HUD authorizes PHAs to request and obtain information from drug abuse treatment facilities concerning applicants. Specifically, the PHA may require each applicant to submit for all household members who are at least 18 years of age, and for each family head, spouse, or cohead regardless of age, one or more consent forms signed by such household members that requests any drug abuse treatment facility to inform the PHA whether the drug abuse treatment facility has reasonable cause to believe that the household member is currently engaging in illegal drug use.

Drug Abuse Treatment Facility means an entity that holds itself out as providing, and provides, diagnosis, treatment, or referral for treatment with respect to the illegal drug use, and is either an identified unit within a general care facility, or an entity other than a general medical care facility.

Currently engaging in illegal use of a drug means illegal use of a drug that occurred recently enough to justify a reasonable belief that there is continuing illegal drug use by a household member.

Any consent form used for the purpose of obtaining information from a drug abuse treatment facility to determine whether a household member is currently engaging in illegal drug use must expire automatically after the PHA has made a final decision to either approve or deny the admission of such person.

Any charges incurred by the PHA for information provided from a drug abuse treatment facility may not be passed on to the applicant or tenant.

If the PHA chooses to obtain such information from drug abuse treatment facilities, it must adopt and implement one of the two following policies:

Policy A: The PHA must submit a request for information to a drug abuse treatment facility for all families before they are admitted. The request must be submitted for each proposed household member who is at least 18 years of age, and for each family head, spouse, or cohead regardless of age.

Policy B: The PHA must submit a request for information only for certain household members, whose criminal record indicates prior arrests or conviction for any criminal activity that may be a sole basis for denial of admission or whose prior tenancy records indicate that the proposed household member engaged in destruction of property or violent activity against another person, or they interfered with the right of peaceful enjoyment of the premises of other residents.

If the PHA chooses to obtain such information, it must abide by the HUD requirements for records management and confidentiality as described in 24 CFR 960.205(f).

HACN Policy

The PHA will request, before any family is admitted, information from drug abuse treatment facilities to determine whether certain household members are currently engaging in illegal drug activity.

The PHA will only request such information for household members whose criminal record indicates prior arrests or conviction for any criminal activity that may be a basis for denial of admission or whose prior tenancy records indicate that the proposed

household member engaged in destruction of property or violent activity against another person, or they interfered with the right of peaceful enjoyment of the premises of other residents. Such household members will be required to sign one or more consent forms that request any drug abuse treatment facility to inform the PHA of such information

Screening for Suitability as a Tenant [24 CFR 960.203(c)]

The PHA is responsible for the screening and selection of families to occupy public housing units. The PHA may consider all relevant information. Screening is important to public housing communities and program integrity, and to ensure that assisted housing is provided to those families that will adhere to lease obligations.

HACN Policy

The PHA will consider the family's history with respect to the following factors:

Payment of rent and utilities

Caring for a unit and premises

Respecting the rights of other residents to the peaceful enjoyment of their housing

Criminal activity that is a threat to the health, safety, or property of others

Behavior of all household members as related to the grounds for denial as detailed in Sections 3-III. B and C

Compliance with any other essential conditions of tenancy

Resources Used to Check Applicant Suitability [PH Occ GB, pp. 47-56]

PHAs have a variety of resources available to them for determination of the suitability of applicants. Generally, PHAs should reject applicants who have recent behavior that would warrant lease termination for a public housing resident.

HACN Policy

In order to determine the suitability of applicants the PHA will examine applicant history for the past three years. Such background checks may include:

Past Performance in Meeting Financial Obligations, Especially Rent

PHA and landlord references for the past five years, gathering information about past performance meeting rental obligations such as rent payment record, late payment record, whether the PHA/landlord ever began or completed lease termination for non-payment, and whether utilities were ever disconnected in the unit. PHAs and landlords will be asked if they would rent to the applicant family again.

Utility company references covering the monthly amount of utilities, late payment, disconnection, return of a utility deposit and whether the applicant can get utilities turned on in their name. (Use of this inquiry will be reserved for applicants applying for units where there are tenant-paid utilities.)

The PHA may check court records of eviction actions and other financial judgments, and credit reports, even if an applicant has no rental history. A lack of credit history will not disqualify someone from becoming a public housing resident, but a poor credit rating may.

Applicants with no rental payment history will also be asked to provide the PHA with personal references. The references will be requested to complete a verification of the applicant's ability to pay rent if no other documentation of ability to meet financial obligations is available. The applicant will also be required to complete a checklist documenting their ability to meet financial obligations.

If previous landlords or the utility company do not respond to requests from the PHA, the applicant may provide other documentation that demonstrates their ability to meet financial obligations (e.g. rent receipts, cancelled checks, etc.)

Disturbances of Neighbors, Destruction of Property or Living or Housekeeping Habits at Prior Residences that May Adversely Affect Health, Safety, or Welfare of Other Tenants, or Cause Damage to the Unit or the Development

PHA and landlord references for the past five years, gathering information on whether the applicant kept a unit clean, safe and sanitary; whether they violated health or safety codes; whether any damage was done by the applicant to a current or previous unit or the development, and, if so, how much the repair of the damage cost; whether the applicant's housekeeping caused insect or rodent infestation; and whether the neighbors complained about the applicant or whether the police were ever called because of disturbances.

Police and court records within the past five years may be used to check for any evidence of disturbance of neighbors or destruction of property that might have resulted in arrest or conviction. A record or records of arrest will not be used as the sole basis for the denial or proof that the applicant engaged in disqualifying activity.

A personal reference will be requested to complete a verification of the applicant's ability to care for the unit and avoid disturbing neighbors if no other documentation is available. In these cases, the applicant will also be required to complete a checklist documenting their ability to care for the unit and to avoid disturbing neighbors.

Home visits may be used to determine the applicant's ability to care for the unit.

3-III.F. CRITERIA FOR DECIDING TO DENY ADMISSION

Evidence

HACN Policy

The PHA will use the preponderance of the evidence as the standard for making all admission decisions.

Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not.

Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Consideration of Circumstances [24 CFR 960.203(c)(3) and (d)]

HUD authorizes the PHA to consider all relevant circumstances when deciding whether to deny admission based on a family's past history except in the situations for which denial of admission is mandated (see Section 3-III.B).

In the event the PHA receives unfavorable information with respect to an applicant, consideration must be given to the time, nature, and extent of the applicant's conduct (including the seriousness of the offense). In a manner consistent with its policies, PHAs may give consideration to factors which might indicate a reasonable probability of favorable future conduct.

HACN Policy

The PHA may consider the following facts and circumstances prior to making its decision:

The seriousness of the case, especially with respect to how it would affect other residents' safety or property

The effects that denial of admission may have on other members of the family who were not involved in the action or failure to act

The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities, or (as discussed further in section 3-III.F) a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking

The length of time since the violation occurred, including the age of the individual at the time of the conduct, as well as the family's recent history and the likelihood of favorable conduct in the future

While a record or records of arrest will not be used as the sole basis for denial, an arrest may trigger an investigation to determine whether the applicant actually engaged in disqualifying criminal activity. As part of its investigation, the PHA may obtain the police report associated with the arrest and consider the reported circumstances of the arrest. The PHA may also consider:

Any statements made by witnesses or the applicant not included in the police report

Whether the arrest was reported to the PHA

Whether criminal charges were filed

Whether, if filed, criminal charges were abandoned, dismissed, not prosecuted, or ultimately resulted in an acquittal

Any other evidence relevant to determining whether or not the applicant engaged in disqualifying activity

Evidence of criminal conduct will be considered if it indicates a demonstrable risk to safety and/or property

Evidence of the applicant family's participation in or willingness to participate in social service or other appropriate counseling service programs

In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully

The PHA will require the applicant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.

Removal of a Family Member's Name from the Application

Should the PHA's screening process reveal that an applicant's household includes an individual subject to state lifetime registered sex offender registration, the PHA must offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, the PHA must deny admission to the family [Notice PIH 2012-28].

For other criminal activity, the PHA may permit the family to exclude the culpable family members as a condition of eligibility. [24 CFR 960.203(c)(3)(i)].

HACN Policy

As a condition of receiving assistance, a family may agree to remove the culpable family member from the application. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the public housing unit.

After admission to the program, the family must present evidence of the former family member's current address upon PHA request. The PHA may terminate assistance if it is found the family member continues to reside in, or has returned to the unit.

Reasonable Accommodation [PH Occ GB, pp. 58-60]

If the family includes a person with disabilities, the PHA's decision concerning denial of admission is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

HACN Policy

If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of admission, the PHA will determine whether the behavior is related to the disability. If so, upon the family's request, the PHA will determine whether alternative measures are appropriate as a reasonable accommodation. The PHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed denial of admission. Alternative measures as a reasonable accommodation will be considered on a case by case basis, at the sole discretion of the PHA. See Chapter 2 for a discussion of reasonable accommodation.

3-III.G. PROHIBITION AGAINST DENIAL OF ASSISTANCE TO VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, STALKING, AND HUMAN TRAFFICKING

The Violence against Women Act (VAWA) and the HUD regulation at 24 CFR 5.2005(b) prohibit PHAs from denying admission to an otherwise qualified applicant on the basis or as a direct result of the fact that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.

- Although the VAWA 2022 statute does not specifically include human trafficking in the list of victims protected under VAWA, in 2022 HUD began including human trafficking as part of the list of victims protected under VAWA (as seen in Notices PIH 2022-06, PIH 2022-22, and PIH 2022-24). In the absence of a final rule implementing VAWA 2022 and to mirror HUD's recent usage, this policy includes human trafficking in addition to domestic violence, dating violence, sexual assault, and stalking anywhere such a list appears.

Definitions of key terms used in VAWA are provided in section 16-VII of this ACOP, where general VAWA requirements and policies pertaining to notification, documentation, and confidentiality are also located.

Notification

VAWA requires PHAs to provide applicants who are denied assistance with a VAWA Notice of Occupancy Rights (form HUD-5380) and a domestic violence certification form (HUD-5382) at the time the applicant is denied.

HACN Policy

The PHA acknowledges that a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking may have an unfavorable history (e.g., a poor credit history, poor rental history, a record of previous damage to an apartment, a prior arrest record) due to adverse factors that would warrant denial under the PHA's policies.

While the PHA is not required to identify whether adverse factors that resulted in the applicant's denial are a result of domestic violence, dating violence, sexual assault, stalking, or human trafficking, the applicant may inform the PHA that their status as a victim is directly related to the grounds for the denial. The PHA will request that the applicant provide enough information to the PHA to allow the PHA to make an objectively reasonable determination, based on all circumstances, whether the adverse factor is a direct result of their status as a victim.

The PHA will include in its notice of denial information about the protection against denial provided by VAWA in accordance with section 16-VII.C of this ACOP, a notice of VAWA rights, and a copy of the form HUD-5382. The PHA will request in writing that an applicant wishing to claim this protection notify the PHA within 10 business days.

Documentation

Victim Documentation [24 CFR 5.2007]

HACN Policy

If an applicant claims the protection against denial of admission that VAWA provides to victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking, the PHA will request in writing that the applicant provide documentation supporting the claim in accordance with section 16-VII.D of this ACOP.

Perpetrator Documentation

HACN Policy

If the perpetrator of the abuse is a member of the applicant family, the applicant must provide additional documentation consisting of one of the following:

A signed statement (1) requesting that the perpetrator be removed from the application and (2) certifying that the perpetrator will not be permitted to visit or to stay as a guest in the public housing unit

Documentation that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment. The documentation must be signed by an employee or agent of a domestic violence service provider or by a medical or other knowledgeable professional from whom the perpetrator has sought or is receiving assistance in addressing the abuse. The signer must attest under penalty of perjury to their belief that the rehabilitation was successfully completed or is progressing successfully. The victim and perpetrator must also sign or attest to the documentation.

3-III.H. NOTICE OF ELIGIBILITY OR DENIAL

The PHA will notify an applicant family of its final determination of eligibility in accordance with the policies in Section 4-III.E.

If a PHA uses a criminal record or sex offender registration information obtained under 24 CFR 5, Subpart J, as the basis of a denial, a copy of the record must precede the notice to deny, with an opportunity for the applicant to dispute the accuracy and relevance of the information before the PHA can move to deny the application. In addition, a copy of the record must be provided to the subject of the record [24 CFR 5.903(f) and 5.905(d)].

HACN Policy

If, based on a criminal record or sex offender registration information an applicant family appears to be ineligible, the PHA will notify the family in writing of the proposed denial and provide a copy of the record to the applicant and to the subject of the record. The family will be given 10 business days to dispute, in writing, the accuracy and relevance of the information. If the family does not contact the PHA to dispute the information within that 10 day period, the PHA will proceed with issuing the notice of denial of admission. A family that does not exercise their right to dispute the accuracy of the information prior to issuance of the official denial letter will still be given the opportunity to do so as part of the informal hearing process.

Notice requirements related to denying admission to noncitizens are contained in Section 3-II.B.

Notice policies related to denying admission to applicants who may be victims of domestic violence, dating violence, sexual assault, stalking or human trafficking are contained in Section 3-III.F.

EXHIBIT 3-1: DETAILED DEFINITIONS RELATED TO DISABILITIES

Person with Disabilities [24 CFR 5.403]

The term *person with disabilities* means a person who has any of the following types of conditions.

- Has a disability, as defined in 42 U.S.C. Section 423(d)(1)(A), which reads:

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 12 months

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)(1) of this title), inability by reason of such blindness to engage in substantial gainful activity, requiring skills or ability comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time.
- Has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act of 2000 [42 U.S.C.15002(8)], which defines developmental disability in functional terms as follows:

(A) IN GENERAL – The term *developmental disability* means a severe, chronic disability of an individual that-

 - (i) is attributable to a mental or physical impairment or combination of mental and physical impairments;
 - (ii) is manifested before the individual attains age 22;
 - (iii) is likely to continue indefinitely;
 - (iv) results in substantial functional limitations in 3 or more of the following areas of major life activity: (I) self-care, (II) receptive and expressive language, (III) learning, (IV) mobility, (V) self-direction, (VI) capacity for independent living, (VII) economic self-sufficiency; and
 - (v) reflects the individual’s need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

(B) INFANTS AND YOUNG CHILDREN – An individual from birth to age 9, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, may be considered to have a developmental disability without meeting 3 or more of the criteria described in clauses (i) through (v) of subparagraph (A) if the individual, without services and supports, has a high probability of meeting those criteria later in life.
- Has a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration; substantially impedes their ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions.

People with the acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for AIDS are not excluded from this definition.

A person whose disability is based solely on any drug or alcohol dependence does not qualify as a person with disabilities for the purposes of this program.

For purposes of reasonable accommodation and program accessibility for persons with disabilities, the term person with disabilities refers to an individual with handicaps.

Individual with Handicaps [24 CFR 8.3]

Individual with handicaps means any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such an impairment; or is regarded as having such an impairment. The term does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents the individual from participating in the program or activity in question, or whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others. As used in this definition, the phrase:

- (1) Physical or mental impairment includes:
 - (a) Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine
 - (b) Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term physical or mental impairment includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.
- (2) Major life activities means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.
- (3) Has a record of such an impairment means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.
- (4) Is regarded as having an impairment means:
 - (a) Has a physical or mental impairment that does not substantially limit one or more major life activities but that is treated by a recipient as constituting such a limitation
 - (b) Has a physical or mental impairment that substantially limits one or more major life activities only as a result of the attitudes of others toward such impairment
 - (c) Has none of the impairments defined in paragraph (a) of this section but is treated by a recipient as having such an impairment

Chapter 4

APPLICATIONS, WAITING LIST AND TENANT SELECTION

INTRODUCTION

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

The PHA is required to adopt a clear approach to accepting applications, placing families on the waiting list, and selecting families from the waiting list, and must follow this approach consistently. The actual order in which families are selected from the waiting list can be affected if a family has certain characteristics designated by HUD or the PHA to receive preferential treatment.

HUD regulations require that the PHA comply with all equal opportunity requirements and it must affirmatively further fair housing goals in the administration of the program [24 CFR 960.103, PH Occ GB p. 13]. Adherence to the selection policies described in this chapter ensures that the PHA will be in compliance with all relevant fair housing requirements, as described in Chapter 2.

This chapter describes HUD and PHA policies for accepting applications, managing the waiting list and selecting families from the waiting list. The PHAs policies for assigning unit size and making unit offers are contained in Chapter 5. Together, Chapters 4 and 5 of the ACOP comprise the PHA's Tenant Selection and Assignment Plan (TSAP).

The policies outlined in this chapter are organized into three sections, as follows:

Part I: The Application Process. This part provides an overview of the application process, and discusses how applicants can obtain and submit applications. It also specifies how the PHA will handle the applications it receives.

Part II: Managing the Waiting List. This part presents the policies that govern how the PHA's waiting list is structured, when it is opened and closed, and how the public is notified of the opportunity to apply for public housing. It also discusses the process the PHA will use to keep the waiting list current.

Part III: Tenant Selection. This part describes the policies that guide the PHA in selecting families from the waiting list as units become available. It also specifies how in-person interviews will be used to ensure that the PHA has the information needed to make a final eligibility determination.

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PART I: THE APPLICATION PROCESS

4-I.A. OVERVIEW

This part describes the policies that guide the PHA's efforts to distribute and accept applications, and to make preliminary determinations of applicant family eligibility that affect placement of the family on the waiting list. This part also describes the PHA's obligation to ensure the accessibility of the application process.

4-I.B. APPLYING FOR ASSISTANCE

Any family that wishes to reside in public housing must apply for admission to the program [24 CFR 1.4(b)(2)(ii), 24 CFR 960.202(a)(2)(iv), and PH Occ GB, p. 68]. HUD permits the PHA to determine the format and content of its applications, as well how such applications will be made available to interested families and how applications will be accepted by the PHA. However, the PHA must include Form HUD-92006, Supplement to Application for Federally Assisted Housing, as part of the PHA's application [Notice PIH 2009-36].

HACN Policy

Depending upon the length of time that applicants may need to wait to receive assistance, the PHA may use a one- or two-step application process.

A one-step process will be used when it is expected that a family will be selected from the waiting list within 60 days of the date of application. At application, the family must provide all of the information necessary to establish family eligibility and level of assistance.

A two-step process will be used when it is expected that a family will not be selected from the waiting list for at least 60 days from the date of application. Under the two-step application process, the PHA initially will require families to provide only the information needed to make an initial assessment of the family's eligibility, and to determine the family's placement on the waiting list. The family will be required to provide all of the information necessary to establish family eligibility and level of assistance when the family is selected from the waiting list.

Families may obtain application forms from the PHA's office during normal business hours. Families may also request – by telephone or by mail – that an application be mailed to them via first class mail.

Completed applications must be returned to the PHA by mail, electronically, by fax, or submitted in person during normal business hours. Applications and all supporting forms must be complete in order to be accepted by the PHA for processing. If an application is incomplete, the PHA will notify the family of the additional information required. Applicants will not be placed on the waiting list until the application is received completed in its entirety.

4-I.C. ACCESSIBILITY OF THE APPLICATION PROCESS

The PHA must take a variety of steps to ensure that the application process is accessible to those people who might have difficulty complying with the standard PHA application process.

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

The PHA must provide reasonable accommodation as needed for persons with disabilities to make the application process fully accessible. The facility where applications are accepted and the application process must be fully accessible, or the PHA must provide an alternate approach that provides equal access to the program. Chapter 2 provides a full discussion of the PHA's policies related to providing reasonable accommodations for people with disabilities.

Limited English Proficiency

PHAs are required to take reasonable steps to ensure meaningful access to their programs and activities by persons with limited English proficiency [24 CFR 1]. Chapter 2 provides a full discussion on the PHA's policies related to ensuring access to people with limited English proficiency (LEP).

4-I.D. PLACEMENT ON THE WAITING LIST

The PHA must review each completed application received and make a preliminary assessment of the family's eligibility. Applicants for whom the waiting list is open must be placed on the waiting list unless the PHA determines the family to be ineligible. Where the family is determined to be ineligible, the PHA must notify the family in writing [24 CFR 960.208(a); PH Occ GB, p. 41].

No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list.

Ineligible for Placement on the Waiting List

HACN Policy

If the PHA determines from the information provided that a family is ineligible, the family will not be placed on the waiting list. When a family is determined to be ineligible, the PHA will send written notification of the ineligibility determination within 10 business days of receipt of the completed application. The notice will specify the reasons for ineligibility and will inform the family of its right to request an informal hearing and explain the process for doing so (see Chapter 14).

Eligible for Placement on the Waiting List

HACN Policy

The PHA will place all families on the waiting list upon receipt of application. Families will be advised to check in every 60 days to update their application. Check ins may be conducted by phone, email, fax, or in person, however any reported changes must be made in writing.

Placement on the waiting list does not indicate that the family is, in fact, eligible for assistance. A final determination of eligibility will be made when the family is selected from the waiting list.

Applicants will be placed on the waiting list according to any preference(s) for which they qualify, and the date and time their complete application is received by the PHA.

Families will be provided with information regarding relative place on wait list and approximate length of wait at check in.

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PART II: MANAGING THE WAITING LIST

4-II.A. OVERVIEW

The PHA must have policies regarding the type of waiting list it will utilize as well as how the waiting list will be organized and managed. This includes policies on notifying the public on the opening and closing of the waiting list to new applicants, updating family information, purging the list of families that are no longer interested in or eligible for public housing, and conducting outreach to ensure a sufficient number of applicants.

In addition, HUD imposes requirements on how the PHA may structure its waiting list and how families must be treated if they apply for public housing at a PHA that administers more than one assisted housing program.

4-II.B. ORGANIZATION OF THE WAITING LIST

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

HACN Policy

The waiting list will contain the following information for each applicant listed:

Name and social security number of head of household

Unit size required (number of family members)

Amount and source of annual income

Accessibility requirement, if any

Date and time of application or application number

Household type (family, elderly, disabled)

Admission preference, if any

Race and ethnicity of the head of household

The specific site(s) selected (only if PHA offers site-based waiting lists)

The PHA may adopt one community-wide waiting list or site-based waiting lists. The PHA must obtain approval from HUD through submission of its Annual Plan before it may offer site-based waiting lists. Site-based waiting lists allow families to select the development where they wish to reside and must be consistent with all applicable civil rights and fair housing laws and regulations [24 CFR 903.7(b)(2)].

HACN Policy

The PHA will maintain one single community-wide waiting list for its developments. Within the list, the PHA will designate subparts to easily identify who should be offered the next available unit (i.e. mixed populations, general occupancy, unit size, and accessible units).

The PHA will not adopt site-based waiting lists.

HUD requires that public housing applicants must be offered the opportunity to be placed on the waiting list for any tenant-based or project-based voucher or moderate rehabilitation program that the PHA operates if 1) the other programs' waiting lists are open, and 2) the family is qualified for the other programs [24 CFR 982.205(a)(2)(i)].

HUD permits, but does not require, that PHAs maintain a single merged waiting list for their public housing, Section 8, and other subsidized housing programs [24 CFR 982.205(a)(1)].

HACN Policy

The PHA will not merge the public housing waiting list with the waiting list for any other program the PHA operates.

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

Closing the Waiting List

The PHA is permitted to close the waiting list, in whole or in part, if it has an adequate pool of families to fully lease units in all of its developments. The PHA may close the waiting list completely, or restrict intake by preference, type of project, or by size and type of dwelling unit. [PH Occ GB, p. 31].

HACN Policy

The PHA will generally maintain an open wait list, however, reserves the right to close the wait list in the event circumstances exist that warrant closure. Public Notice will be given at least 10 business days prior to the closing of the wait list.

Reopening the Waiting List

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

HACN Policy

The PHA will announce the reopening of the waiting list at least 10 business days prior to the date applications will first be accepted. If the list is only being reopened for certain categories of families, this information will be contained in the notice.

The notice will inform applicants of the date, time, method, and place applications can be obtained and submitted, how blank applications may be obtained (e.g., from what addresses, community sites, and websites), all methods by which applications will be accepted (e.g., in person, by phone, by fax, by email), a point of contact who can answer questions, any limitations on who may apply, and any other information the applicant may need to successfully submit the application. The PHA will describe its prioritization system or whether it uses a lottery and will clearly state that this system will be used to place applicants on the waiting list.

To ensure that public notices broadly reach potential applicants in all communities throughout the housing market area, the PHA will distribute public notices to local community-based organizations, such as social service agencies and religious institutions; distribute the notice online through the PHA's website or social media platforms and other online platforms for local housing news; and make use of any local newspapers of general circulation, minority media, and other suitable means.

The PHA will give public notice by publishing the relevant information using the following media outlets including, but not limited to:

- 1) *Needles Desert Star*
- 2) *Mohave Daily News*

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

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

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

PHA outreach efforts must comply with fair housing requirements. This includes:

- Analyzing the housing market area and the populations currently being served to identify underserved populations
- Ensuring that outreach efforts are targeted to media outlets that reach eligible populations that are underrepresented in the program
- Avoiding outreach efforts that prefer or exclude people who are members of a protected class

PHA outreach efforts must be designed to inform qualified families about the availability of units under the program. These efforts may include, as needed, any of the following activities:

- Submitting press releases to local newspapers, including minority newspapers
- Developing informational materials and flyers to distribute to other agencies
- Providing application forms to other public and private agencies that serve the low income population
- Developing partnerships with other organizations that serve similar populations, including agencies that provide services for persons with disabilities

HACN Policy

The PHA will monitor the characteristics of the population being served and the characteristics of the population as a whole in the PHA's jurisdiction. Targeted outreach efforts will be undertaken if a comparison suggests that certain populations are being underserved.

4-II.E. REPORTING CHANGES IN FAMILY CIRCUMSTANCES

HACN Policy

While the family is on the waiting list, the family must inform the PHA, within 10 business days, of changes in family size or composition, preference status, contact information, including current residence, mailing address, and phone number, or change in circumstances that may affect eligibility, including any criminal activity (such as arrests and convictions), and evictions. The changes must be submitted in writing.

Changes in an applicant's circumstances while on the waiting list may affect the family's qualification for a particular bedroom size or entitlement to a preference. When an applicant reports a change that affects their placement on the waiting list, the waiting list will be updated accordingly.

4-II.F. UPDATING THE WAITING LIST

HUD requires the PHA to establish policies that describe the circumstances under which applicants will be removed from the waiting list [24 CFR 960.202(a)(2)(iv)].

Purging the Waiting List

The decision to remove an applicant family that includes a person with disabilities from the waiting list is subject to reasonable accommodation. If the applicant did not respond to the PHA's request for information or updates because of the family member's disability, the PHA must, upon the family's request, reinstate the applicant family to their former position on the waiting list as a reasonable accommodation [24 CFR 8.4(a), 24 CFR 100.204(a), and PH Occ GB, p. 39 and 40]. See Chapter 2 for further information regarding reasonable accommodations.

HACN Policy

The waiting list will be purge the wait list periodically to ensure applications are current and applicants remain interested in tenancy.

If a family has not updated their application within the 60 day time frame, the PHA will suspend the application and the family will be sent a no contact notice allowing the family 10 business days to update and reinstate their application.

The family's response must be in writing and may be delivered in person, by mail, by email, or by fax. Responses should be postmarked or received by the PHA not later than 15 business days from the date of the PHA letter.

If the family fails to respond within 10 business days, the family will be removed from the waiting list without further notice.

If the notice is returned by the post office the applicant will be removed from the waiting list without further notice.

If a family is removed from the waiting list for failure to respond, the PHA may reinstate the family if it is determined that the lack of response was due to PHA error, or to circumstances beyond the family's control, as a result of a family member's disability, or as a direct result of status as a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking, including an adverse factor resulting from such abuse.

Removal from the Waiting List

HACN Policy

The PHA will remove an applicant from the waiting list upon request by the applicant family. In such cases no informal hearing is required.

If the PHA determines that the family is not eligible for admission (see Chapter 3) at any time while the family is on the waiting list the family will be removed from the waiting list.

If a family is removed from the waiting list because the PHA has determined the family is not eligible for admission, a notice will be sent to the family's address of record as well as to any alternate address provided on the initial application. The notice will state the reasons the family was removed from the waiting list and will inform the family how to request an informal hearing regarding the PHA's decision (see Chapter 14) [24 CFR 960.208(a)].

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PART III: TENANT SELECTION

4-III.A. OVERVIEW

The PHA must establish tenant selection policies for families being admitted to public housing [24 CFR 960.201(a)]. The PHA must not require any specific income or racial quotas for any developments [24 CFR 903.2(d)]. The PHA must not assign persons to a particular section of a community or to a development or building based on race, color, religion, sex, disability, familial status or national origin for purposes of segregating populations [24 CFR 1.4(b)(1)(iii) and 24 CFR 903.2(d)(1)].

The order in which families will be selected from the waiting list depends on the selection method chosen by the PHA and is impacted in part by any selection preferences that the family qualifies for. The availability of units also may affect the order in which families are selected from the waiting list.

The PHA must maintain a clear record of all information required to verify that the family is selected from the waiting list according to the PHA's selection policies [24 CFR 960.206(e)(2)]. The PHA's policies must be posted any place where the PHA receives applications. The PHA must provide a copy of its tenant selection policies upon request to any applicant or tenant. The PHA may charge the family for providing a copy of its tenant selection policies [24 CFR 960.202(c)(2)].

HACN Policy

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

4-III.B. SELECTION METHOD

PHAs must describe the method for selecting applicant families from the waiting list, including the system of admission preferences that the PHA will use.

Local Preferences [24 CFR 960.206]

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

PHA Policy

The PHA will use the following local preferences:

“Working” families, where the head, spouse or sole member is employed. However, an applicant where the head and spouse or sole member is a person age 62 or older, or is a person with disabilities, must also be given the benefit of this preference.

Families who reside within a 30 mile radius of the Housing Authority in order to respond to local needs and priorities of the need for assisted housing the Needles Area. A family member who is working or who has notified that they are hired to work in the Needles area will be treated as residents.

Unsheltered homeless families with children, with priority to homeless families of veterans and active military personnel.

Families that include a family member who is a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking.

Families who have been involuntarily displaced due to a disaster (e.g., fire, flood, earthquake), or government action (e.g. code enforcement, public improvement).

Families where the head, spouse, cohead, or sole member is elderly.

Income Targeting Requirement [24 CFR 960.202(b)]

HUD requires that extremely low-income (ELI) families make up at least 40 percent of the families admitted to public housing during the PHA's fiscal year. ELI families are those with annual incomes at or below the federal poverty level or 30 percent of the area median income, whichever number is higher [*Federal Register* notice 6/25/14]. To ensure this requirement is met, the PHA may skip non-ELI families on the waiting list in order to select an ELI family.

If a PHA also operates a housing choice voucher (HCV) program, admissions of extremely low-income families to the PHA's HCV program during a PHA fiscal year that exceed the 75 percent minimum target requirement for the voucher program, shall be credited against the PHA's basic targeting requirement in the public housing program for the same fiscal year. However, under these circumstances the fiscal year credit to the public housing program must not exceed the lower of: (1) ten percent of public housing waiting list admissions during the PHA fiscal year; (2) ten percent of waiting list admissions to the PHA's housing choice voucher program during the PHA fiscal year; or (3) the number of qualifying low-income families who commence occupancy during the fiscal year of PHA public housing units located in census tracts with a poverty rate of 30 percent or more. For this purpose, qualifying low-income family means a low-income family other than an extremely low-income family.

HACN Policy

The PHA will monitor progress in meeting the ELI requirement throughout the fiscal year. ELI families will be selected ahead of other eligible families on an as-needed basis to ensure that the income targeting requirement is met.

Mixed Population Developments [24 CFR 960.407]

A mixed population development is a public housing development or portion of a development that was reserved for elderly families and disabled families at its inception (and has retained that character) or the PHA at some point after its inception obtained HUD approval to give preference in tenant selection for all units in the development (or portion of a development) to elderly and disabled families [24 CFR 960.102]. Elderly family means a family whose head, spouse, cohead, or sole member is a person who is at least 62 years of age. Disabled family means a family whose head, spouse, cohead, or sole member is a person with disabilities [24 CFR 5.403]. The PHA must give elderly and disabled families equal preference in selecting these families for admission to mixed population developments. The PHA may not establish a limit on the number of elderly or disabled families that may occupy a mixed population development. In selecting elderly and disabled families to fill these units, the PHA must first offer the units that have accessibility features for families that include a person with a disability and require the accessibility features of such units. The PHA may not discriminate against elderly or disabled families that include children (Fair Housing Amendments Act of 1988).

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

The PHA may designate projects or portions of a public housing project specifically for elderly or disabled families. The PHA must have a HUD-approved allocation plan before the designation may take place.

Among the designated developments, the PHA must also apply any preferences that it has established. If there are not enough elderly families to occupy the units in a designated elderly development, the PHA may allow near-elderly families to occupy the units [24 CFR 945.303(c)(1)]. Near-elderly family means a family whose head, spouse, or cohead is at least 50 years old, but is less than 62 [24 CFR 5.403].

If there are an insufficient number of elderly families and near-elderly families for the units in a development designated for elderly families, the PHA must make available to all other families any unit that is ready for re-rental and has been vacant for more than 60 consecutive days [24 CFR 945.303(c)(2)].

The decision of any disabled family or elderly family not to occupy or accept occupancy in designated housing shall not have an adverse affect on their admission or continued occupancy in public housing or their position on or placement on the waiting list. However, this protection does not apply to any family who refuses to occupy or accept occupancy in designated housing because of the race, color, religion, sex, disability, familial status, or national origin of the occupants of the designated housing or the surrounding area [24 CFR 945.303(d)(1) and (2)].

This protection does apply to an elderly family or disabled family that declines to accept occupancy, respectively, in a designated project for elderly families or for disabled families, and requests occupancy in a general occupancy project or in a mixed population project [24 CFR 945.303(d)(3)].

HACN Policy

The PHA does not have designated elderly or designated disabled housing at this time.

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

HACN Policy

PHA is not subject to deconcentration requirements under [24 CFR 903.2(b) (1) and (2)].

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Order of Selection [24 CFR 960.206(e)]

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

HACN Policy

Families will be selected from the waiting list based on preference points. Among applicants with the same preference points, families will be selected on a first-come, first-served basis according to the date and time their complete application is received by the PHA.

When selecting applicants from the waiting list, the PHA will match the characteristics of the available unit (unit size, accessibility features, unit type) to the applicants on the waiting lists. The PHA will offer the unit to the highest ranking applicant who qualifies for that unit size or type, or that requires the accessibility features.

By matching unit and family characteristics, it is possible that families who are lower on the waiting list may receive an offer of housing ahead of families with an earlier date and time of application or higher preference status.

4-III.C. NOTIFICATION OF SELECTION

When the family has been selected from the waiting list, the PHA must notify the family [24 CFR 960.208].

HACN Policy

The PHA will notify the family by telephone when it is selected from the waiting list. If the family is unable to be reached by telephone a notice will be sent via first class mail.

The verbal and/or written notice will inform the family of the following:

Date, time, and location of the scheduled application interview, including any procedures for rescheduling the interview

Who is required to attend the interview

Documents that must be provided at the interview to document the legal identity of household members, including information about what constitutes acceptable documentation

Documents that must be provided at the interview to document eligibility for a

If a notification letter is returned to the PHA with no forwarding address, the family will be removed from the waiting list without further notice. Such failure to act on the part of the applicant prevents the PHA from making an eligibility determination; therefore no informal hearing will be offered.

4-III.D. THE APPLICATION INTERVIEW

HUD recommends that the PHA obtain the information and documentation needed to make an eligibility determination through a private interview. Being invited to attend an interview does not constitute admission to the program.

Assistance cannot be provided to the family until all SSN documentation requirements are met. However, if the PHA determines that an applicant family is otherwise eligible to participate in the program, the family may retain its place on the waiting list for a period of time determined by the PHA [Notice PIH 2018-24].

Reasonable accommodation must be made for persons with disabilities who are unable to attend an interview due to their disability [24 CFR 8.4(a) and 24 CFR 100.204(a)].

PHA Policy

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

All adult family members are required to attend the interview.

All adults must provide acceptable documentation of legal identity. (Chapter 7 provides a discussion of proper documentation of legal identity). If the family representative does not provide the required documentation at the time of the interview, they will be required to provide it within 10 business days.

Pending disclosure and documentation of social security numbers, the PHA will allow the family to retain its place on the waiting list for 90 days. If not all household members have disclosed their SSNs at the next time a unit becomes available, the PHA will offer a unit to the next eligible applicant family on the waiting list.

If the family is claiming a waiting list preference, the family must provide documentation to verify their eligibility for a preference (see Chapter 7). If the family is verified as eligible for the preference, the PHA will proceed with the interview. If the PHA determines the family is not eligible for the preference, the interview will not proceed and the family will be placed back on the waiting list according to the date and time of their application.

The family must provide the information necessary to establish the family's eligibility, including suitability, and to determine the appropriate amount of rent the family will pay. The family must also complete required forms, provide required signatures, and submit required documentation. If any materials are missing, the PHA will provide the family with a written list of items that must be submitted.

Any required documents or information that the family is unable to provide at the interview must be provided within 10 business days of the interview (Chapter 7 provides details about longer submission deadlines for particular items, including documentation of Social Security numbers and eligible noncitizen status). If the family is unable to obtain the information or materials within the required time frame, the family may request an extension. If the required documents and information are not provided within the required time frame (plus any extensions), the family will be sent a notice of denial (see Chapter 3).

An advocate, interpreter, or other assistant may assist the family with the application and the interview process.

Interviews will be conducted in English. For limited English proficient (LEP) applicants, the PHA will provide translation services in accordance with the PHA's LEP plan.

If the family is unable to attend a scheduled interview, the family should contact the PHA in advance of the interview to schedule a new appointment. Applicants who fail to attend scheduled interviews without contacting the PHA and rescheduling the interview or fails to attend two scheduled interviews without good cause will be denied assistance based on the family's failure to supply information needed to determine eligibility. A notice of denial will be issued in accordance with policies contained in Chapter 3.

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

The PHA must verify all information provided by the family (see Chapter 7). Based on verified information related to the eligibility requirements, including PHA suitability standards, the PHA must make a final determination of eligibility (see Chapter 3).

When a determination is made that a family is eligible and satisfies all requirements for admission, including tenant selection criteria, the applicant must be notified of the approximate date of occupancy insofar as that date can be reasonably determined [24 CFR 960.208(b)].

HACN Policy

The PHA will notify a family in writing of their eligibility within 10 business days of the determination and will provide the approximate date of occupancy insofar as that date can be reasonably determined.

The PHA must promptly notify any family determined to be ineligible for admission of the basis for such determination, and must provide the applicant upon request, within a reasonable time after the determination is made, with an opportunity for an informal hearing on such determination [24 CFR 960.208(a)].

HACN Policy

If the PHA determines that the family is ineligible, the PHA will send written notification of the ineligibility determination within 10 business days of the determination. The notice will specify the reasons for ineligibility and will inform the family of its right to request an informal hearing (see Chapter 14).

If the PHA uses a criminal record or sex offender registration information obtained under 24 CFR 5, Subpart J, as the basis of a denial, a copy of the record must precede the notice to deny, with an opportunity for the applicant to dispute the accuracy and relevance of the information before the PHA can move to deny the application. See Section 3-III.G for the PHA's policy regarding such circumstances.

The PHA must provide the family a notice of VAWA rights (form HUD-5380) as well as the HUD VAWA self-certification form (form HUD-5382) in accordance with the Violence against Women Act, and as outlined in 16-VII.C, at the time the applicant is provided assistance or at the time the applicant is denied assistance. This notice must be provided in both of the following instances: (1) when a family actually begins receiving assistance (lease execution); or (2) when a family is notified of its ineligibility.

Chapter 5

OCCUPANCY STANDARDS AND UNIT OFFERS

INTRODUCTION

The PHA must establish policies governing occupancy of dwelling units and offering dwelling units to qualified families.

This chapter contains policies for assigning unit size and making unit offers. The PHA's waiting list and selection policies are contained in Chapter 4. Together, Chapters 4 and 5 of the ACOP comprise the PHA's Tenant Selection and Assignment Plan (TSAP).

Policies in this chapter are organized in two parts.

Part I: Occupancy Standards. This part contains the PHA's standards for determining the appropriate unit size for families of different sizes, compositions, and types.

Part II: Unit Offers. This part contains the PHA's policies for making unit offers, and describes actions to be taken when unit offers are refused.

PART I: OCCUPANCY STANDARDS

5-I.A. OVERVIEW

Occupancy standards are established by the PHA to ensure that units are occupied by families of the appropriate size. This policy maintains the maximum usefulness of the units, while preserving them from underutilization or from excessive wear and tear due to overcrowding. Part I of this chapter explains the occupancy standards. These standards describe the methodology and factors the PHA will use to determine the size unit for which a family qualifies, and includes the identification of the minimum and maximum number of household members for each unit size. This part also identifies circumstances under which an exception to the occupancy standards may be approved.

5-I.B. DETERMINING UNIT SIZE

In selecting a family to occupy a particular unit, the PHA may match characteristics of the family with the type of unit available, for example, number of bedrooms [24 CFR 960.206(c)].

HUD does not specify the number of persons who may live in public housing units of various sizes. PHAs are permitted to develop appropriate occupancy standards as long as the standards do not have the effect of discriminating against families with children [PH Occ GB, p. 62].

Although the PHA does determine the size of unit the family qualifies for under the occupancy standards, the PHA does not determine who shares a bedroom/sleeping room.

The PHA's occupancy standards for determining unit size must be applied in a manner consistent with fair housing requirements.

HACN Policy

The PHA will use the same occupancy standards for each of its developments.

The PHA's occupancy standards are as follows:

The PHA will assign one bedroom for each two persons within the household, except in the following circumstances:

Persons of different generations will not be required to share a bedroom.

Live-in aides will be allocated a separate bedroom. No additional bedrooms will be provided for the live-in aide's family.

Single person families will be allocated a zero or one bedroom.

Children of separate genders regardless of age (i.e., from birth) will be allocated separate bedrooms.

Children of the same gender with an age difference exceeding [number of] years will be allocated separate bedrooms.

Unrelated adults of the same gender will be allocated separate bedrooms.

Foster children will be included in determining unit size only if they will be in the unit for more than 6 months.

Children away at school, but for whom the unit is considered the primary residence, and children temporarily placed outside the home, will be considered when determining unit size.

Children in the process of being adopted will be considered when determining unit size.

Children who will live in the unit less than 50 percent of the time will not be considered when determining unit size.

The PHA will reference the following standards in determining the appropriate unit bedroom size for a family:

BEDROOM SIZE	MINIMUM NUMBER OF PERSONS	MAXIMUM NUMBER OF PERSONS
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8
5	6	10
6	8	12

5-I.C. EXCEPTIONS TO OCCUPANCY STANDARDS

Types of Exceptions

HACN Policy

The PHA will consider granting exceptions to the occupancy standards at the family's request if the PHA determines the exception is justified by the relationship, age, sex, health or disability of family members, or other personal circumstances.

For example, an exception may be granted if a larger bedroom size is needed for medical equipment due to its size and/or function, or as a reasonable accommodation for a person with disabilities. An exception may also be granted for a smaller bedroom size in cases where the number of household members exceeds the maximum number of persons allowed for the unit size in which the family resides (according to the chart in Section 5-I.B) and the family does not want to transfer to a larger size unit.

When evaluating exception requests the PHA will consider the size and configuration of the unit. In no case will the PHA grant an exception that is in violation of local housing or occupancy codes, regulations or laws.

Requests from applicants to be placed on the waiting list for a unit size smaller than designated by the occupancy standards will be approved as long as the unit is not overcrowded according to local code, and the family agrees not to request a transfer for a period of two years from the date of admission, unless they have a subsequent change in family size or composition.

To prevent vacancies, the PHA may provide an applicant family with a larger unit than the occupancy standards permit. However, in these cases the family must agree to move to a suitable, smaller unit when another family qualifies for the larger unit and there is an appropriate size unit available for the family to transfer to.

Processing of Exceptions

HACN Policy

All requests for exceptions to the occupancy standards must be submitted in writing.

In the case of a request for exception as a reasonable accommodation, the PHA will encourage the resident to make the request in writing using a reasonable accommodation request form. However, the PHA will consider the exception request any time the resident indicates that an accommodation is needed whether or not a formal written request is submitted.

Requests for a larger size unit must explain the need or justification for the larger size unit, and must include appropriate documentation. Requests based on health-related reasons must be verified by a knowledgeable professional source, unless the disability and the disability-related request for accommodation is readily apparent or otherwise known.

The PHA will notify the family of its decision within 10 business days of receiving the family's request.

PART II: UNIT OFFERS

24 CFR 1.4(b)(2)(ii); 24 CFR 960.208

5-II.A. OVERVIEW

The PHA must assign eligible applicants to dwelling units in accordance with a plan that is consistent with civil rights and nondiscrimination laws.

In filling an actual or expected vacancy, the PHA must offer the dwelling unit to an applicant in the appropriate offer sequence. The PHA will offer the unit until it is accepted. This section describes the PHA's policies with regard to the number of unit offers that will be made to applicants selected from the waiting list. This section also describes the PHA's policies for offering units with accessibility features.

HACN Policy

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

5-II.B. NUMBER OF OFFERS

HACN Policy

The PHA has adopted a "two-to-three offer plan" for offering units to applicants. Under this plan, the PHA will determine how many locations within its jurisdiction have available units of suitable size and type in the appropriate type of project. As of the date of this ACOP, the PHA has one location. The number of unit offers will be based on the distribution of vacancies. If a suitable unit is available in:

Three (3) or more locations: The applicant will be offered a unit in the location with the highest number of vacancies. If the offer is rejected, the applicant will be offered a suitable unit in the location with the second highest number of vacancies. If that unit is rejected, a final offer will be made in the location with the third highest number of vacancies. The offers will be made in sequence and the applicant must refuse an offer before another is made.

Two (2) locations: The applicant will be offered a suitable unit in the location with the higher number of vacancies. If the offer is rejected, a final offer will be made at the other location. The offers will be made in sequence and the applicant must refuse the first offer before a second offer is made.

One (1) location: The applicant will be offered a suitable unit in that location. If the offer is rejected, the applicant will be offered the next suitable unit that becomes available, whether it is at the same location as the first offer or at another location. The second unit offer will be the final offer, unless there is good cause for refusing the offer.

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

5-II.C. TIME LIMIT FOR UNIT OFFER ACCEPTANCE OR REFUSAL

HACN Policy

Applicants must accept or refuse a unit offer within 10 business days of the date of the unit offer.

Offer will be made by telephone, if the PHA is unable to contact the applicant by phone an offer letter will be sent by first class mail.

5-II.D. REFUSALS OF UNIT OFFERS

Good Cause for Unit Refusal

An elderly or disabled family may decline an offer for designated housing. Such a refusal must not adversely affect the family's position on or placement on the public housing waiting list [24 CFR 945.303(d)].

HACN Policy

Applicants may refuse to accept a unit offer for "good cause." *Good cause* includes situations in which an applicant is willing to move but is unable to do so at the time of the unit offer, or the applicant demonstrates that acceptance of the offer would cause undue hardship not related to considerations of the applicant's race, color, national origin, etc. [PH Occ GB, p. 104]. Examples of good cause for refusal of a unit offer include, but are not limited to, the following:

The family demonstrates to the PHA's satisfaction that accepting the unit offer will require an adult household member to quit a job, drop out of an educational institution or job training program, or take a child out of day care or an educational program for children with disabilities.

The family demonstrates to the PHA's satisfaction that accepting the offer will place a family member's life, health, or safety in jeopardy. The family should offer specific and compelling documentation such as restraining orders; other court orders; risk assessments related to witness protection from a law enforcement agency; or documentation of domestic violence, dating violence, sexual assault, stalking, or human trafficking in accordance with section 16-VII.D of this ACOP. Reasons offered must be specific to the family. Refusals due to location alone do not qualify for this good cause exemption.

A health professional verifies temporary hospitalization or recovery from illness of the principal household member, other household members (as listed on final application) or live-in aide necessary to the care of the principal household member.

Good cause is determined on a case-by-case basis, at the discretion of the PHA.

The unit is inappropriate for the applicant's disabilities, or the family does not need the accessible features in the unit offered and does not want to be subject to a 30-day notice to move.

The unit has lead-based paint and the family includes children under the age of six.

In the case of a unit refusal for good cause the applicant will not be removed from the waiting list as described later in this section. The applicant will remain at the top of the waiting list until the family receives an offer for which they do not have good cause to refuse.

The PHA will require documentation of good cause for unit refusals.

Unit Refusal without Good Cause

HACN Policy

When an applicant rejects the final unit offer without good cause, the PHA will remove the applicant's name from the waiting list and send notice to the family of such removal. The notice will inform the family of their right to request an informal hearing and the process for doing so (see Chapter 14).

The applicant may reapply for assistance if the waiting list is open. If the waiting list is not open, the applicant must wait to reapply until the PHA opens the waiting list.

5-II.E. ACCESSIBLE UNITS [24 CFR 8.27]

PHAs must adopt suitable means to assure that information regarding the availability of accessible units reaches eligible individuals with disabilities, and take reasonable nondiscriminatory steps to maximize the utilization of such units by eligible individuals whose disability requires the accessibility features of a particular unit.

When an accessible unit becomes vacant, before offering such units to a non-disabled applicant the PHA must offer such units:

- First, to a current resident of another unit of the same development, or other public housing development under the PHA's control, who has a disability that requires the special features of the vacant unit and is occupying a unit not having such features, or if no such occupant exists, then
- Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

When offering an accessible unit to an applicant not having a disability requiring the accessibility features of the unit, the PHA may require the applicant to agree (and may incorporate this agreement in the lease) to move to a non-accessible unit when available.

HACN Policy

Families requiring an accessible unit may be over-housed in such a unit if there are no resident or applicant families of the appropriate size who also require the accessible features of the unit.

When there are no resident or applicant families requiring the accessible features of the unit, including families who would be over-housed, the PHA will offer the unit to a non-disabled applicant.

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

5-II.F. DESIGNATED HOUSING

When applicable, the PHA's policies for offering units designated for elderly families only or for disabled families only are described in the PHA's Designated Housing Plan.

Chapter 6

INCOME AND RENT DETERMINATIONS

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

INTRODUCTION

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

Part I: Annual Income. HUD regulations specify the sources of income which are excluded from the family's annual income. These requirements and PHA policies for calculating annual income are found in Part I.

Part II: Assets. HUD regulations specify the types of assets which are excluded from a family's annual income. These requirements and PHA policies for calculating income from assets are found in Part II.

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

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

PART I: ANNUAL INCOME

6-I.A. OVERVIEW [24 CFR 5.609]

Annual income includes:

- All amounts, not specifically excluded in 24 CFR 5.609(b);
- All amounts received from all sources by each member of the family who is 18 years of age or older or is the head of household or spouse;
- Unearned income by or on behalf of each dependent who is under 18 years of age; and
- Imputed returns of an asset based on the current passbook savings rate, as determined by HUD, when the value of net family assets exceeds \$50,000 (which amount HUD will adjust annually) and the actual returns from a given asset cannot be calculated.

In addition to this general definition, the regulations at 24 CFR 5.609(b) provide a comprehensive listing of all sources of income that are excluded from annual income. Note, unlike in previous version of the regulations, the current regulations governing annual income do not list sources of income that are to be included. Instead, HUD relies on the definition of excluded income under 24 CFR 5.609(b) to provide the scope of what is included. To that end, generally, all income is included unless it is specifically excluded by regulation.

Annual income includes “all amounts received,” not the amount that a family may be legally entitled to receive but did not receive. For example, a family’s child support or alimony income must be based on payments received, not the amounts to which the family is entitled by court or agency orders [Notice PIH 2023-27].

Annual income also includes all actual anticipated income from assets (provided the income is not otherwise excluded) even if the asset itself is excluded from net family assets [Notice PIH 2023-27]. 24 CFR 5.603(b)(1) describes HUD regulations for treating specific types of assets.

The full texts of those portions of the regulations are provided in exhibits at the end of this chapter as follows:

- Annual Income Full Definition (Exhibit 6-1)
- Treatment of Family Assets (Exhibit 6-2)
- The Effect of Welfare Benefit Reduction (Exhibit 6-3)

Sections 6-I.B and 6-I.C discuss general requirements and methods for calculating annual income. The rest of this section describes how each source of income is treated for the purposes of determining annual income. Verification requirements for annual income are discussed in Chapter 7.

6-I.B. HOUSEHOLD COMPOSITION AND INCOME

Overview

Income received by all family members must be counted unless specifically excluded by the regulations. It is the responsibility of the head of household to report changes in family composition in accordance with HUD regulations and PHA policies in Chapter 9. The rules on which sources of income are counted vary somewhat by family member. The chart below summarizes how family composition affects income determinations.

Summary of Income Included and Excluded by Person	
Live-in aides	Income from all sources (both earned and unearned) is excluded [24 CFR 5.609(b)(8)].
Foster child or foster adult	Income from all sources (both earned and unearned) is excluded [24 CFR 5.609(b)(8)].
Head, spouse, or cohead Other adult family members	All sources of income not specifically excluded by the regulations are included [24 CFR 5.609(a)].
Minors	Earned income of children under 18 years of age is excluded [24 CFR 5.609(b)(3)]. All sources of unearned income, except those specifically excluded by the regulations, are included.
Full-time students 18 years of age or older (not head, spouse, or cohead)	Earned income in excess of the dependent deduction is excluded [24 CFR 5.609(b)(14)]. All sources of unearned income, except those specifically excluded by the regulations, are included.

Temporarily Absent Family Members

The current regulations governing annual income do not specifically address temporarily absent family members. The regulations also do not define “temporarily” or “permanently” absent or specify a timeframe associated with a temporary versus a permanent absence.

HACN Policy

Unless specifically excluded by the regulations, the income of all family members approved to live in the unit will be counted, even if the family member is temporarily absent from the unit.

Generally, an individual who is or is expected to be absent from the assisted unit for 180 consecutive days or less is considered temporarily absent and continues to be considered a family member. Generally, an individual who is or is expected to be absent from the assisted unit for more than 180 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

Absent Students

HACN Policy

When someone who has been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to the PHA indicating that the student has established a separate household, or the family declares in writing that the student has established a separate household.

Absences Due to Placement in Foster Care

Children temporarily absent from the home as a result of placement in foster care (as confirmed by the state child welfare agency) are considered members of the family [24 CFR 5.403].

HACN Policy

If a child has been placed in foster care, the PHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member. In the event the PHA is unable to verify information with an agency, the responsible guardian for the minor may supply the verification via 3rd party documentation.

Absent Head, Spouse, or Cohead

HACN Policy

An employed head, spouse, or cohead absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member.

Family Members Confined for Medical Reasons

If a family member is confined to a nursing home or hospital on a permanent basis, PHAs may determine that that person is no longer a member of the assisted household, and the income of that person is not counted [New PH OCC GB, *Income Determinations*, p. 12].

HACN Policy

An individual permanently confined to a nursing home or hospital may not be named a family head, spouse, or cohead but may continue to be a family member at the family's discretion. The family has a choice with regard to how the permanently confined individual's income will be counted. The family may elect either of the following:

Include the individual's income and receive the allowable deductions related to the medical care of the permanently confined individual.

Exclude the individual's income and do not receive the allowances related to the medical care of the permanently confined individual.

If there is a question about the status of a family member, the PHA will request verification from a responsible medical professional and will use this determination. If the responsible medical professional cannot provide a determination, the person generally will be considered temporarily absent. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

Joint Custody of Children

HACN Policy

Dependents that are subject to a joint custody arrangement will be considered a member of the family if they live with the applicant or participant family 50 percent or more of the time.

When more than one applicant or assisted family (regardless of program) are claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family should claim them, the PHA will make the determination based on available documents such as court orders, an IRS income tax return showing which family has claimed the child for income tax purposes, school records, or other credible documentation.

Caretakers for a Child

HACN Policy

The approval of a caretaker is at the owner and PHA's discretion and subject to the owner and PHA's screening criteria. If neither a parent nor a designated guardian remains in a household receiving PH assistance, the PHA will take the following actions.

If a responsible agency has determined that another adult is to be brought into the assisted unit to care for a child for an indefinite period, the designated caretaker will not be considered a family member until a determination of custody or legal guardianship is made.

If a caretaker has assumed responsibility for a child without the involvement of a responsible agency or formal assignment of custody or legal guardianship, the caretaker will be treated as a visitor for 90 days. After the 90 days has elapsed, the caretaker will be considered a family member unless information is provided that would confirm that the caretaker's role is temporary. In such cases the PHA will extend the caretaker's status as an eligible visitor.

At any time that custody or guardianship legally has been awarded to a caretaker, the PH assistance will be transferred to the caretaker.

During any period that a caretaker is considered a visitor, the income of the caretaker is not counted in annual income and the caretaker does not qualify the family for any deductions from income.

6-I.C. CALCULATING ANNUAL INCOME

The methodology used for calculating income differs depending on whether income is being calculated at initial occupancy, interim reexamination, or at annual reexamination. However, income from assets is always anticipated regardless of certification type.

Anticipating Annual Income [24 CFR 5.609(c)(1)]

At initial occupancy and for an interim reexamination of family income, the PHA is required to use anticipated income (current income) for the upcoming 12-month period following the new admission or interim reexamination effective date. Policies related to verifying income are found in Chapter 7.

HACN Policy

When the PHA cannot readily anticipate income based upon current circumstances (e.g., in the case of temporary, sporadic, or variable employment, seasonal employment, unstable working hours, or suspected fraud), the PHA will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish annual income.

Any time current circumstances are not used to project annual income, a clear rationale for the decision will be documented in the file. In all such cases the family may present information and documentation to the PHA to show why the historic pattern does not represent the family's anticipated income.

In all cases, the family file will be documented with a clear record of the reason for the decision, and a clear audit trail will be left as to how the PHA annualized projected income.

Known Changes in Income

If the PHA verifies an upcoming increase or decrease in income, annual income will be projected by applying each income amount to the appropriate part of the 12-month period.

Example: An employer reports that a full-time employee who has been receiving \$8/hour will begin to receive \$8.25/hour in the eighth week after the effective date of the new admission or interim reexamination. In such a case the PHA would calculate annual income as follows: $(\$8/\text{hour} \times 40 \text{ hours} \times 7 \text{ weeks}) + (\$8.25 \times 40 \text{ hours} \times 45 \text{ weeks})$.

The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family. In such cases the PHA will calculate annual income using current circumstances and then, should the change in income require the PHA to conduct an interim reexamination, conduct an interim reexamination in accordance with PHA policy in Chapter 9.

**Calculating Annual Income at Annual Reexamination [24 CFR.609(c)(2);
Notice PIH 2023-27]**

At annual reexamination, PHAs must first determine the family's income for the previous 12-month period and use this amount as the family income for annual reexaminations; however, adjustments to reflect current income must be made. Any change of income since the family's last annual reexamination, including those that did not meet the threshold to process an interim reexamination of family income in accordance with PHA policies in Chapter 9 and HUD regulations, must be considered. If, however, there have been no changes to income, then the amount of income calculated for the previous 12-month period is the amount that will be used to determine the family's rent. Policies related to conducting annual reexaminations are located in Chapter 9.

6-I.D. EARNED INCOME

Wages and Related Compensation [24 CFR 5.609(a); Notice PIH 2023-27]

The earned income of each member of the family who is 18 years of age or older, or who is the head of household or spouse/cohead regardless of age, is included in annual income. Income received as a day laborer or seasonal worker is also included in annual income, even if the source, date, or amount of the income varies [24 CFR 5.609 (b)(24)].

Earned income means income or earnings from wages, tips, salaries, other employee compensation, and net income from self-employment. Earned income does not include any pension or annuity, transfer payments (meaning payments made or income received in which no goods or services are being paid for, such as welfare, social security, and governmental subsidies for certain benefits), or any cash or in-kind benefits [24 CFR 5.100].

A *day laborer* is defined as an individual hired and paid one day at a time without an agreement that the individual will be hired or work again in the future [24 CFR 5.603(b)].

A *seasonal worker* is defined as an individual who is hired into a short-term position (e.g., for which the customary employment period for the position is six months or fewer) and the employment begins about the same time each year (such as summer or winter). Typically, the individual is hired to address seasonal demands that arise for the particular employer or industry [24 CFR 5.603(b)]. Some examples of seasonal work include employment limited to holidays or agricultural seasons. Seasonal work may include but is not limited to employment as a lifeguard, ballpark vendor, or snowplow driver [Notice PIH 2023-27].

HACN Policy

The PHA will include in annual income the full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation.

For persons who regularly receive bonuses or commissions, the PHA will verify and then average amounts received for the two years preceding admission or reexamination. If only a one-year history is available, the PHA will use the prior year amounts. In either case the family may provide, and the PHA will consider, a credible justification for not using this history to anticipate future bonuses or commissions. If a new employee has not yet received any bonuses or commissions, the PHA will count only the amount estimated by the employer. The file will be documented appropriately.

Military Pay

All regular pay, special pay and allowances of a member of the Armed Forces are counted except for the special pay to a family member serving in the Armed Forces who is exposed to hostile fire [24 CFR 5.609(b)(11)].

Earnings of a Minor [24 CFR 5.609(b)(3)]

A minor is a member of the family, other than the head of household or spouse, who is under 18 years of age. Employment income earned by minors is not included in annual income. All other sources of unearned income, except those specifically excluded by the regulations, are included.

Earned Income of Full-Time Students [24 CFR 5.609(b)(14)]

The earned income of a dependent full-time student in excess of the amount of the dependent deduction is excluded from annual income. All sources of unearned income, except those specifically excluded by the regulations, are included.

A family member other than the head of household or spouse/cohead is considered a full-time student if they are attending school or vocational training on a full-time basis [24 CFR 5.603(b)]. Full-time status is defined by the educational or vocational institution the student is attending [New PH OCC GB, *Lease Requirements*, p. 5].

6-I.E. EARNED INCOME DISALLOWANCE [24 CFR 960.255; Streamlining Final Rule (SFR) Federal Register 3/8/16; Notice PIH 2023-27]

HOTMA removed the statutory authority for the EID. The EID is available only to families that are eligible for and participating on the program as of December 31, 2023, or before; no new families may be added on or after January 1, 2024. If a family is receiving the EID prior to or on the effective date of December 31, 2023, they are entitled to the full amount of the benefit for a full 24-month period. The policies below are applicable only to such families. No family will still be receiving the EID after December 31, 2025. The EID will sunset on January 1, 2026, and the PHA policies below will no longer be applicable as of that date or when the last qualifying family exhausts their exclusion period, whichever is sooner.

Calculation of the Disallowance

Calculation of the earned income disallowance for an eligible member of a qualified family begins with a comparison of the member’s current income with their “baseline income.” The family member’s baseline income is their income immediately prior to qualifying for the EID. The family member’s baseline income remains constant throughout the period that they are participating in the EID.

Calculation Method

Initial 12-Month Exclusion

During the initial exclusion period of 12 consecutive months, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded.

HACN Policy

The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.

Second 12-Month Exclusion

During the second exclusion period of 12 consecutive months, the PHA must exclude at least 50 percent of any increase in income attributable to employment or increased earnings.

HACN Policy

During the second 12-month exclusion period, the PHA will exclude 50 percent of any increase in income attributable to new employment or increased earnings.

Lifetime Limitation

The EID has a two-year (24-month) lifetime maximum. The two-year eligibility period begins at the same time that the initial exclusion period begins and ends 24 months later. During the 24-month period, an individual remains eligible for EID even if they begin to receive assistance from a different housing agency, move between public housing and Section 8 assistance, or have breaks in assistance. The EID will sunset on January 1, 2026. In no circumstances will a family member's exclusion period continue past January 1, 2026.

Individual Savings Accounts [24 CFR 960.255(d)]

The PHA may, but is not required to, establish a policy to offer a qualified family paying income-based rent an ISA instead of being given the EID.

HACN Policy

The PHA chooses not to establish a system of individual savings accounts (ISAs) for families who qualify for the EID.

**6-I.F. BUSINESS AND SELF-EMPLOYMENT INCOME [24 CFR 5.609(b)(28);
Notice PIH 2023-27]**

Annual income includes “net income from the operation of a business or profession. *Net income* is gross income minus business expenses that allows the business to operate. *Gross income* is all income amounts received into the business, prior to the deduction of business expenses.

Expenditures for business expansion or amortization of capital indebtedness may not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.”

HACN Policy

To determine business expenses that may be deducted from gross income, the PHA will use current applicable Internal Revenue Service (IRS) rules for determining allowable business expenses [see IRS Publication 535], unless a topic is addressed by HUD regulations or guidance as described herein.

Independent Contractors

Income received as an independent contractor is included in annual income, even if the source, date, or amount of the income varies [24 CFR 2.609 (b)(24)].

An *independent contractor* is defined as an individual who qualifies as an independent contractor instead of an employee in accordance with the Internal Revenue Code Federal income tax requirements and whose earnings are consequently subject to the Self-Employment Tax. In general, an individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done [24 CFR 5.603(b)].

Business Expansion

HUD regulations do not permit the PHA to deduct from gross income expenses for business expansion.

HACN Policy

Business expansion is defined as any capital expenditures made to add new business activities, to expand current facilities, or to operate the business in additional locations. For example, purchase of a street sweeper by a construction business for the purpose of adding street cleaning to the services offered by the business would be considered a business expansion. Similarly, the purchase of a property by a hair care business to open at a second location would be considered a business expansion.

Capital Indebtedness

HUD regulations do not permit the PHA to deduct from gross income the amortization of capital indebtedness.

HACN Policy

Capital indebtedness is defined as the principal portion of the payment on a capital asset such as land, buildings, and machinery. This means the PHA will allow as a business expense interest, but not principal, paid on capital indebtedness.

Negative Business Income

If the net income from a business is negative, no business income will be included in annual income; a negative amount will not be used to offset other family income.

Withdrawal of Cash or Assets from a Business

HUD regulations require the PHA to include in annual income the withdrawal of cash or assets from the operation of a business or profession unless the withdrawal reimburses a family member for cash or assets invested in the business by the family.

HACN Policy

Acceptable investments in a business include cash loans and contributions of assets or equipment. For example, if a member of an assisted family provided an up-front loan of \$2,000 to help a business get started, the PHA will not count as income any withdrawals from the business up to the amount of this loan until the loan has been repaid. Investments do not include the value of labor contributed to the business without compensation.

Co-owned Businesses

HACN Policy

If a business is co-owned with someone outside the family, the family must document the share of the business it owns. If the family's share of the income is lower than its share of ownership, the family must document the reasons for the difference.

Assets Owned by a Business Entity

If a business entity (e.g., limited liability company or limited partnership) owns the asset, then the family's asset is their ownership stake in the business, not some portion of the business's assets. However, if the family holds the assets in their own name (e.g., they own one-third of a restaurant) rather than in the name of a business entity, then the percentage value of the asset owned by the family is what is counted toward net family assets (e.g., one-third of the value of the restaurant) [Notice PIH 2023-27].

6-I.G. STUDENT FINANCIAL ASSISTANCE [24 CFR 5.609(b)(9)]

The regulations distinguish between two categories of student financial assistance paid to both full-time and part-time students.

Types of Assistance

Any assistance to students under section 479B of the Higher Education Act of 1965 (Title IV of the HEA) must be excluded from the family's annual income [24 CFR 5.609(b)(9)(i)].

Examples of assistance under title IV of the HEA include:

- Federal Pell Grants;
- Teach Grants;
- Federal Work Study Programs;
- Federal Perkins Loans;
- Income earned in employment and training programs under section 134 of the Workforce Innovation and Opportunity Act (WIOA); or
- Bureau of Indian Affairs/Education student assistance programs
 - The Higher Education Tribal Grant
 - The Tribally Controlled Colleges or Universities Grant Program

Any other grant-in-aid, scholarship, or other assistance amounts an individual receives for the actual covered costs charged by the institute of higher education not otherwise excluded by the Federally mandated income exclusions are excluded [24 CFR 5.609(b)(9)(ii)]. *Actual covered costs* are defined as the actual costs of:

- Tuition, books, and supplies;
 - Including supplies and equipment to support students with learning disabilities or other disabilities
- Room and board; and
- Other fees required and charged to a student by the education institution.

For a student who is not the head of household or spouse/cohead, actual covered costs also include the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit.

Further, to qualify, other student financial assistance must be expressly:

- For tuition, book, supplies, room and board, or other fees required and charged to the student by the education institution;
- To assist a student with the costs of higher education; or
- To assist a student who is not the head of household or spouse with the reasonable and actual costs of housing while attending the educational institution and not residing in an assisted unit.

The student financial assistance may be paid directly to the student or to the educational institution on the student's behalf. However, any student financial assistance paid to the student must be verified by the PHA.

The financial assistance must be a grant or scholarship received from:

- The Federal government;
- A state, tribal, or local government;
- A private foundation registered as a nonprofit;
- A business entity (such as corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation, or nonprofit entity); or
- An institution of higher education.

Student financial assistance, does not include:

- Financial support provided to the student in the form of a fee for services performed (e.g., a work study or teaching fellowship that is not excluded under section 479B of the Higher Education Act HEA);
- Gifts, including gifts from family or friends; or
- Any amount of the scholarship or grant that, either by itself or in combination with assistance excluded under the HEA, exceeds the actual covered costs of the student.

Calculating Income from Student Financial Assistance [HOTMA Student Financial Assistance Resource Sheet; Notice PIH 2023-27]

The formula for calculating the amount of other student financial assistance that is excluded from income always begins with deducting the assistance received under 479B of the HEA from the total actual covered costs, because the 479B assistance is intended to pay the student's actual covered costs. When a student receives assistance from both Title IV of the HEA and from other sources, the assistance received under Title IV of the HEA must be applied to the student's actual covered costs first and then other student financial assistance is applied to any remaining actual covered costs. Once actual costs are covered, any remaining student financial assistance is considered income.

HACN Policy

If a student only receives financial assistance under Title IV of the HEA and does not receive any other student financial assistance, the PHA will exclude the full amount of the assistance received under Title IV from the family's annual income. The PHA will not calculate actual covered costs in this case.

If the student does not receive any assistance under Title IV of the HEA but does receive assistance from another source, the PHA will first calculate the actual covered costs to the student in accordance with 24 CFR 5.609(b)(ii). The PHA will then subtract the total amount of the student's financial assistance from the student's actual covered costs. The PHA will include any amount of financial assistance in excess of the student's actual covered costs in the family's annual income.

Example 1

- Actual covered costs: \$20,000
- Other student financial assistance: \$25,000
- Excluded income: \$20,000 (\$25,000 in financial assistance - \$20,000 in actual covered costs)
- Included income: \$5,000

When a student receives assistance from both Title IV of the HEA and from other sources, the PHA will first calculate the actual covered costs to the student in accordance with 24 CFR 5.609(b)(ii). The assistance received under Title IV of the HEA will be applied to the student's actual covered costs first and then the other student financial assistance will be applied to any remaining actual covered costs.

If the amount of assistance excluded under Title IV of the HEA equals or exceeds the actual covered costs, none of the assistance included under other student financial assistance" would be excluded from income.

Example 2

- Actual covered costs: \$25,000
- Title IV HEA assistance: \$26,000
- Title IV HEA assistance covers the students entire actual covered costs.
- Other Student Financial Assistance: \$5,000
- Excluded income: The entire Title IV HEA assistance of \$26,000
- Included income: All other financial assistance of \$5,000

If the amount of assistance excluded under Title IV of the HEA is less than the actual covered costs, the PHA will exclude the amount of other student financial assistance up to the amount of the remaining actual covered costs.

Example 3

- Actual covered costs: \$22,000
- Title IV HEA assistance: \$15,000
- The remaining amount not covered by Title IV HEA assistance is \$7,000 (\$22,000 in actual covered costs - \$15,000 in Title IV HEA assistance).
- Other Student Financial Assistance: \$5,000
- \$7,000 in remaining actual covered costs - \$5,000 in other financial assistance
- Excluded income: \$15,000 entire amount of the Title IV HEA Assistance + \$5,000 in other financial assistance
- Included income: \$0

Example 4

- Actual covered costs: \$18,000
- Title IV HEA Assistance: \$15,000
- The remaining amount not covered by Title IV HEA assistance is \$3,000 (\$18,000 in actual covered costs - \$15,000 in Title IV HEA Assistance)
- Other student Financial Assistance: \$5,000
- When other student financial assistance is applied, financial assistance exceeds actual covered costs by \$2,000 (\$3,000 in actual covered costs - \$5,000 in other financial assistance).
- Included income: \$2,000 (the amount by which the financial aid exceeds the student's actual covered costs).

6-I.H. PERIODIC PAYMENTS [Notice PIH 2023-27]

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

Income that has a discrete end date and will not be repeated beyond the coming year is excluded from a family's annual income because it is nonrecurring income. However, this does not include unemployment income and other types of periodic payments that are received at regular intervals (such as weekly, monthly, or yearly) for a period of greater than one year that can be extended. For example, a family receives income from a guaranteed income program in their city that has a discrete beginning and end date. While the guaranteed income will be repeated in the coming year, it will end before the family's next annual reexamination. This income is fully excluded from annual income.

Insurance payments and settlements for personal or property losses, including but not limited to payments under health insurance, motor vehicle insurance, and workers' compensation, are excluded from annual income. However, periodic payments paid at regular intervals (such as weekly, monthly, or yearly) for a period of greater than one year that are received in lieu of wages for workers' compensation are included in annual income. Payments received in lieu of wages for worker's compensation are excluded, even if paid in periodic payments, if the income will last for a period of less than one year.

Lump-Sum Payments for the Delayed Start of a Periodic Payment [24 CFR 5.609(b)(16)]

Deferred periodic amounts from Supplemental Security Income (SSI) and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs (VA) disability benefits that are received in a lump sum amount or in prospective monthly amounts are excluded from annual income.

PHA Policy LOOK UP REGS

The PHA will include in annual income lump sums received as a result of delays in processing periodic payments (other than those specifically excluded by the regulation), such as unemployment or welfare assistance.

When a delayed-start payment is received that is to be included and the family and reports this during the period in which the PHA is processing an annual reexamination, the PHA will adjust the family's rent retroactively for the period the payment was intended to cover.

If the delayed-start payment is received outside of the time the PHA is processing an annual reexamination, then the PHA will consider whether the amount meets the threshold to conduct an interim reexamination. If so, the PHA will conduct an interim in accordance with PHA policies in Chapter 9. If not, the PHA will consider the amount when processing the family's next annual recertification.

Retirement Accounts [24 CFR 5.609(b)(26); Notice PIH 2023-27]

Income received from any account under a retirement plan recognized as such by the IRS, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-employed individuals is not considered actual income from assets.

However, any distribution of periodic payments from such accounts is included in annual income at the time they are received by the family.

An asset moved to a retirement account held by a member of the family is not considered to be an asset disposed of for less than fair market value.

Social Security Benefits [Notice PIH 2023-27]

The PHA is required to use the gross benefit amount to calculate annual income from Social Security benefits.

Annually in October, the Social Security Administration (SSA) announces the cost-of-living adjustment (COLA) by which federal Social Security and SSI benefits are adjusted to reflect the increase, if any, in the cost of living. The federal COLA does not apply to state-paid disability benefits. Effective the day after the SSA has announced the COLA, PHAs are required to factor in the COLA when determining Social Security and SSI annual income for all annual reexaminations and interim reexaminations of family income that have not yet been completed and will be effective January 1 or later of the upcoming year [Notice PIH 2023-27]. When a family member's benefits are garnished, levied, or withheld to pay restitution, child support, tax debt, student loan debt, or other debts, the PHA must use the gross amount of the income, prior to the reduction, to determine a family's annual income.

HACN Policy

Annual income includes "all amounts received," not the amount that a family may be legally entitled to receive but which they do not receive. When the SSA overpays an individual, resulting in a withholding or deduction from their benefit amount until the overpayment is paid in full, the PHA must use the reduced benefit amount after deducting only the amount of the overpayment withholding from the gross benefit amount.

Alimony and Child Support

Annual income includes “all amounts received,” not the amount that a family may be legally entitled to receive but which they do not receive. For example, a family’s child-support or alimony income must be based on payments received, not the amounts to which the family is entitled by court or agency orders [Notice PIH 2023-27].

HACN Policy

The PHA will count all regular payments of alimony or child support awarded as part of a divorce or separation agreement.

The PHA will count court-awarded amounts for alimony and child support unless the family certifies and the PHA verifies that the payments are not being made.

In order to verify that payments are not being made, the PHA will review child support payments over the last three months.

If payments are being made regularly, the PHA will use the amount received during the last 12 months (excluding any lump sums received). If payments have been made for a period less than 12 months, the PHA will average all payments that have been made.

At new admission or interim recertification, if any lump sum payments were made in the past 12 months, the PHA will determine the likelihood of the family receiving another similar payment within the next 12 months before deciding whether or not this amount will be included in the calculation of annual income.

If the PHA determines and can appropriately verify that the family in all likelihood will not receive a similar payment, then the amount will not be considered when projecting annual income.

If the PHA determines that it is likely that the family will receive a similar payment and can appropriately verify it, the amount will be included when projecting annual income.

If no payments have been made in the past three months and there are no lump sums, the PHA will not include alimony or child support in annual income

6-I.I. NONRECURRING INCOME [24 CFR 5.609(b)(24) and Notice PIH 2023-27]

Nonrecurring income, which is income that will not be repeated beyond the coming year (e.g., 12 months following the effective date of the certification) based on information provided by the family, is excluded from annual income. The PHA may accept a self-certification from the family stating that the income will not be repeated in the coming year. See Chapter 7 for PHA policies related to verification of nonrecurring income.

Income received as an independent contractor, day laborer, or seasonal worker is not excluded from income as nonrecurring income, even if the source, date, or amount of the income varies.

Income that has a discrete end date and will not be repeated beyond the coming year during the family's upcoming annual reexamination period will be excluded from a family's annual income as nonrecurring income. This exclusion does not include unemployment income and other types of periodic payments that are received at regular intervals (such as weekly, monthly, or yearly) for a period of greater than one year that can be extended.

Income amounts excluded under this category may include, but are not limited to:

- Nonrecurring payments made to the family or to a third party on behalf of the family to assist with utilities;
- Payments for eviction prevention;
- Security deposits to secure housing;
- Payments for participation in research studies (depending on the duration); and
- General one-time payments received by or on behalf of the family.

Nonrecurring income that is excluded under the regulations includes:

- Payments from the U.S. Census Bureau for employment (relating to decennial census or the American Community Survey) lasting no longer than 180 days and not culminating in permanent employment [24 CFR 5.609(b)(24)(i)].
- Direct federal or state payments intended for economic stimulus or recovery [24 CFR 5.609(b)(24)(ii)].
- Amounts directly received by the family as a result of state refundable tax credits or state or federal tax refunds at the time they are received [24 CFR 5.609(b)(24)(iii) and (iv)].
- Gifts for holidays, birthdays, or other significant life events or milestones (e.g., wedding gifts, baby showers, anniversaries) [24 CFR 5.609(b)(24)(v)].
- Non-monetary, in-kind donations, such as food, clothing, or toiletries, received from a food bank or similar organization [24 CFR 5.609(b)(24)(vi)]. When calculating annual income, PHAs are prohibited from assigning monetary value to non-monetary in-kind donations received by the family [Notice PIH 2023-27]. Non-recurring, non-monetary in-kind donations from friends and family are excluded as non-recurring income.
- Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings [24 CFR 5.609(b)(24)(vii)].

6-I.J. WELFARE ASSISTANCE

Overview

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

Sanctions Resulting in the Reduction of Welfare Benefits [24 CFR 5.615]

The PHA must make a special calculation of annual income when the welfare agency imposes certain sanctions on certain families. The full text of the regulation at 24 CFR 5.615 is provided as Exhibit 6-3. The requirements are summarized below. This rule applies only if a family was receiving HCV assistance at the time the sanction was imposed.

Covered Families

The families covered by 24 CFR 5.615 are those “who receive welfare assistance or other public assistance benefits (‘welfare benefits’) from a State or other public agency (‘welfare agency’) under a program for which Federal, State or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance” [24 CFR 5.615(b)]

Imputed Income

When a welfare agency imposes a sanction that reduces a family’s welfare income because the family commits fraud or fails to comply with the agency’s economic self-sufficiency program or work activities requirement, the PHA must include in annual income “imputed” welfare income. The PHA must request that the welfare agency provide the reason for the reduction of benefits and the amount of the reduction of benefits. The imputed welfare income is the amount that the benefits were reduced as a result of the sanction.

This requirement does not apply to reductions in welfare benefits: (1) at the expiration of the lifetime or other time limit on the payment of welfare benefits, (2) if a family member is unable to find employment even though the family member has complied with the welfare agency economic self-sufficiency or work activities requirements, or (3) because a family member has not complied with other welfare agency requirements [24 CFR 5.615(b)(2)].

Offsets

The amount of the imputed welfare income is offset by the amount of additional income the family begins to receive after the sanction is imposed. When the additional income equals or exceeds the imputed welfare income, the imputed income is reduced to zero [24 CFR 5.615(c)(4)].

6-I.K. STATE PAYMENTS TO ALLOW INDIVIDUALS WITH DISABILITIES TO LIVE AT HOME [24 CFR 5.609(b)(19)]

Payments made by or authorized by a state Medicaid agency (including through a managed care entity) or other state or federal agency to an assisted family to enable a member of the assisted family who has a disability to reside in the family's assisted unit are excluded.

Authorized payments may include payments to a member of the assisted family through state Medicaid-managed care systems, other state agencies, federal agencies or other authorized entities.

The payments must be received for caregiving services a family member provides to enable another member of the assisted family who has a disability to reside in the family's assisted unit. Payments to a family member for caregiving services for someone who is not a member of the assisted family (such as for a relative that resides elsewhere) are not excluded from income.

Furthermore, if the agency is making payments for caregiving services to the family member for an assisted family member and for a person outside of the assisted family, only the payments attributable to the caregiving services for the caregiver's assisted family member would be excluded from income.

6-I.L. CIVIL RIGHTS SETTLEMENTS [24 CFR 5.609(b)(25); FR Notice 2/14/23]

Regardless of how the settlement or judgment is structured, civil rights settlements or judgments, including settlements or judgments for back pay, are excluded from annual income. This may include amounts received because of litigation or other actions, such as conciliation agreements, voluntary compliance agreements, consent orders, other forms of settlement agreements, or administrative or judicial orders under the Fair Housing Act, Title VI of the Civil Rights Act, Section 504 of the Rehabilitation Act (Section 504), the Americans with Disabilities Act, or any other civil rights or fair housing statute or requirement.

While these civil rights settlement or judgment amounts are excluded from income, the settlement or judgment amounts will generally be counted toward the family's net family assets (e.g., if the funds are deposited into the family's savings account or a revocable trust under the control of the family or some other asset that is not excluded from the definition of *net family assets*). Income generated on the settlement or judgment amount after it has become a net family asset is not excluded from income. For example, if the family received a settlement or back pay and deposited the money in an interest-bearing savings account, the interest from that account would be income at the time the interest is received.

Furthermore, if a civil rights settlement or judgment increases the family's net family assets such that they exceed \$50,000 (as annually adjusted by an inflationary factor), then income will be imputed on the net family assets pursuant to 24 CFR 5.609(a)(2). If the imputed income, which HUD considers unearned income, increases the family's annual adjusted income by 10 percent or more, then an interim reexamination of income will be required unless the addition to the family's net family assets occurs within the last three months of the family's income certification period and the PHA or owner chooses not to conduct the examination.

6-I.M. ADDITIONAL EXCLUSIONS FROM ANNUAL INCOME [24 CFR 5.609(b)]

Other exclusions contained in 24 CFR 5.609(b) that have not been discussed earlier in this chapter include the following:

- Payments received for the care of foster children or foster adults or state or tribal kinship or guardianship care payments [24 CFR 5.609(b)(4)].
- Insurance payments and settlements for personal or property losses, including but not limited to payments through health insurance, motor vehicle insurance, and workers' compensation [24 CFR 5.609(b)(5)]. However, periodic payments paid at regular intervals (such as weekly, monthly, or yearly) for a period of greater than one year that are received in lieu of wages for workers' compensation are included in annual income [Notice PIH 2023-27].
- Amounts received by the family that are specifically for, or in reimbursement of, the cost of health and medical care expenses for any family member [24 CFR 5.609(b)(6)].
- Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family becoming disabled [24 CFR 5.609(b)(7)].
- Income and distributions from any Coverdell education savings account under Section 530 of the Internal Revenue Code of 1986 or any qualified tuition program under Section 529 of such Code [24 CFR 5.609(b)(10)].
- Income earned by government contributions to, and distributions from, "baby bond" accounts created, authorized, or funded by federal, state, or local government [24 CFR 5.609(b)(10)].
- The special pay to a family member serving in the Armed Forces who is exposed to hostile fire [24 CFR 5.609(b)(11)].
- Payments related to aid and attendance under 38 U.S.C. 1521 to veterans in need of regular aid and attendance [24 CFR 5.609(b)(17)]. This income exclusion applies only to veterans in need of regular aid and attendance and not to other beneficiaries of the payments, such as a surviving spouse [Notice PIH 2023-27].
- Loan proceeds (the net amount disbursed by a lender to or on behalf of a borrower, under the terms of a loan agreement) received by the family or a third party (e.g., proceeds received by the family from a private loan to enable attendance at an educational institution or to finance the purchase of a car) [24 CFR 5.609(b)(20)]. The loan borrower or co-borrower must be a member of the family for this income exclusion to be applicable [Notice PIH 2023-27].

- Payments received by tribal members as a result of claims relating to the mismanagement of assets held in trust by the United States, to the extent such payments are also excluded from gross income under the Internal Revenue Code or other federal law [24 CFR 5.609(b)(21)]. Generally, payments received by tribal members in excess of the first \$2,000 of per capita shares are included in a family’s annual income for purposes of determining eligibility. However, as explained in Notice PIH 2023-27, payments made under the Cobell Settlement, and certain per capita payments under the recent Tribal Trust Settlements, must be excluded from annual income in HUD programs that adopt the definitions of *annual income* in 24 CFR 5.609, the Census Long Form, and the IRS Form 1040, including the programs affected by Notice PIH 2023-27.
- Replacement housing “gap” payments made in accordance with 49 CFR Part 24 that offset increased out of pocket costs of displaced persons that move from one federally subsidized housing unit to another federally subsidized housing unit. Such replacement housing “gap” payments are not excluded from annual income if the increased cost of rent and utilities is subsequently reduced or eliminated, and the displaced person retains or continues to receive the replacement housing “gap” payments [24 CFR 5.609(b)(23)].
- Income earned on amounts placed in a family’s Family Self-Sufficiency account [24 CFR 5.609(b)(27)].
- Amounts received by participants in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred e.g., special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program [24 CFR 5.609(c)(12)(ii)].
- Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS) [(24 CFR 5.609(b)(12)(i)].
- Amounts received under a resident service stipend not to exceed \$200 per month. A resident service stipend is a modest amount received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development [24 CFR 5.600(b)(12)(iii)].

- Incremental earnings and benefits to any family member resulting from participation in qualifying training program funded by HUD or in qualifying federal, state, tribal, or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff are excluded from annual income. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the training program unless those amounts are excluded under 24 CFR 5.609(b)(9)(i) [24 CFR 5.609(b)(12)(iv)].

HACN Policy

The PHA defines *training program* as “a learning process with goals and objectives, generally having a variety of components, and taking place in a series of sessions over a period of time. It is designed to lead to a higher level of proficiency, and it enhances the individual’s ability to obtain employment. It may have performance standards to measure proficiency. Training may include but is not limited to: (1) classroom training in a specific occupational skill, (2) on-the-job training with wages subsidized by the program, or (3) basic education” [expired Notice PIH 98-2, p. 3].

The PHA defines *incremental earnings and benefits* as the difference between (1) the total amount of welfare assistance and earnings of a family member prior to enrollment in a training program and (2) the total amount of welfare assistance and earnings of the family member after enrollment in the program [expired Notice PIH 98-2, pp. 3-4].

In calculating the incremental difference, the PHA will use as the pre-enrollment income the total annualized amount of the family member’s welfare assistance and earnings reported on the family’s most recently completed HUD-50058.

End of participation in a training program must be reported in accordance with the PHA’s interim reporting requirements (see Chapter 11).

- Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era [24 CFR 5.609(b)(13)].
- Adoption assistance payments for a child in excess of the amount of the dependent deduction per adopted child [24 CFR 5.609(b)(15)].
- Refunds or rebates on property taxes paid on the dwelling unit [24 CFR 5.609(b)(20)].

- Amounts that HUD is required by federal statute to exclude from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(b) apply. HUD will publish a notice in the *Federal Register* to identify the benefits that qualify for this exclusion. Updates will be published when necessary [24 CFR 5.609(b)(22)].

HUD publishes an updated list of these exclusions periodically. The most recent list of exclusions was published in the *Federal Register* on May 20, 2014. It includes:

- (a) The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b))
- (b) Benefits under Section 1780 of the School Lunch Act and Child Nutrition Act of 1966, including WIC
- (c) Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058)
- (d) Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c))
- (e) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e)
- (f) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f))
- (g) Payments received under programs funded in whole or in part under the Workforce Investment Act of 1998 (29 U.S.C. 2931)
- (h) Deferred disability benefits from the Department of Veterans Affairs, whether received as a lump sum or in monthly prospective amounts
- (i) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-04)
- (j) Payments, funds, or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (25 U.S.C. 1774f(b))
- (k) A lump sum or periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the United States District Court case entitled *Elouise Cobell et al. v. Ken Salazar et al.*, for a period of one year from the time of receipt of that payment as provided in the Claims Resolution Act of 2010
- (l) The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U. S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408)
- (m) Benefits under the Indian Veterans Housing Opportunity Act of 2010 (only applies to Native American housing programs)
- (n) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f))

- (o) Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in *In Re Agent Orange* product liability litigation, M.D.L. No. 381 (E.D.N.Y.)
- (p) Payments received under 38 U.S.C. 1833(c) to children of Vietnam veterans born with spinal bifida, children of women Vietnam veterans born with certain birth defects, and children of certain Korean service veterans born with spinal bifida
- (q) Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721)
- (r) The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q)
- (s) Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j))
- (t) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433)
- (u) Amounts of scholarships funded under Title IV of the Higher Education Act of 1965j, including awards under federal work-study programs or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu). For Section 8 programs, the exception found in § 237 of Public Law 109–249 applies and requires that the amount of financial assistance in excess of tuition and mandatory fees shall be considered income in accordance with the provisions codified at 24 CFR 5.609(b)(9), except for those persons with disabilities as defined by 42 U.S.C. 1437a(b)(3)(E) (Pub. L. 109–249) (See Section 6-I.L. for exceptions.)
- (v) Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d))
- (w) Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602)
- (x) Any amounts in an "individual development account" as provided by the Assets for Independence Act, as amended in 2002
- (y) Payments made from the proceeds of Indian tribal trust cases as described in Notice PIH 2013–30, "Exclusion from Income of Payments under Recent Tribal Trust Settlements" (25 U.S.C. 117b(a))
- (z) Major disaster and emergency assistance received under the Robert T. Stafford Disaster Relief and Emergency Assistance Act and comparable disaster assistance provided by states, local governments, and disaster assistance organizations
- (aa) Distributions from an ABLE account, and actual or imputed interest on the ABLE account balance [See also Notice PIH 2019-09]

PART II: ASSETS

6-II.A. OVERVIEW

Annual income includes all actual anticipated income from assets (unless otherwise excluded by the regulations) even if the asset itself is excluded from net family assets [Notice PIH 2023-27].

The regulation at 24 CFR 5.603(b)(3) provides a list of items that are excluded from the calculation of net family assets. Note, unlike previous versions of the regulations, the current regulations do not list types of assets that are included in annual income. Instead, HUD relies on the definition of items excluded from assets to provide the scope of what is included. Exhibit 6-2 provides the regulatory definition of *net family assets*.

Optional policies for family self-certification of assets are found in Chapter 7. Policies related to the asset limitation may be found in Chapter 3.

Income from assets is always anticipated, irrespective of the income examination type.

HACN Policy

The PHA generally will use current circumstances to determine both the value of an asset and the anticipated income from the asset. The PHA will use other than current circumstances to anticipate income when (1) an imminent change in circumstances is expected, (2) it is not feasible to anticipate a level of income over 12 months, or (3) the PHA believes that past income is the best indicator of anticipated income. For example, if a family member owns real property that typically receives rental income, but the property is currently vacant, the PHA can take into consideration past rental income along with the prospects of obtaining a new tenant.

Any time current circumstances are not used to determine asset income, a clear rationale for the decision will be documented in the file. In such cases, the family may present information and documentation to the PHA to show why the asset income determination does not represent the family's anticipated asset income.

6-II.B. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE [24 CFR 5.603(b)(2)]

PHAs must include the value of any business or family assets disposed of by an applicant or participant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application or reexamination, as applicable, in excess of the consideration received for the asset.

An asset moved to a retirement account held by a member of the family is not considered to be an asset disposed of for less than fair market value. [Notice PIH 2023-27].

Minimum Threshold

HUD does not specify a minimum threshold for counting assets disposed of for less than fair market value. A PHA may establish a policy to ignore small amounts such as charitable contributions [New PH OCC GB, *Income Determinations*, p. 24].

HACN Policy

The PHA will not include the value of assets disposed of for less than fair market value unless the cumulative fair market value of all assets disposed of during the past two years exceeds the gross amount received for the assets by more than \$1,000.

Separation or Divorce

The regulation also specifies that assets are not considered disposed of for less than fair market value if they are disposed of as part of a separation or divorce settlement and the applicant or tenant receives important consideration not measurable in dollar terms.

HACN Policy

All assets disposed of as part of a separation or divorce settlement will be considered assets for which important consideration not measurable in monetary terms has been received. In order to qualify for this exemption, a family member must be subject to a formal separation or divorce settlement agreement established through arbitration, mediation, or court order.

Foreclosure or Bankruptcy

Assets are not considered disposed of for less than fair market value when the disposition is the result of a foreclosure or bankruptcy sale. Negative equity in real property or other investments does not prohibit the owner from selling the property or other investments, so negative equity alone would not justify excluding the property or other investments from family assets.

Asset Owned by a Business Entity

If a business entity (e.g., limited liability company or limited partnership) owns the asset, then the family's asset is their ownership stake in the business, not some portion of the business's assets. However, if the family holds the assets in their own name (e.g., they own one third of a restaurant) rather than in the name of a business entity, then the percentage value of the asset owned by the family is what is counted toward net family assets (e.g., one-third of the value of the restaurant) [Notice PIH 2023-27].

Family Declaration

HACN Policy

Families must sign a declaration form at initial certification and each annual recertification identifying all assets that have been disposed of for less than fair market value or declaring that no assets have been disposed of for less than fair market value. The PHA may verify the value of the assets disposed of if other information available to the PHA does not appear to agree with the information reported by the family.

6-II.C. ASSET INCLUSIONS AND EXCLUSIONS

Checking and Savings Accounts [Notice PIH 2023-27]

HUD considers bank accounts as non-necessary items of personal property. Whether or not non-necessary personal property is counted toward net family assets depends on the combined value of all of the family's assets.

- When the combined value of net family assets is greater than \$50,000, as adjusted by inflation, checking and/or savings accounts would be counted toward net family assets.
- When the combined value of all non-necessary personal property does not exceed \$50,000, as adjusted by inflation, all non-necessary personal property is excluded from net family assets. In this case, the value of the family's checking and/or savings accounts would not be considered when calculating net family assets.

However, actual income from checking and savings accounts is always included in a family's annual income, regardless of the total value of net family assets or whether the asset itself is included or excluded from net family assets, unless that income is specifically excluded.

ABLE Accounts [24 CFR 5.609(b)(10); Notice PIH 2019-09]

An Achieving a Better Life Experience (ABLE) account is a type of tax-advantaged savings account that an eligible individual can use to pay for qualified disability expenses. Section 103 of the ABLE Act mandates that an individual's ABLE account (specifically, its account balance, contributions to the account, and distributions from the account) is excluded when determining the designated beneficiary's eligibility and continued occupancy under certain federal means-tested programs. The PHA must exclude the entire value of the individual's ABLE account from the household's assets. Distributions from the ABLE account are also not considered income. However, all wage income received, regardless of which account the money is paid to, is included as income.

***Investment Accounts Such as Stocks, Bonds, Saving Certificates, and Money Market Funds
[24 CFR 5.603(b)(1)]***

HUD considers financial investments such as stocks and bonds non-necessary items of personal property. Whether non-necessary personal property is counted toward net family assets depends on the combined value of all of the family's assets.

- When the combined value of net family assets is greater than \$50,000, as adjusted by inflation, financial investments such as stocks and bonds are considered part of net family assets. In this case, the value of the family's financial investments such as stocks and bonds would be counted toward net family assets.
- When the combined value of all non-necessary personal property does not exceed \$50,000, as adjusted by inflation, all non-necessary personal property is excluded from net family assets. In this case, the value of the family's financial investments such as stocks and bonds would not be considered when calculating net family assets.

However, actual income from financial accounts is always included in a family's annual income, regardless of the total value of net family assets or whether the asset itself is included or excluded from net family assets, unless that income is specifically excluded. When a stock issues dividends in some years but not others (e.g., due to market performance), the dividend is counted as the actual return when it is issued, but when no dividend is issued, the actual return is \$0. When the stock never issues dividends, the actual return is \$0.

HACN Policy

The PHA will include interest or dividends earned by investment accounts as actual income from assets even when the earnings are reinvested.

The cash value of such an asset is determined by deducting from the market value any broker fees, penalties for early withdrawal, or other costs of converting the asset to cash.

In determining the market value of an investment account, the PHA will use the value of the account on the most recent investment report.

Necessary and Non-Necessary Personal Property [24 CFR 5.603(b)(3)(i)]

All assets are categorized as either *real property* (e.g., land, a home) or *personal property*.

Personal property includes tangible items, like boats, as well as intangible items, like bank accounts.

The value of necessary items of personal property is excluded from the calculation of net family assets. Necessary items of personal property include a car used for commuting or medical devices.

HUD defines *necessary personal property* as items essential to the family for the maintenance, use, and occupancy of the premises as a home; or they are necessary for employment, education, or health and wellness. Necessary personal property includes more than merely items that are indispensable to the bare existence of the family. It may include personal effects (such as items that are ordinarily worn or utilized by the individual), items that are convenient or useful to a reasonable existence, and items that support and facilitate daily life within the family's home. Necessary personal property also includes items that assist a household member with a disability, including any items related to disability-related needs, or that may be required for a reasonable accommodation for a person with a disability. Necessary personal property does not include bank accounts, other financial investments, or luxury items. Items of personal property that do not qualify as necessary personal property are classified as non-necessary personal property.

The combined value of all non-necessary items of personal property is only included in annual income when the combined total value exceeds \$50,000 (adjusted annually). When the combined value of all non-necessary personal property does not exceed \$50,000, as adjusted by inflation, all non-necessary personal property is excluded from net family assets.

While not an exhaustive list, the following table from Notice PIH 2023-27 provides examples of necessary and non-necessary personal property.

Necessary Personal Property	Non-Necessary Personal Property
<p>Car(s)/vehicle(s) that a family relies on for transportation for personal or business use (e.g., bike, motorcycle, skateboard, scooter)</p> <p>Furniture, carpets, linens, kitchenware</p> <p>Common appliances</p> <p>Common electronics (e.g., radio, television, DVD player, gaming system)</p> <p>Clothing</p> <p>Personal effects that are not luxury items (e.g., toys, books)</p> <p>Wedding and engagement rings</p> <p>Jewelry used in religious/cultural celebrations and ceremonies</p> <p>Religious and cultural items</p> <p>Medical equipment and supplies</p> <p>Health care–related supplies</p> <p>Musical instruments used by the family</p> <p>Personal computers, phones, tablets, and related equipment</p> <p>Professional tools of trade of the family, for example professional books</p> <p>Educational materials and equipment used by the family, including equipment to accommodate persons with disabilities</p> <p>Equipment used for exercising (e.g., treadmill, stationary bike, kayak, paddleboard, ski equipment)</p>	<p>Recreational car/vehicle not needed for day-to-day transportation for personal or business use (campers, motorhomes, traveling trailers, all-terrain vehicles (ATVs))</p> <p>Bank accounts or other financial investments (e.g., checking account, savings account, stocks/bonds)</p> <p>Recreational boat/watercraft</p> <p>Expensive jewelry without religious or cultural value, or which does not hold family significance</p> <p>Collectibles (e.g., coins/stamps)</p> <p>Equipment/machinery that is not used to generate income for a business</p> <p>Items such as gems/precious metals, antique cars, artwork, etc.</p>

HACN Policy

In determining the value of non-necessary personal property, the PHA will use the family’s estimate of the value. The PHA may obtain an appraisal if there is reason to believe that the family’s estimated value is off by \$50 or more. The family must cooperate with the appraiser but cannot be charged any costs related to the appraisal.

Lump-Sum Additions to Net Family Assets [24 CFR 5.609(b)(24)(viii); Notice PIH 2023-27]

The regulations exclude income from lump-sum additions to family assets, including lottery or other contest winnings as a type of nonrecurring income.

In addition, lump sums from insurance payments, settlements for personal or property losses, and recoveries from civil actions or settlements based on claims of malpractice, negligence, or other breach of duty owed to a family member arising out of law that resulted in a member of the family becoming a family member with a disability are excluded from income.

Further, deferred periodic amounts from Supplemental Security Income (SSI) and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts are also excluded from income.

However, these amounts may count toward net family assets. The PHA must consider any actual or imputed returns from assets as income at the next applicable income examination. In the case where the lump sum addition to assets would lead to imputed income, which is unearned income, that increases the family's annual adjusted income by 10 percent or more, then the addition of the lump sum to the family's assets will trigger an immediate interim reexamination of income in accordance with Chapter 9. This reexamination of income must take place as soon as the lump sum is added to the family's net family assets unless the addition takes place in the last three months of family's income certification period and the PHA chooses not to conduct the examination.

For a discussion of lump-sum payments that represent the delayed start of a periodic payment, most of which are counted as income, see sections 6-I.H and 6-I.I.

HACN Policy

Any lump-sum receipts are only counted as assets if they are retained by a family in a form recognizable as an asset. [RHIP FAQs]. For example, if the family receives a \$1,000 lump sum for lottery winnings, and the family immediately spends the entire amount, the lump sum will not be counted toward net family assets.

Jointly Owned Assets [Notice PIH 2023-27]

For assets owned jointly by the family and one or more individuals outside of the assisted family, the PHA must include the total value of the asset in the calculation of net family assets, unless:

- The asset is otherwise excluded;
- The family can demonstrate that the asset is inaccessible to them; or
- The family cannot dispose of any portion of the asset without the consent of another owner who refuses to comply.

If the family demonstrates that they can only access a portion of an asset, then only that portion's value is included in the calculation of net family assets for the family.

Any income from a jointly owned asset must be included in annual income, unless:

- The income is specifically excluded;
- The family demonstrates that they do not have access to the income from that asset; or
- The family only has access to a portion of the income from that asset.

HACN Policy

If the family demonstrates that they can only access a portion of the income from an asset, then only that portion's value is included in the calculation of income from assets.

If an individual is a beneficiary who is entitled to access the account's funds only upon the death of the account's owner, and may not otherwise withdraw funds from an account, then the account is not an asset to the assisted family, and the family should provide proper documentation demonstrating that they are only a beneficiary on the account.

Trusts [24 CFR 5.609(b)(2) and 5.603(b)(4)]

A *trust* is a legal arrangement generally regulated by state law in which one party (the creator or grantor) transfers property to a second party (the trustee) who holds the property for the benefit of one or more third parties (the beneficiaries).

The following types of trust distributions are excluded from annual income:

- Distributions of the principal or corpus of the trust; and
- Distributions of income from the trust when the distributions are used to pay the costs of health and medical care expenses for a minor.

The basis for determining how to treat trusts relies on information about who has access to either the principal in the account or the income from the account. There are two types of trusts, *revocable* and *irrevocable*.

When the creator sets up an *irrevocable trust*, the creator has no access to the funds in the account. Irrevocable trusts not under the control of any member of the family or household are not assets. Typically, special needs trusts are considered irrevocable. The value of the trust is not included in net family assets, so long as the fund continues to be held in a trust that is not revocable by, or under the control of, any member of the family or household [24 CFR 5.603(b)(4)]. Where an irrevocable trust is excluded from net family assets, the PHA must not consider actual income earned by the trust (e.g., interest earned, rental income if property is held in the trust) for so long as the income from the trust is not distributed. If the value of the trust is not considered part of the family's net assets, then distributions from the trust are treated as follows:

- All distributions from the trust's principal are excluded from income.
- Distributions of income earned by the trust (i.e., interest, dividends, realized gains, or other earnings on the trust's principal), are included as income unless the distribution is used to pay for the health and medical expenses for a minor.

A *revocable trust* is a trust that the creator of the trust may amend or end (revoke). When there is a revocable trust, the creator has access to the funds in the trust account.

The value of revocable trusts that are not under the control of the family are excluded from net family assets. This happens when a member of the assisted family is the beneficiary of a revocable trust, but the grantor is not a member of the assisted family. In this case the beneficiary does not "own" the revocable trust, and the value of the trust is excluded from net family assets. For the revocable trust to be considered excluded from net family assets, no family or household member may be the account's trustee. If this is the case, then distributions from the trust are treated as follows:

- All distributions from the trust's principal are excluded from income.
- Distributions of income earned by the trust (i.e., interest, dividends, realized gains, or other earnings on the trust's principal), are included as income unless the distribution is used to pay for the health and medical expenses for a minor.

Revocable trusts under the control of the family or household (e.g., the grantor is a member of the assisted family or household) are considered assets and must be included in net family assets.

If the value of the trust is considered part of the family's net assets, then distributions from the trust are not considered income to the family. The PHA must count all actual returns (e.g., interest earned) from the trust as income or, if the trust has no actual returns (e.g., if the trust is comprised of farmland that is not in use) and the total value of the combined net family assets exceeds \$50,000 (as that amount is updated for inflation), as imputed returns, as applicable.

Life Insurance [FR Notice 2/14/23 and Notice PIH 2023-27]

Net family assets do not include the value of term life insurance, which has no cash value to the individual before death.

The cash value of a life insurance policy available to a family member before death, such as a whole life or universal life policy, is included in the calculation of the value of the family's assets. The cash value is the surrender value. While the cash value of an insurance policy is considered an asset, the face value of any policy is not. If such a policy earns dividends or interest that the family could elect to receive, the amount of dividends or interest is counted as income from the asset whether or not the family actually receives it.

Tax Refunds [24 CFR 5.603(b)(3)(xi) and Notice PIH 2023-27]

All amounts received by a family in the form of federal tax refunds or refundable tax credits are excluded from a family's net family assets for a period of 12 months after receipt by the family.

At the time of an annual or interim reexamination of income, if the federal tax refund was received during the 12 months preceding the effective date of the reexamination, then the amount of the refund that was received by the family is subtracted from the total value of the account in which the federal tax refund or refundable tax credits were deposited. When the subtraction results in a negative number, then the balance of the asset is considered \$0.

If the tax refund or refundable tax credit is deposited into another excluded asset, such as a retirement account or a Coverdell Education Savings Account, then the deposit will have no effect on the balance of the asset (i.e., there is no need for the PHA to subtract the amount of the deposit from the value of the excluded asset).

Asset Exclusions [24 CFR 5.603(b)]

The following are excluded from the calculations of net family assets:

- The value of any account under a retirement plan recognized as such by the IRS, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-employed individuals [24 CFR 5.603(b)(3)(iii)].
- The value of real property that the family does not have the effective legal authority to sell in the jurisdiction in which the property is located [24 CFR 5.603(b)(3)(iv)].
 - *Real property* as used in this part has the same meaning as that provided under the law of the state in which the property is located [24 CFR 5.100].
 - Examples of this include but are not limited to co-ownership situations (including situations where one owner is a victim of domestic violence), where one party cannot unilaterally sell the real property; property that is tied up in litigation; and inherited property in dispute [Notice PIH 2023-27].
- Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a family member being a person with a disability [24 CFR 5.603(b)(3)(v)];
- The value of any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986 [24 CFR 5.603(b)(3)(vi)];
- The value of any qualified tuition program under Section 529 of such Code [24 CFR 5.603(b)(3)(vi)];
- The value of any “baby bond” account created, authorized, or funded by federal, state, or local government [24 CFR 5.603(b)(3)(vi)];
- Interests in Indian trust land [24 CFR 5.603(b)(3)(vii)];
- Equity in a manufactured home where the family receives assistance under 24 CFR part 982 [24 CFR 5.603(b)(3)(viii)];
- Equity in property under the Homeownership Option for which a family receives assistance under 24 CFR part 982 [24 CFR 5.603(b)(3)(ix)];
- Family Self-Sufficiency accounts [24 CFR 5.603(b)(3)(x)];
- Federal tax refunds or refundable tax credits for a period of 12 months after receipt by the family [24 CFR 5.603(b)(3)(xi)].
- The full amount of assets held in an irrevocable trust [Notice PIH 2023-27]; and
- The full amount of assets held in a revocable trust where a member of the family is the beneficiary, but the grantor/owner and trustee of the trust is not a member of the participant family or household [Notice PIH 2023-27].

6-II.D. DETERMINING INCOME FROM ASSETS

In some cases, amounts that are excluded from net family assets may be included as annual income when disbursements are made to a family from an asset. In other cases, amounts are excluded from annual income as a lump-sum addition to net family assets, but those funds are then considered a net family asset if held in an account or other investment that is considered part of net family assets [Notice PIH 2023-27].

Net Family Assets

Net family assets are defined as the net cash value of all assets owned by the family, after deducting reasonable costs that would be incurred in disposing real property, savings, stocks, bonds, and other forms of capital investment.

HACN Policy

Reasonable costs that would be incurred when disposing of an asset include, but are not limited to, penalties for premature withdrawal, broker and legal fees, and settlement costs incurred in real estate transactions such as settlement costs and transfer taxes [New PH OCC GB, *Income Determinations*, p. 24].

The calculation of asset income sometimes requires the PHA to make a distinction between an asset's market value and its cash value.

- The market value of an asset is its worth in the market (e.g., the amount a buyer would pay for real estate or the total value of an investment account).
- The cash value of an asset is its market value less all reasonable amounts that would be incurred when converting the asset to cash.

The cash value of real property or other assets with negative equity would be considered \$0 for the purposes of calculating net family assets. Negative equity in real property or other investments does not prohibit the family from selling the property or other investments, so negative equity alone would not justify excluding the property or other investments from family assets [Notice PIH 2023-27].

Actual Income from Assets

Income from assets must be included on the Form HUD-50058 regardless of the amount of income. Actual income from assets is always included in a family's annual income, regardless of the total value of net family assets or whether the asset itself is included or excluded from net family assets, unless that income is specifically excluded by 24 CFR 5.609(b).

Income or returns from assets are generally considered to be interest, dividend payments, and other actual income earned on the asset, and not the increase in market value of the asset. The increase in market value is relevant to the cash value of the asset for the purpose of determining total net family assets and imputing income.

The PHA may determine the net assets of a family based on a self-certification by the family that the net family assets do not exceed \$50,000 (adjusted annually by HUD), without taking additional steps to verify the accuracy of the declaration [24 CFR 5.618(b)]. Policies related to verification of assets are found in Chapter 7 of this policy.

The PHA may not calculate or include any imputed income from assets when net family assets total \$50,000 or less [24 CFR 5.609(b)(1)]. The actual income from assets must be included on the Form HUD-50058.

Imputed Income from Assets

When net family assets exceed \$50,000 (adjusted annually by HUD), the PHA may not rely on self-certification. If actual returns can be calculated, the PHA must include actual income from the asset on the Form HUD-50058 (for example, a savings account or CD where the rate of return is known). If actual returns cannot be calculated, the PHA must calculate imputed returns using the HUD-determined passbook rate (for example, real property or a non-necessary item of personal property such as a recreational boat). If the PHA can compute actual income from some but not all assets, the PHA must compute actual returns where possible and use the HUD-determined passbook rate for assets where actual income cannot be calculated [24 CFR 5.609(a)(2)].

An asset with an actual return of \$0 (such as a non-interest-bearing checking account), is not the same as an asset for which an actual return cannot be computed (such as non-necessary personal property). If the asset is a financial asset and there is no income generated (for example, a bank account with a zero percent interest rate or a stock that does not issue cash dividends), then the asset generates zero actual asset income, and imputed income is not calculated. When a stock issues dividends in some years but not others (e.g., due to market performance), the dividend is counted as the actual return when it is issued, and when no dividend is issued, the actual return is \$0. When the stock never issues dividends, the actual return is consistently \$0.

PART III: ADJUSTED INCOME

6-III.A. INTRODUCTION

Overview

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

5.611 *Adjusted income* means annual income (as determined under § 5.609) of the members of the family residing or intending to reside in the dwelling unit, after making the following deductions:

(a) *Mandatory deductions*

- (1) \$480 for each dependent (adjusted annually by HUD, rounded to the next lowest multiple of \$25);
- (2) \$525 for any elderly family or disabled family (adjusted annually by HUD, rounded to the next lowest multiple of \$25);
- (3) The sum of the following, to the extent the sum exceeds ten percent of annual income:
 - (i) Unreimbursed health and medical care expenses of any elderly family or disabled family;
 - (ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed; and
- (4) Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

This part covers policies related to these mandatory deductions. Verification requirements related to these deductions are found in Chapter 7.

Anticipating Expenses

HACN Policy

Generally, the PHA will use current circumstances to anticipate expenses. When possible, for costs that are expected to fluctuate during the year (e.g., child care during school and non-school periods and cyclical medical expenses), the PHA will estimate costs based on historic data and known future costs.

If a family has an accumulated debt for medical or disability assistance expenses, the PHA will include as an eligible expense the portion of the debt that the family expects to pay during the period for which the income determination is being made. However, amounts previously deducted will not be allowed even if the amounts were not paid as expected in a preceding period. The PHA may require the family to provide documentation of payments made in the preceding year.

When calculating health and medical care expenses, the PHA will include those expenses anticipated to be incurred during the 12 months following the certification date which are not covered by an outside source, such as insurance. The allowance is not intended to give a family an allowance equal to last year's expenses, but to anticipate regular ongoing and anticipated expenses during the coming year. Since these expenses are anticipated, the *PH Occupancy Guidebook* states "it is likely that actual expenses will not match what was anticipated. Typically, this would not be considered an underpayment as long as at the time of the annual reexamination, the expenses were calculated based on the appropriate verification" [New PH OCC GB, *Income Determinations*, p. 30]. For annual reexaminations, the PHA will use information for the previous 12-month period.

6-III.B. DEPENDENT DEDUCTION

An allowance of \$480 is deducted from annual income for each dependent (which amount will be adjusted by HUD annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers, rounded to the next lowest multiple of \$25) [24 CFR 5.611(a)(1)]. *Dependent* is defined as any family member other than the head, spouse, or cohead who is under the age of 18 or who is 18 or older and is a person with disabilities or a full-time student. Foster children, foster adults, and live-in aides are never considered dependents [24 CFR 5.603(b)].

6-III.C. ELDERLY OR DISABLED FAMILY DEDUCTION

A single deduction of \$525 is taken for any elderly or disabled family (which amount will be adjusted by HUD annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers, rounded to the next lowest multiple of \$25) [24 CFR 5.611(a)(2)]. An *elderly family* is a family whose head, spouse, cohead, or sole member is 62 years of age or older, and a *disabled family* is a family whose head, spouse, cohead, or sole member is a person with disabilities [24 CFR 5.403].

6-III.D. HEALTH AND MEDICAL CARE EXPENSES DEDUCTION [24 CFR 5.611(a)(3)(i)]

Unreimbursed health and medical care expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed ten percent of annual income.

This deduction is permitted only for families in which the head, spouse, or cohead is at least 62 or is a person with disabilities. If a family is eligible for a medical expense deduction, the medical expenses of all family members are counted.

Definition of *Medical Expenses*

HUD regulations define *health and medical care expenses* at 24 CFR 5.603(b) to mean “any costs incurred in the diagnosis, cure, mitigation, treatment, or prevention of disease or payments for treatments affecting any structure or function of the body. Health and medical care expenses include medical insurance premiums and long-term care premiums that are paid or anticipated during the period for which annual income is computed.”

Medical insurance premiums continue to be eligible health and medical care expenses. Health and medical care expenses may be deducted from annual income only if they are eligible and not otherwise reimbursed and may only be deducted for elderly or disabled families.

Although HUD revised the definition of *health and medical care expenses* to reflect the Internal Revenue Service (IRS) general definition of medical expenses, HUD is not permitting PHAs to specifically align their policies with IRS Publication 502 for determining which expenses are included in HUD’s mandatory deduction for health and medical care expenses. PHAs must review each expense to determine whether it is eligible in accordance with HUD’s definition of *health and medical care expenses*.

Families That Qualify for Both Health and Medical and Disability Assistance Expenses

HACN Policy

This policy applies only to families in which the head, spouse, or cohead is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either a health and medical care or disability assistance expenses, the PHA will consider them health and medical care expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

6-III.E. DISABILITY ASSISTANCE EXPENSES DEDUCTION [24 CFR 5.603(b) and 24 CFR 5.611(a)(3)(ii)]

Unreimbursed reasonable expenses for attendant care and auxiliary apparatus for each member of the family who is a person with disabilities may be deducted if they: (1) are necessary to enable a family member 18 years or older to work, (2) are not paid to a family member or reimbursed by an outside source, (3) in combination with any medical expenses, exceed ten percent of annual income, and (4) do not exceed the earned income received by the family member who is enabled to work.

Earned Income Limit on the Disability Assistance Expense Deduction

A family can qualify for the disability assistance expense deduction only if at least one family member (who may be the person with disabilities) is enabled to work [24 CFR 5.603(b)].

The disability expense deduction is capped by the amount of “earned income received by family members who are 18 years of age or older and who are able to work” because of the expense [24 CFR 5.611(a)(3)(ii)]. The earned income used for this purpose is the amount verified before any earned income disallowances or income exclusions are applied.

HACN Policy

The family must identify the family members enabled to work as a result of the disability assistance expenses. In evaluating the family’s request, the PHA will consider factors such as how the work schedule of the relevant family members relates to the hours of care provided, the time required for transportation, the relationship of the family members to the person with disabilities, and any special needs of the person with disabilities that might determine which family members are enabled to work.

When the PHA determines that the disability assistance expenses enable more than one family member to work, the expenses will be capped by the sum of the family members’ incomes. [New PH OCC GB, *Income Determination*, p. 28].

Eligible Auxiliary Apparatus [Notice PIH 2023-27]

Auxiliary apparatus items may include expenses for wheelchairs, ramps, adaptations to vehicles, guide dogs, assistance animals, or special equipment to enable a person who is blind or has low vision to read or type, or special equipment to assist a person who is deaf or hard of hearing.

Eligible Attendant Care [Notice PIH 2023-27]

Examples of attendant care expenses can include teaching a person with disabilities how to perform day-to-day tasks independently like cleaning, bathing, doing laundry, and cooking. Attendant care can be 24-hour care, or care during sporadic periods throughout the day. The family determines the type of attendant care that is appropriate for the person with disabilities.

HACN Policy

Attendant care expenses will be included for the period that the person enabled to work is employed plus reasonable transportation time. The cost of general housekeeping and personal services is not an eligible attendant care expense. However, if the person enabled to work is the person with disabilities, personal services necessary to enable the person with disabilities to work are eligible.

If the care attendant also provides other services to the family, the PHA will prorate the cost and allow only that portion of the expenses attributable to attendant care that enables a family member to work. For example, if the care provider also cares for a child who is not the person with disabilities, the cost of care must be prorated. Unless otherwise specified by the care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

Payments to Family Members

No disability assistance expenses may be deducted for payments to a member of an assisted family [24 CFR 5.603(b)]. However, expenses paid to a relative who is not a member of the assisted family may be deducted if they are not reimbursed by an outside source.

Necessary and Reasonable Expenses

The family determines the type of care or auxiliary apparatus to be provided and must describe how the expenses enable a family member to work. The family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source.

HACN Policy

The PHA determines the reasonableness of the expenses based on typical costs of care or apparatus in the locality. To establish typical costs, the PHA will collect information from organizations that provide services and support to persons with disabilities. A family may present, and the PHA will consider, the family's justification for costs that exceed typical costs in the area.

Families That Qualify for Both Health and Medical and Disability Assistance Expenses

HACN Policy

This policy applies only to families in which the head or spouse is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either health and medical care or disability assistance expenses, the PHA will consider them health and medical care expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

6-III.F. CHILD CARE EXPENSE DEDUCTION

HUD defines *child care expenses* at 24 CFR 5.603(b) as “amounts anticipated to be paid by the family for the care of children under 13 years of age (including foster children) during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.”

Clarifying the Meaning of *Child* for This Deduction

Child care expenses do not include child support payments made to another on behalf of a minor who is not living in an assisted family’s household [VG, p. 26]. However, child care expenses for foster children that are living in the assisted family’s household are included when determining the family’s child care expenses [HCV GB, p. 5-29].

Qualifying for the Deduction

Determining Who Is Enabled to Pursue an Eligible Activity

HACN Policy

The family must identify the family member(s) enabled to pursue an eligible activity. The term *eligible activity* in this section means any of the activities that may make the family eligible for a child care deduction (seeking work, pursuing an education, or being gainfully employed).

In evaluating the family’s request, the PHA will consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

Seeking Work

HACN Policy

If the child care expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member’s efforts to obtain employment at each reexamination. The deduction may be reduced or denied if the family member’s job search efforts are not commensurate with the child care expense being allowed by the PHA.

Furthering Education

HACN Policy

If the child care expense being claimed is to enable a family member to further their education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the child care claimed.

Being Gainfully Employed

HACN Policy

If the child care expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member's employment during the time that child care is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.

Earned Income Limit on Child Care Expense Deduction

When a family member looks for work or furthers their education, there is no cap on the amount that may be deducted for child care – although the care must still be necessary and reasonable. However, when child care enables a family member to work, the deduction is capped by “the amount of employment income that is included in annual income” [24 CFR 5.603(b)].

The earned income used for this purpose is the amount of earned income verified after any earned income disallowances or income exclusions are applied.

When the person who is enabled to work is a person with disabilities who receives the earned income disallowance (EID) or a full-time student whose earned income above \$480 is excluded, child care costs related to enabling a family member to work may not exceed the portion of the person's earned income that actually is included in annual income. For example, if a family member who qualifies for the EID makes \$15,000 but because of the EID only \$5,000 is included in annual income, child care expenses are limited to \$5,000.

The PHA must not limit the deduction to the least expensive type of child care. If the care allows the family to pursue more than one eligible activity, including work, the cap is calculated in proportion to the amount of time spent working [HCV GB, p. 5-30].

HACN Policy

When the child care expense being claimed is to enable a family member to work, only one family member's income will be considered for a given period of time. When more than one family member works during a given period, the PHA generally will limit allowable child care expenses to the earned income of the lowest-paid member. The family may provide information that supports a request to designate another family member as the person enabled to work.

Eligible Child Care Expenses

The type of care to be provided is determined by the assisted family. The PHA may not refuse to give a family the child care expense deduction because there is an adult family member in the household that may be available to provide child care [VG, p. 26].

Allowable Child Care Activities

HACN Policy

For school-age children, costs attributable to public or private school activities during standard school hours are not considered. Expenses incurred for supervised activities after school or during school holidays (e.g., summer day camp, after-school sports league) are allowable forms of child care.

The costs of general housekeeping and personal services are not eligible. Likewise, child care expenses paid to a family member who lives in the family's unit are not eligible; however, payments for child care to relatives who do not live in the unit are eligible.

If a child care provider also renders other services to a family or child care is used to enable a family member to conduct activities that are not eligible for consideration, the PHA will prorate the costs and allow only that portion of the expenses that is attributable to child care for eligible activities. For example, if the care provider also cares for a child with disabilities who is 13 or older, the cost of care will be prorated. Unless otherwise specified by the child care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

Necessary and Reasonable Costs

Child care expenses will be considered necessary if: (1) a family adequately explains how the care enables a family member to work, actively seek employment, or further their education, and (2) the family certifies, and the child care provider verifies, that the expenses are not paid or reimbursed by any other source.

HACN Policy

Child care expenses will be considered for the time required for the eligible activity plus reasonable transportation time. For child care that enables a family member to go to school, the time allowed may include not more than one study hour for each hour spent in class.

To establish the reasonableness of child care costs, the PHA will use the schedule of child care costs from a qualified local entity that either subsidizes child care costs or licenses child care providers. Families may present, and the PHA will consider, justification for costs that exceed typical costs in the area.

6-III.G. HARDSHIP EXEMPTIONS [24 CFR 5.611(c), (d), and (e)]

Health and Medical Care and Disability Assistance Expenses [24 CFR 5.611(c); Notice PIH 2023-27]

The regulations provide for two types of hardship exemption categories for families that qualify for unreimbursed health and medical care expenses and/or disability assistance expenses. A family will benefit from this hardship exemption only if the family has eligible expenses that can be deducted in excess of five percent of annual income. In order to claim unreimbursed health and medical care expenses, the family must have a head, cohead, or spouse that is elderly or a person with a disability. In order to claim unreimbursed reasonable attendant care and auxiliary apparatus expenses, the family must include a person with a disability, and the expenses must enable any member of the family (including the member who is a person with a disability) to be employed.

Families may be eligible for relief under one of two categories; phased-in relief or general relief, as defined below.

Phased-In Relief

The first category is applicable to all families who received a deduction for unreimbursed health and medical care and/or reasonable attendant care or auxiliary apparatus expenses based on their most recent income review. The family must receive phased-in relief if they are determined to be eligible. These families will begin receiving a 24-month phased-in relief at their next annual or interim reexamination, whichever occurs first.

For these families, the threshold amount is phased-in as follows:

- The family is eligible for a deduction totaling the sum of expenses that exceeds 5 percent of annual income for the first 12 months.
- At the conclusion of 12 months, the family is eligible for a deduction totaling the sum of their expenses that exceed 7.5 percent of annual income for another 12 months.
- At the conclusion of 24 months, the standard threshold amount of 10 percent would be used, unless the family qualifies for relief under the general hardship relief category.
 - When an eligible family's phased-in relief begins at an interim reexamination, the PHA will need to process another transaction one year later to move the family along to the next phase. The transaction can be either an interim reexamination if triggered, or a non-interim reexamination transaction.

Prior to the end of the 24-month period, the family may request a hardship exemption under the second category as described below. If the family is found eligible under the second category, the hardship exemption under the first category ends, and the family's hardship is administered in accordance with the requirements listed below. Once a family requests general relief, the family may no longer receive phased-in relief.

PHAs must track the 24-month phase-period for each eligible family, even if a family's expenses go below the appropriate phase-in percentage, during the first or second 12-month phase-in period. The phase-in must continue for families who move to another public housing unit at the same PHA. When the family is treated as a new admission under a different property/program (e.g., the family moves from public housing to the HCV program), unless the PHA has a written policy to continue the phased-in relief upon admission, the family's expense deduction will be calculated using the 10-percent threshold unless request for general relief is approved by the PHA.

HACN Policy

The PHA will not continue the phased-in relief for families who move from the HCV program to public housing. These families will be treated as new admissions and the sum of expenses that exceeds 10 percent of annual income will be used to calculate their adjusted income.

General Relief

The second category is for families that can demonstrate:

- Their health and medical and/or disability assistance expenses increased (other than the transition to the higher threshold); or
- The family's financial hardship is a result of a change in circumstances (as defined in PHA policy) that would not otherwise trigger an interim reexamination.

The family may request a hardship exemption under the second category regardless of whether the family previously received the health and medical and/or disability assistance deductions or are currently or were previously receiving relief under the phased-in relief category above. HUD requires that PHAs develop policies defining what constitutes a hardship for purposes of this exemption.

The PHA must obtain third-party verification of the hardship or must document in the file the reason third-party verification was not available. PHAs must attempt to obtain third-party verification prior to the end of the 90-day hardship exemption period.

HACN Policy

To qualify for a hardship exemption, a family must submit a request in writing. The request must show that the family's health and medical and/or disability assistance expenses have increased (other than the transition to the higher threshold) or that the family's financial hardship is a result of a change in circumstances. The PHA defines *a change in circumstances* as a decrease in income or increase in other expenses that has resulted in the family's financial hardship but does not, on its own, trigger an interim reexam in accordance with PHA policies.

Examples of circumstances constituting a financial hardship may include the following situations:

The family is awaiting an eligibility determination for a federal, state, or local assistance program, such as a determination for unemployment compensation or disability benefits;

The family's income decreased because of a loss of employment, death of a family member, or due to a natural or federal/state declared disaster; or

Other circumstances as determined by the PHA.

The family must provide third-party verification of the hardship with the request. If third-party verification is not available, the PHA will document the file with the reason and will attempt to obtain third-party verification prior to the end of the 90-day hardship exemption period.

The PHA must promptly notify the family in writing of the change in the determination of adjusted income and the family's rent resulting from hardship exemptions. The notice must inform the family of when the hardship exemption will begin and expire [24 CFR 5.611(e)(2)].

HACN Policy

The PHA will make a determination of whether the family qualifies within 30 calendar days and will notify the family in writing of the result within 10 business days of the determination.

If the PHA denies the hardship exemption request, the PHA notice will also state that if the family does not agree with the PHA determination, the family may request a hearing.

If the family qualifies for an exemption, the PHA will include the date the hardship exemption will begin and the date it will expire as well as information on how to request a 90-day extension based on family circumstances.

If the family qualifies, the family will receive a deduction for the sum of eligible expenses that exceed five percent of annual income.

The family's hardship relief ends when the circumstances that made the family eligible for the relief are no longer applicable or after 90 days, whichever is earlier. However, the PHA may, at its discretion, extend the relief for one or more additional 90-day periods while the family's hardship condition continues. PHAs are not limited to a maximum number of 90-day extensions. PHAs are not limited to a maximum number of 90-day extensions. PHAs must establish written policies regarding the types of circumstances that will allow a family to qualify for a financial hardship and when such deductions may be eligible for additional 90-day extensions. PHAs must develop policies requiring families to report if the circumstances that made the family eligible for the hardship exemption are no longer applicable.

HACN Policy

The family may request an extension either orally or in writing prior to the end of the hardship exemption period. The PHA will extend relief for an additional 90-days if the family demonstrates to the PHA's satisfaction that the family continues to qualify for the hardship exemption based on circumstances described above. The PHA will require updated verification based on the family's current circumstances. Additional extension(s) may be granted on a case-by-case basis provided the family continues to request extensions prior to the end of each hardship exemption period. Families must report if the circumstances that made the family eligible for the hardship exemption are no longer applicable. At any time, the PHA may terminate the hardship exemption if the PHA determines that the family no longer qualifies for the exemption.

Child Care Expense Hardship Exemption [24 CFR 5.611(d) and Notice PIH 2023-27]

A family whose eligibility for the child care expense deduction is ending may request a financial hardship exemption to continue receiving the deduction. If the family demonstrates to the PHA's satisfaction that the family is unable to pay their rent because of the loss of the child care expense deduction, and that the child care expense is still necessary even though the family member is not working, looking for work, or seeking to further their education, the PHA must recalculate the family's adjusted income and continue the child care deduction.

The PHA must develop a policy to define what constitutes a hardship, which includes the family's inability to pay rent. The PHA must obtain third-party verification of the hardship or must document in the file the reason third-party verification was not available. PHAs must attempt to obtain third-party verification prior to the end of the 90-day hardship exemption period.

HACN Policy

For a family to qualify, they must demonstrate that their inability to pay rent would be as a result of the loss of this deduction. The PHA defines this hardship as a potential decrease in income or increase in other expenses that would result from the loss of the child care expense and such loss would impact the family's ability to pay their rent.

Some factors to consider when determining if the family is unable to pay rent may include determining that the rent, utility payment, and applicable expenses (child care expenses or health and medical expenses) are more than 40 percent of the family's adjusted income, or verifying whether the family has experienced unanticipated expenses, such as large medical bills, that have affected their ability to pay their rent.

The family must also demonstrate that the child care expense is still necessary even though the family member is no longer employed or furthering their education. The PHA will consider qualification under this criterion on a case-by case basis (for example, if the family member who was employed has left their job in order to provide uncompensated care to an elderly friend or family member who is severely ill and lives across town).

The family must provide third-party verification of the hardship with the request. If third-party verification is not available, the PHA will document the file with the reason and will attempt to obtain third-party verification prior to the end of the 90-day hardship exemption period.

The PHA must promptly notify the family in writing of the change in the determination of adjusted income and the family's rent resulting from hardship exemptions.

If the PHA denies the request, the notice must specifically state the reason for the denial. PHAs must provide families 30 days' notice of any increase in rent.

If the PHA approves the request, the notice must inform the family of when the hardship exemption will begin and expire [24 CFR 5.611(e)(2)]. The notice must also state the requirement for the family to report to the PHA if the circumstances that made the family eligible for relief are no longer applicable and that the family's adjusted income and tenant rent will be recalculated upon expiration of the hardship exemption [Notice PIH 2023-27].

HACN Policy

The PHA will make a determination of whether the family qualifies within 30 calendar days and will notify the family in writing of the result within 10 business days of the determination.

If the PHA denies the hardship exemption request, the PHA notice will also state that if the family does not agree with the PHA determination, the family may request a grievance hearing.

If the family qualifies for an exemption, the PHA will all required information listed above as well as information on how to request a 90-day extension based on family circumstances.

If the family qualifies, the hardship exemption and the resulting alternative adjusted income calculation must remain in place for a period of up to 90 days.

The PHA may, at its discretion, extend the hardship exemptions for additional 90-day periods based on family circumstances and as stated in PHA policies. PHAs are not limited to a maximum number of 90-day extensions. . PHAs must develop policies requiring families to report if the circumstances that made the family eligible for the hardship exemption are no longer applicable.

PHAs must promptly notify families in writing if they are denied either an initial hardship exemption or an additional 90-day extension of the exemption. If the PHA denies the request, the notice must specifically state the reason for the denial.

PHAs must notify the family if the hardship exemption is no longer necessary and the hardship exemption will be terminated because the circumstances that made the family eligible for the exemption are no longer applicable. The notice must state the termination date and provide 30 days' notice of rent increase, if applicable.

HACN Policy

The family may request an extension in writing prior to the end of the hardship exemption period. The PHA will extend relief for an additional 90-days if the family demonstrates to the PHA's satisfaction that the family continues to qualify for the hardship exemption. The PHA will require updated verification based on the family's current circumstances. Additional extensions may be granted on a case-by-case basis provided the family continues to request extensions prior to the end of each hardship exemption period. Families must report if the circumstances that made the family eligible for the hardship exemption are no longer applicable. At any time, the PHA may terminate the hardship exemption if the PHA determines that the family no longer qualifies for the exemption.

6-III.H. PERMISSIVE DEDUCTIONS [24 CFR 5.611(b)(1)(i)]

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

If the PHA chooses to adopt permissive deductions, the PHA is not eligible for an increase in Capital Fund and Operating Fund formula grants based on the application of those deductions. The PHA must establish a written policy for such deductions.

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

HACN Policy

The PHA has opted not to use permissive deductions.

PART IV: CALCULATING RENT

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

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

TTP Formula [24 CFR 5.628]

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

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

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

Welfare Rent [24 CFR 5.628]

HACN Policy

Welfare rent does not apply in this locality.

Minimum Rent [24 CFR 5.630]

HACN Policy

The minimum rent for this locality is \$0.

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

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

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

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

HACN Policy

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

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

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

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

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

HACN Policy

The PHA chooses not to use ceiling rents.

Utility Reimbursement [24 CFR 982.514(b); 982.514]

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

HACN Policy

The PHA will make utility reimbursements to the family. Utility reimbursements are applied as credit to the family's tenant account.

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

HACN Policy

The PHA will issue all utility reimbursements monthly.

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

HACN Policy

The financial hardship rules do not apply in this jurisdiction because the PHA has established a minimum rent of \$0.

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6-IV.C. UTILITY ALLOWANCES [24 CFR 965, Subpart E]

Overview

Utility allowances are provided to families paying income-based rents when the cost of utilities is not included in the rent. When determining a family's income-based rent, the PHA must use the utility allowance applicable to the type of dwelling unit leased by the family.

For policies on establishing and updating utility allowances, see Chapter 16.

Reasonable Accommodation and Individual Relief

On request from a family, PHAs must approve a utility allowance that is higher than the applicable amount for the dwelling unit if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family with a disability [24 CFR 8 and 100, PH Occ GB, p. 172].

Likewise, residents with disabilities may not be charged for the use of certain resident-supplied appliances if there is a verified need for special equipment because of the disability [PH Occ GB, p. 172].

See Chapter 2 for policies related to reasonable accommodations.

Further, the PHA may grant requests for relief from charges in excess of the utility allowance on reasonable grounds, such as special needs of the elderly, ill, or residents with disabilities, or special factors not within control of the resident, as the PHA deems appropriate. The family must request the higher allowance and provide the PHA with an explanation about the additional allowance required.

PHAs should develop criteria for granting individual relief, notify residents about the availability of individual relief, and notify participants about the availability of individual relief programs (sometimes referred to as "Medical Baseline discounts") offered by the local utility company [Utility Allowance GB, p. 19; 24 CFR 965.508].

HACN Policy

The family must request the higher allowance and provide the PHA with information about the amount of additional allowance required.

The PHA will consider the following criteria as valid reasons for granting individual relief:

The family's consumption was mistakenly portrayed as excessive due to defects in the meter or errors in the meter reading.

The excessive consumption is caused by a characteristic of the unit or owner-supplied equipment that is beyond the family's control, such as a particularly inefficient refrigerator or inadequate insulation. The allowance should be adjusted to reflect the higher consumption needs associated with the unit until the situation is remedied. The resident should be granted individual relief until the allowance is adjusted.

The excessive consumption is due to special needs of the family that are beyond their control, such as the need for specialized equipment in the case of a family member who is ill, elderly, or who has a disability.

In determining the amount of the reasonable accommodation or individual relief, the PHA will allow a reasonable measure of additional usage as necessary. To arrive at the amount of additional utility cost of specific equipment, the family may provide information from the manufacturer of the equipment, or the family or PHA may conduct an internet search for an estimate of usage or additional monthly cost.

Information on reasonable accommodation and individual relief for charges in excess of the utility allowance will be provided to all residents at move-in and with any notice of proposed allowances, schedule surcharges, and revisions. The PHA will also provide information on utility relief programs or medical discounts (sometimes referred to as "Medical Baseline discounts") that may be available through local utility providers.

The family must request the higher allowance, in writing, and provide the PHA with information about the amount of additional allowance required.

At its discretion, the PHA may reevaluate the need for the increased utility allowance as a reasonable accommodation at any interim or annual reexamination.

If the excessive consumption is caused by a characteristic of the unit or PHA-supplied equipment that is beyond the family's control, such as a particularly inefficient refrigerator or inadequate insulation, the individual relief to the resident will cease when the situation is remedied.

Utility Allowance Revisions [24 CFR 965.507]

The PHA must review at least annually the basis on which utility allowances have been established and, if reasonably required in order to continue adherence to standards described in 24 CFR 965.505, must establish revised allowances.

The PHA must revise the utility allowance schedule if there is a rate change that by itself or together with prior rate changes not adjusted for, results in a change of 10 percent or more from the rates on which such allowances were based.

Adjustments to resident payments as a result of such changes must be retroactive to the first day of the month following the month in which the last rate change taken into account in such revision became effective. Such rate changes are not subject to the 60-day notice [24 CFR 965.507(b)].

The tenant rent calculations must reflect any changes in the PHA's utility allowance schedule [24 CFR 960.253(c)(3)].

HACN Policy

Between annual reviews of utility allowances, the PHA will only revise its utility allowances due to a rate change, when required to by the regulation.

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

HUD regulations prohibit assistance to ineligible family members. A *mixed family* is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible family members. Except for non-public housing over income families, the PHA must prorate the assistance provided to a mixed family. The PHA will first determine TTP as if all family members were eligible and then prorate the rent based upon the number of family members that actually are eligible. To do this, the PHA must:

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

HACN Policy

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

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

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

Flat Rents [24 CFR 960.253(b)]

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

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

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

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

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

HACN Policy

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

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

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

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

With the exception of non-public housing over-income families, a family can opt to switch from flat rent to income-based rent at any time if they are unable to pay the flat rent due to financial hardship. If the PHA determines that a financial hardship exists, the PHA must immediately allow the family to switch from flat rent to the income-based rent.

HACN Policy

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

Reasons for financial hardship include:

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

HACN Policy

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

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

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

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

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

EXHIBIT 6-1: ANNUAL INCOME FULL DEFINITION

24 CFR 5.609

(a) Annual income includes, with respect to the family:

(1) All amounts, not specifically excluded in paragraph (b) of this section, received from all sources by each member of the family who is 18 years of age or older or is the head of household or spouse of the head of household, plus unearned income by or on behalf of each dependent who is under 18 years of age, and

(2) When the value of net family assets exceeds \$50,000 (which amount HUD will adjust annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers) and the actual returns from a given asset cannot be calculated, imputed returns on the asset based on the current passbook savings rate, as determined by HUD.

(b) Annual income does not include the following:

(1) Any imputed return on an asset when net family assets total \$50,000 or less (which amount HUD will adjust annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers) and no actual income from the net family assets can be determined.

(2) The following types of trust distributions:

(i) For an irrevocable trust or a revocable trust outside the control of the family or household excluded from the definition of net family assets under § 5.603(b):

(A) Distributions of the principal or corpus of the trust; and

(B) Distributions of income from the trust when the distributions are used to pay the costs of health and medical care expenses for a minor.

(ii) For a revocable trust under the control of the family or household, any distributions from the trust; except that any actual income earned by the trust, regardless of whether it is distributed, shall be considered income to the family at the time it is received by the trust.

(3) Earned income of children under the 18 years of age.

(4) Payments received for the care of foster children or foster adults, or State or Tribal kinship or guardianship care payments.

(5) Insurance payments and settlements for personal or property losses, including but not limited to payments through health insurance, motor vehicle insurance, and workers' compensation.

(6) Amounts received by the family that are specifically for, or in reimbursement of, the cost of health and medical care expenses for any family member.

(7) Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family becoming disabled.

(8) Income of a live-in aide, foster child, or foster adult as defined in §§ 5.403 and 5.603, respectively.

(9)

(i) Any assistance that section 479B of the Higher Education Act of 1965, as amended (20 U.S.C. 1087uu), requires be excluded from a family's income; and

(ii) Student financial assistance for tuition, books, and supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, and other fees required and charged to a student by an institution of higher education (as defined under Section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002)) and, for a student who is not the head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit.

(A) Student financial assistance, for purposes of this paragraph (9)(ii), means a grant or scholarship received from— (

- 1) The Federal government;
- (2) A State, Tribe, or local government;
- (3) A private foundation registered as a nonprofit under 26 U.S.C. 501(c)(3);
- (4) A business entity (such as corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation, or nonprofit entity); or
- (5) An institution of higher education.

(B) Student financial assistance, for purposes of this paragraph (9)(ii), does not include—

- (1) Any assistance that is excluded pursuant to paragraph (b)(9)(i) of this section;
- (2) Financial support provided to the student in the form of a fee for services performed (e.g., a work study or teaching fellowship that is not excluded pursuant to paragraph (b)(9)(i) of this section); (
- 3) Gifts, including gifts from family or friends; or

(4) Any amount of the scholarship or grant that, either by itself or in combination with assistance excluded under this paragraph or paragraph (b)(9)(i), exceeds the actual covered costs of the student. The actual covered costs of the student are the actual costs of tuition, books and supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, or other fees required and charged to a student by the education institution, and, for a student who is not the head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit. This calculation is described further in paragraph (b)(9)(ii) of this section.

(C) Student financial assistance, for purposes of this paragraph (b)(9)(ii) must be:

- (1) Expressly for tuition, books, room and board, or other fees required and charged to a student by the education institution;
- (2) Expressly to assist a student with the costs of higher education; or
- (3) Expressly to assist a student who is not the head of household or spouse with the reasonable and actual costs of housing while attending the education institution and not residing in an assisted unit.

(D) Student financial assistance, for purposes of this paragraph (b)(9)(ii), may be paid directly to the student or to the educational institution on the student's behalf. Student financial assistance paid to the student must be verified by the responsible entity as student financial assistance consistent with this paragraph (b)(9)(ii).

(E) When the student is also receiving assistance excluded under paragraph (b)(9)(i) of this section, the amount of student financial assistance under this paragraph (b)(9)(ii) is determined as follows:

(1) If the amount of assistance excluded under paragraph (b)(9)(i) of this section is equal to or exceeds the actual covered costs under paragraph (b)(9)(ii)(B)(4) of this section, none of the assistance described in this paragraph (b)(9)(ii) of this section is considered student financial assistance excluded from income under this paragraph (b)(9)(ii)(E).

(2) If the amount of assistance excluded under paragraph (b)(9)(i) of this section is less than the actual covered costs under paragraph (b)(9)(ii)(B)(4) of this section, the amount of assistance described in paragraph (b)(9)(ii) of this section that is considered student financial assistance excluded under this paragraph is the lower of:

(i) the total amount of student financial assistance received under this paragraph (b)(9)(ii) of this section, or

(ii) the amount by which the actual covered costs under paragraph (b)(9)(ii)(B)(4) of this section exceeds the assistance excluded under paragraph (b)(9)(i) of this section.

(10) Income and distributions from any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986 or any qualified tuition program under section 529 of such Code; and income earned by government contributions to, and distributions from, “baby bond” accounts created, authorized, or funded by Federal, State, or local government.

(11) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.

(12)

(i) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);

(ii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (e.g., special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;

(iii) Amounts received under a resident service stipend not to exceed \$200 per month. A resident service stipend is a modest amount received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development.

(iv) Incremental earnings and benefits resulting to any family member from participation in training programs funded by HUD or in qualifying Federal, State, Tribal, or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the employment training program unless those amounts are excluded under paragraph (b)(9)(i) of this section.

(13) 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.

(14) Earned income of dependent fulltime students in excess of the amount of the deduction for a dependent in § 5.611.

(15) Adoption assistance payments for a child in excess of the amount of the deduction for a dependent in § 5.611.

(16) Deferred periodic amounts from Supplemental Security Income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts.

(17) Payments related to aid and attendance under 38 U.S.C. 1521 to veterans in need of regular aid and attendance.

(18) 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.

(19) Payments made by or authorized by a State Medicaid agency (including through a managed care entity) or other State or Federal agency to a family to enable a family member who has a disability to reside in the family's assisted unit. Authorized payments may include payments to a member of the assisted family through the State Medicaid agency (including through a managed care entity) or other State or Federal agency for caregiving services the family member provides to enable a family member who has a disability to reside in the family's assisted unit.

(20) Loan proceeds (the net amount disbursed by a lender to or on behalf of a borrower, under the terms of a loan agreement) received by the family or a third party (e.g., proceeds received by the family from a private loan to enable attendance at an educational institution or to finance the purchase of a car).

(21) Payments received by Tribal members as a result of claims relating to the mismanagement of assets held in trust by the United States, to the extent such payments are also excluded from gross income under the Internal Revenue Code or other Federal law.

(22) Amounts that HUD is required by Federal statute to exclude from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in paragraph (b) of this section apply. HUD will publish a notice in the Federal Register to identify the benefits that qualify for this exclusion. Updates will be published when necessary.

(23) Replacement housing "gap" payments made in accordance with 49 CFR part 24 that offset increased out of pocket costs of displaced persons that move from one federally subsidized housing unit to another Federally subsidized housing unit. Such replacement housing "gap" payments are not excluded from annual income if the increased cost of rent and utilities is subsequently reduced or eliminated, and the displaced person retains or continues to receive the replacement housing "gap" payments.

(24) Nonrecurring income, which is income that will not be repeated in the coming year based on information provided by the family. Income received as an independent contractor, day laborer, or seasonal worker is not excluded from income under this paragraph, even if the source, date, or amount of the income varies. Nonrecurring income includes:

(i) Payments from the U.S. Census Bureau for employment (relating to decennial census or the American Community Survey) lasting no longer than 180 days and not culminating in permanent employment.

(ii) Direct Federal or State payments intended for economic stimulus or recovery.

(iii) Amounts directly received by the family as a result of State refundable tax credits or State tax refunds at the time they are received.

(iv) Amounts directly received by the family as a result of Federal refundable tax credits and Federal tax refunds at the time they are received.

(v) Gifts for holidays, birthdays, or other significant life events or milestones (e.g., wedding gifts, baby showers, anniversaries).

(vi) Non-monetary, in-kind donations, such as food, clothing, or toiletries, received from a food bank or similar organization.

(vii) Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings.

(25) Civil rights settlements or judgments, including settlements or judgments for back pay.

(26) Income received from any account under a retirement plan recognized as such by the Internal Revenue Service, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-employed individuals; except that any distribution of periodic payments from such

accounts shall be income at the time they are received by the family.

(27) Income earned on amounts placed in a family's Family Self Sufficiency Account.

(28) Gross income a family member receives through self-employment or operation of a business; except that the following shall be considered income to a family member:

(i) Net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations; and

(ii) Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.

EXHIBIT 6-2: TREATMENT OF FAMILY ASSETS

24 CFR 5.603(b) Net Family Assets

(1) Net family assets is the net cash value of all assets owned by the family, after deducting reasonable costs that would be incurred in disposing real property, savings, stocks, bonds, and other forms of capital investment.

(2) In determining net family assets, PHAs or owners, as applicable, must include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives consideration not measurable in dollar terms. Negative equity in real property or other investments does not prohibit the owner from selling the property or other investments, so negative equity alone would not justify excluding the property or other investments from family assets.

(3) Excluded from the calculation of net family assets are: (i) The value of necessary items of personal property; (ii) The combined value of all nonnecessary items of personal property if the combined total value does not exceed \$50,000 (which amount will be adjusted by HUD in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers); (iii) The value of any account under a retirement plan recognized as such by the Internal Revenue Service, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-

employed individuals; (iv) The value of real property that the family does not have the effective legal authority to sell in the jurisdiction in which the property is located; (v) Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a family member being a person with a disability; (vi) The value of any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986, the value of any qualified tuition program under section 529 of such Code, the value of any Achieving a Better Life Experience (ABLE) account authorized under Section 529A of such Code, and the value of any “baby bond” account created, authorized, or funded by Federal, State, or local government. (vii) Interests in Indian trust land; (viii) Equity in a manufactured home where the family receives assistance under 24 CFR part 982; (ix) Equity in property under the Homeownership Option for which a family receives assistance under 24 CFR part 982; (x) Family Self-Sufficiency Accounts; and (xi) Federal tax refunds or refundable tax credits for a period of 12 months after receipt by the family.

(4) In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the trust fund is not a family asset and the value of the trust is not included in the calculation of net family assets, so long as the fund continues to be held in a trust that is not revocable by, or under the control of, any member of the family or household.

EXHIBIT 6-3: THE EFFECT OF WELFARE BENEFIT REDUCTION

24 CFR 5.615

Public housing program and Section 8 tenant-based assistance program: How welfare benefit reduction affects family income.

(a) Applicability. This section applies to covered families who reside in public housing (part 960 of this title) or receive Section 8 tenant-based assistance (part 982 of this title).

(b) Definitions. The following definitions apply for purposes of this section:

Covered families. Families who receive welfare assistance or other public assistance benefits (“welfare benefits”) from a State or other public agency (“welfare agency”) under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance.

Economic self-sufficiency program. See definition at Sec. 5.603.

Imputed welfare income. The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income for purposes of determining rent.

Specified welfare benefit reduction.

(1) A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

(2) “Specified welfare benefit reduction” does not include a reduction or termination of welfare benefits by the welfare agency:

(i) at expiration of a lifetime or other time limit on the payment of welfare benefits;

(ii) because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or

(iii) because a family member has not complied with other welfare agency requirements.

(c) Imputed welfare income.

(1) A family's annual income includes the amount of imputed welfare income (because of a specified welfare benefits reduction, as specified in notice to the PHA by the welfare agency), plus the total amount of other annual income as determined in accordance with Sec. 5.609.

(2) At the request of the PHA, the welfare agency will inform the PHA in writing of the amount and term of any specified welfare benefit reduction for a family member, and the reason for such reduction, and will also inform the PHA of any subsequent changes in the term or amount of such specified welfare benefit reduction. The PHA will use this information to determine the amount of imputed welfare income for a family.

(3) A family’s annual income includes imputed welfare income in family annual income, as determined at the PHA's interim or regular reexamination of family income and composition, during the term of the welfare benefits reduction (as specified in information provided to the PHA by the welfare agency).

(4) The amount of the imputed welfare income is offset by the amount of additional income a family receives that commences after the time the sanction was imposed. When such additional income from other sources is at least equal to the imputed

(5) The PHA may not include imputed welfare income in annual income if the family was not an assisted resident at the time of sanction.

(d) Review of PHA decision.

(1) Public housing. If a public housing tenant claims that the PHA has not correctly calculated the amount of imputed welfare income in accordance with HUD requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the tenant written notice of such denial, with a brief explanation of the basis for the PHA determination of the amount of imputed welfare income. The PHA notice shall also state that if the tenant does not agree with the PHA determination, the tenant may request a grievance hearing in accordance with part 966, subpart B of this title to review the PHA determination. The tenant is not required to pay an escrow deposit pursuant to Sec. 966.55(e) for the portion of tenant rent attributable to the imputed welfare income in order to obtain a grievance hearing on the PHA determination.

(2) Section 8 participant. A participant in the Section 8 tenant-based assistance program may request an informal hearing, in accordance with Sec. 982.555 of this title, to review the PHA determination of the amount of imputed welfare income that must be included in the family's annual income in accordance with this section. If the family claims that such amount is not correctly calculated in accordance with HUD requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the family written notice of such denial, with a brief explanation of the

basis for the PHA determination of the amount of imputed welfare income. Such notice shall also state that if the family does not agree with the PHA determination, the family may request an informal hearing on the determination under the PHA hearing procedure.

(e) PHA relation with welfare agency.

(1) The PHA must ask welfare agencies to inform the PHA of any specified welfare benefits reduction for a family member, the reason for such reduction, the term of any such reduction, and any subsequent welfare agency determination affecting the amount or term of a specified welfare benefits reduction. If the welfare agency determines a specified welfare benefits reduction for a family member, and gives the PHA written notice of such reduction, the family's annual incomes shall include the imputed welfare income because of the specified welfare benefits reduction.

(2) The PHA is responsible for determining the amount of imputed welfare income that is included in the family's annual income as a result of a specified welfare benefits reduction as determined by the welfare agency, and specified in the notice by the welfare agency to the PHA. However, the PHA is not responsible for determining whether a reduction of welfare benefits by the welfare agency was correctly determined by the welfare agency in accordance with welfare program requirements and procedures, nor for providing the opportunity for review or hearing on such welfare agency determinations.

(3) Such welfare agency determinations are the responsibility of the welfare agency, and the family may seek appeal of such determinations through the welfare agency's normal due process procedures. The PHA shall be entitled to rely on the welfare agency notice to the PHA of the welfare agency's determination of a specified welfare benefits reduction.

Chapter 7

VERIFICATION

[24 CFR 960.259, 24 CFR 5.230, Notice PIH 2023-27]

INTRODUCTION

The PHA must verify all information that is used to establish the family's eligibility and level of assistance and is required to obtain written authorization from the family in order to collect the information. Applicants and program participants must cooperate with the verification process as a condition of receiving assistance. The PHA must not pass on the cost of verification to the family.

The PHA must follow the verification guidance provided by HUD in Notice PIH 2023-27 and any subsequent guidance issued by HUD. This chapter summarizes those requirements and provides supplementary PHA policies.

Part I describes the general verification process. Part II provides more detailed requirements related to family information. Part III provides information on income and assets, and Part IV covers mandatory deductions.

Verification policies, rules and procedures will be modified as needed to accommodate persons with disabilities. All information obtained through the verification process will be handled in accordance with the records management policies established by the PHA.

PART I: GENERAL VERIFICATION REQUIREMENTS

7-I.A. FAMILY CONSENT TO RELEASE OF INFORMATION [24 CFR 960.259; 24 CFR 5.230; and Notice PIH 2023-27]

Consent Forms

The family must supply any information that the PHA or HUD determines is necessary to the administration of the program and must consent to PHA verification of that information [24 CFR 960.259(a)(1)]. All adult family members must sign consent forms as needed to collect information relevant to the family's eligibility and level of assistance. While PHAs must use form HUD-9886, this form does not release all the information necessary to the administration of the program. The PHA must also develop its own release forms to cover all other necessary information.

Form HUD-9886 [24 CFR 5.230(b)(1), (b)(2), (c)(4), and (c)(5); Notice PIH 2023-27]

All adult applicants and tenants must sign form HUD-9886, Authorization for Release of Information. All adult family members (and the head and spouse/cohead regardless of age) are required to sign the Form HUD-9886 at admission. Participants, prior to January 1, 2024, signed and submitted Form HUD-9886 at each annual reexamination. HOTMA eliminated this requirement and instead required that the Form HUD-9886 be signed only once. On or after January 1, 2024 (regardless of the PHA's HOTMA compliance date), current program participants must sign and submit a new Form HUD-9886 at their next interim or annual reexamination. This form will only be signed once. Another Form HUD-9886 will not be submitted to the PHA except under the following circumstances:

- When any person 18 years or older becomes a member of the family;
- When a current member of the family turns 18; or
- As required by HUD or the PHA in administrative instructions.

The PHA has the discretion to establish policies around when family members must sign consent forms when they turn 18. PHAs must establish these policies stating when family members will be required to sign consent forms at intervals other than at reexamination.

HACN Policy

Family members turning 18 years of age between annual recertifications will be notified in writing that they are required to sign the required Consent to the Release of Information Form HUD-9886 at the family's next annual or interim reexamination, whichever is earlier.

The purpose of form HUD-9886 is to facilitate automated data collection and computer matching from specific sources and provides the family's consent only for the specific purposes listed on the form. HUD and the PHA may collect information from State Wage Information Collection Agencies (SWICAs) and current and former employers of adult family members. Only HUD is authorized to collect information directly from the Internal Revenue Service (IRS) and the Social Security Administration (SSA).

The PHA may obtain any financial record from any financial institution, as the terms financial record and financial institution are defined in the Right to Financial Privacy Act ([12 U.S.C. 3401](#)), whenever the PHA determines the record is needed to determine an applicant's or participant's eligibility for assistance or level of benefits [24 CFR 5.230(c)(4)].

The executed form will remain effective until the family is denied assistance, assistance is terminated, or the family provides written notification to the PHA to revoke consent.

Penalties for Failing to Consent [24 CFR 5.232]

If any family member who is required to sign a consent form fails to do so, the PHA must deny admission to applicants and terminate the lease of tenants [24 CFR 5.232(a)]. The family may request a hearing in accordance with the PHA's grievance procedures.

However, this does not apply if the applicant, participant, or any member of their family, revokes their consent with respect to the ability of the PHA to access financial records from financial institutions, unless the PHA establishes a policy that revocation of consent to access financial records will result in denial or termination of assistance or admission [24 CFR 5.232(c)]. PHAs may not process interim or annual reexaminations of income without the family's executed consent forms.

HACN Policy

The PHA has established a policy that revocation of consent to access financial records will result in denial of admission or termination of assistance in accordance with PHA policy.

In order for a family to revoke their consent, the family must provide written notice to the PHA.

Within 10 business days of the date the family provides written notice, the PHA will send the family a notice acknowledging receipt of the request and explaining that revocation of consent will result in denial or termination of assistance, as applicable. At the same time, the PHA will notify the local HUD office.

**7-I.B. USE OF OTHER PROGRAMS' INCOME DETERMINATIONS
[24 CFR 5.609(c)(3) and Notice PIH 2023-27]**

PHAs may, but are not required to, determine a family's annual income, including income from assets, prior to the application of any deductions, based on income determinations made within the previous 12-month period, using income determinations from means-tested federal public assistance programs. PHAs are not required to accept or use determinations of income from other federal means-tested forms of assistance. If the PHA adopts a policy to accept this type of verification, the PHA must establish in policy when they will accept Safe Harbor income determinations and from which programs. PHAs must also create policies that outline the course of action when families present multiple verifications from the same or different acceptable Safe Harbor programs. Means-tested federal public assistance programs include:

- Temporary Assistance for Needy Families (TANF) (42 U.S.C. 601, et seq.);
- Medicaid (42 U.S.C. 1396 et seq.);
- Supplemental Nutrition Assistance Program (SNAP) (42 U.S.C. 2011 et seq.);
- Earned Income Tax Credit (EITC) (26 U.S.C. 32);
- Low-Income Housing Credit (LIHTC) program (26 U.S.C. 42);
- Special Supplemental Nutrition Program for Woman, Infants, and Children (WIC) (42 U.S.C. 1786);
- Supplemental Security Income (SSI) (42 U.S.C. 1381 et seq.);
- Other programs administered by the HUD Secretary;
- Other means-tested forms of federal public assistance for which HUD has established a memorandum of understanding; and
- Other federal benefit determinations made in other forms of means-tested federal public assistance that the Secretary determines to have comparable reliability and announces through the *Federal Register*.

If the PHA elects to use the annual income determination from one of the above-listed forms of means-tested federal public assistance, then they must obtain the income information by means of a third-party verification. The third-party verification must state the family size, must be for the entire family, and must state the amount of the family's annual income. The annual income need not be broken down by family member or income type. Annual income includes income earned from assets, therefore when using Safe Harbor to verify a family's income, PHAs will neither further inquire about a family's net family assets, nor about the income earned from those assets, except with respect to whether or not the family owns assets that exceed the asset limitation in 24 CFR 5.618. The Safe Harbor documentation will be considered acceptable if any of the following dates fall into the 12-month period prior to the receipt of the documentation by the PHA:

- Income determination effective date;
- Program administrator's signature date;
- Family's signature date;
- Report effective date; or
- Other report-specific dates that verify the income determination date.

The only information that PHAs are permitted to use to determine income under this method is the total income determination made by the federal means-tested program administrator. Other federal programs may provide additional information about income inclusions and exclusions in their award letters; however, these determinations and any other information must not be considered by the PHA. PHAs are not permitted to mix and match Safe Harbor income determinations and other income verifications.

If the PHA is unable to obtain Safe Harbor documentation or if the family disputes the other program's income determination, the PHA must calculate the family's annual income using traditional methods as outlined in Notice PIH 2023-27 and this chapter.

If the PHA uses a Safe Harbor determination to determine the family's income, the family is obligated to report changes in income that meet the PHA's reporting requirement and occur after the effective date of the transaction.

The amounts of unreimbursed reasonable attendant care expenses and child-care expenses deducted from a family's annual income, except for when a family is approved for a child-care expense hardship exemption, must still be capped by the amount earned by any family member who is enabled to work as a result of the expense. PHAs are therefore required to obtain third-party verification of the applicable employment income and cap the respective expense deductions accordingly.

HACN Policy

The PHA will not accept verification from other federal assistance programs. All income will be verified in accordance with the requirements of HUD's verification hierarchy and PHA policies in this chapter

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**7-I.C. STREAMLINED INCOME DETERMINATIONS [24 CFR 960.257(c);
Notice PIH 2023-27]**

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

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

Two streamlining options are available, depending upon the percentage of the family's income that is received from fixed sources.

When 90 percent or more of a family's unadjusted income is from fixed sources, the PHA may apply the inflationary adjustment factor to the family's fixed-income sources, provided that the family certifies both that 90 percent or more of their unadjusted income is fixed and that their sources of fixed income have not changed from the previous year. Sources of non-fixed income are not required to be adjusted and must not be adjusted by a COLA, but PHAs may choose to adjust sources of non-fixed income based on third-party verification. PHAs have the discretion to either adjust the non-fixed income or carry over the calculation of non-fixed income from the first year to years two and three.

When less than 90 percent of a family's unadjusted income consists of fixed income, PHAs may apply a COLA to each of the family's sources of fixed income. PHAs must determine all other income using standard verification requirements as outlined in Notice PIH 2023-27.

HACN Policy

The PHA chooses not to streamline the annual reexamination process for fixed-income sources. The PHA will obtain third-party verification, where applicable, of all sources of income annually in accordance with PHA policies in the chapter and HUD regulations.

7-I.D. VERIFICATION HIERARCHY [Notice PIH 2023-27]

When the PHA does not use a streamlined determination of income or an income determination from a means-tested federal assistance program, HUD requires the PHA to obtain third-party verification of:

- Reported family annual income;
- The value of net family assets when the net value exceeds \$50,000 (as adjusted annually);
- Expenses related to deductions from annual income; and
- Other factors that affect the determination of adjusted income.

HUD mandates the use of the EIV system and offers administrative guidance on the use of other methods to verify family information and specifies the circumstances in which each method will be used. In general, HUD requires the PHA to use the most reliable form of verification that is available and to document the reasons when the PHA uses a lesser form of verification.

HUD developed a hierarchy that described verification documentation from most acceptable to least acceptable. The PHA must demonstrate efforts to obtain third party verification prior to accepting self-certification except instances when self-certification is explicitly allowed.

In order of priority, the hierarchy is:

- Highest: Level 6: Up-front Income Verification (UIV) using HUD’s Enterprise Income Verification (EIV) system
- Highest: Level 5: Up-front Income Verification (UIV) using a non-EIV system
- High: Level 4:
 - Written third-party verification from the source, also known as “tenant-provided verification”
 - Or EIV plus self-certification
- Medium: Level 3: Written third-party verification form
- Medium: Level 2: Oral third-party verification
- Low: Level 1: Self-certification (not third-party verification)

Each of the verification methods is discussed in subsequent sections below.

File Documentation

The PHA must document in the file how the figures used in income and rent calculations were determined. All verification attempts, information obtained, and decisions reached during the verification process will be recorded in the family’s file in sufficient detail to demonstrate that the PHA has followed all of the verification policies set forth in this ACOP. The record should be sufficient to enable a staff member or HUD reviewer to understand the process followed and conclusions reached.

7-I.E. LEVEL 5 AND 6 VERIFICATION: UP-FRONT INCOME VERIFICATION (UIV)

Up-front income verification (UIV) refers to the PHA's use of the verification tools available from independent sources that maintain computerized information about earnings and benefits for a number of individuals. PHAs may use UIV sources before or during a family reexamination.

UIV will be used to the extent that these systems are available to the PHA.

There may be legitimate differences between the information provided by the family and UIV-generated information. If the family disputes the accuracy of UIV data, no adverse action can be taken until the PHA has independently verified the UIV information and the family has been granted the opportunity to contest any adverse findings through the PHA's informal review/hearing processes.

Upfront Income Verification Using HUD's Enterprise Income Verification (EIV) System

PHAs must use HUD's EIV system in its entirety as a third-party source to verify tenant employment and income information during annual and streamlined reexaminations of family composition and income in accordance with 24 CFR 5.236 and Notice PIH 2023-27.

HUD's EIV system contains data showing earned income, unemployment benefits, social security benefits, and SSI benefits for participant families.

The income validation tool (IVT) in EIV provides projections of discrepant income for wages, unemployment compensation, and SSA benefits pursuant to HUD's data sharing agreements with other departments.

The following policies apply to the use of HUD's EIV system.

EIV Income and IVT Reports

PHAs are required to obtain an EIV Income and IVT report for each family any time the PHA conducts an annual reexamination. However, PHAs are not required to use the EIV Income and IVT reports:

- At annual reexamination if the PHA used Safe Harbor verification from another means-test federal assistance program to determine the family's income; or
- During any interim reexaminations.

The EIV Income and IVT Reports are also not available for program applicants at admission.

When required to use the EIV Income Report, in order for the report to be considered current, the PHA must pull the report within 120 days of the effective date of the annual reexamination.

The EIV Income Report may be used to verify and calculate income at annual reexamination if the family self-certifies that the amount is accurate and representative of current income. The family must be provided with the information in EIV.

HACN Policy

Except for when Safe Harbor verification from another means-tested federal assistance program is used to determine the family's annual income, the PHA will obtain EIV Income and IVT reports for all annual reexaminations for all families on a monthly basis. Reports will be generated as part of the regular reexamination process. The PHA will ensure that all EIV Income Reports are pulled within 120 days of the effective date of the annual reexamination.

Income and IVT reports will only be used for interim reexaminations as necessary. For example, EIV may be used to verify that families claiming zero income are not receiving income from any sources listed in EIV.

Income and IVT reports will be retained in resident files with the applicable annual documents or interim reexamination documents (if applicable) for the duration of tenancy.

When the PHA determines through EIV reports and third-party verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies in Chapter 15, Program Integrity.

New Hires Report [Notice PIH 2023-27]

The New Hires Report identifies participant families who have new employment within the last six months. The report is updated monthly.

PHAs must review this information at annual reexamination except when the PHA uses Safe Harbor verification from another means-tested federal assistance program to determine the family's income.

PHAs that do not require families to undergo interim reexaminations for earned income increases after an interim decrease are not required to review this report between a family's annual reexamination. If the PHA requires an interim for increases in earned income after an interim decrease, then the PHA must review the report quarterly after the family's interim decrease.

HACN Policy

In accordance with PHA policies in Chapter 9, the PHA processes interim reexaminations for families who have increases in earned income. Except for instances in which the PHA uses Safe Harbor income determinations to determine a family's annual income, the PHA will review the report at least quarterly.

No Income Reported by HHS or SSA Report

This report is a tool for PHAs to identify participants who passed the SSA identity test, but no income information was reported by either HHS or SSA records. This scenario does not mean that they tenant does not have any income. PHAs obtain written, third-party verification of any income reported by the tenant. The PHA must identify in its policies and procedures when this report will be pulled [Notice PIH 2023-27].

HACN Policy

The PHA will generate the No Income Reported by HHS or SSA Report at at least quarterly and will retain the report.

The PHA will re-verify the status of tenants identified on the report quarterly. Based on the information provided by the family and in EIV, the PHA may require that family members provide verifications or sign release forms in order to obtain additional verification.

When the PHA determines through this report and third-party verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies in Chapter 15, Program Integrity.

EIV Identity Verification Report

The EIV system verifies resident identities against Social Security Administration (SSA) records. These records are compared to HUD data for a match on social security number, name, and date of birth.

PHAs are required to use EIV's *Identity Verification Report* on a monthly basis to improve the availability of income information in EIV [Notice PIH 2023-27].

When identity verification for a resident fails, a message will be displayed within the EIV system and no income information will be displayed.

HACN Policy

The PHA will identify residents whose identity verification has failed by reviewing EIV's *Identity Verification Report* on a monthly basis.

The PHA will attempt to resolve discrepancies by obtaining appropriate documentation from the tenant. When the PHA determines that discrepancies exist as a result of PHA errors, such as spelling errors or incorrect birth dates, it will correct the errors promptly.

Deceased Tenants Reports [Notice PIH 2012-4 and Notice PIH 2023-27]

The Deceased Tenant Report identifies residents that have been reported by the SSA as deceased. The PHA is required to review the report at least quarterly.

HACN Policy

The PHA will review the Deceased Tenants Report on a monthly basis.

When the Deceased Tenants Report identifies an individual as being deceased, PHAs must immediately send a letter to the head of household or emergency contact person (if the head of household is deceased and there is no other adult household member) to confirm the death of the listed household member. The PHA must conduct a home visit to determine if anyone is residing in the unit.

PHAs are required to list the move-out date for the family as of the date on which the family or designee of the deceased tenant's estate returned the keys and signed a vacate notice; the date the public housing lease was terminated; or the date the PHA legally regained possession of the unit, whichever occurs first.

When the only remaining household member is the live-in aide, the live-in aide is not entitled or eligible for continued occupancy. The PHA may not designate the live-in aide as the new head of household or change the relation code on the Form HUD-50058.

Other EIV Reports [Notice PIH 2023-27]

The PHA is required to review the Multiple Subsidy Report at least quarterly and the Failed EIV Pre-Screening and Failed Verification (Failed SSA Identity Test) reports at least monthly.

Upfront Income Verification Using Non-HUD Systems

HUD encourages PHAs to utilize other upfront verification sources such as the Work Number and web-based state benefits systems.

HACN Policy

The PHA does not utilize other upfront verification sources.

7-I.F. LEVEL 4 VERIFICATION [Notice PIH 2023-27]

HUD identifies two types of Level 4 verification: written-third party verification from the source and EIV + self-certification.

EIV + Self-Certification

EIV may be used as written third-party verification and may be used to calculate income if the family agrees with the information in EIV and self-certifies that the amount is accurate and representative of current income. This practice is known as *EIV + self-certification*. When calculating income using this method, the PHA may use its discretion to determine which method of calculation is reasonable: the last four quarters combined or an average of any number of quarters. The family must be provided with the information from EIV.

HACN Policy

At annual reexamination, if the PHA is unable to use a determination of income from a means-tested federal assistance program and if there are no reported changes to an income source, the PHA will use EIV + self-certification as verification of employment income, provided the family agrees with the amounts listed in EIV.

The PHA will use an average of the last two quarters of income listed in EIV to determine income from employment. The PHA will provide the family with the information in EIV. The family will be required to sign a self-certification stating that the amount listed in EIV is accurate and representative of current income. If the family disagrees with the amount in EIV, the amount is not reflective of current income, or if less than two quarters are available in EIV, the PHA will use written third-party verification from the source as outlined below.

The PHA will not use this method of verification at new admission since EIV is not available for applicant families or at interim reexamination since the income information in EIV is not current.

Written Third-Party Verification from the Source

Written, third-party verification from the source is also known as “tenant-provided verification.” In order to qualify as written-third party verification from the source, the documents must be original or authentic and (generally) dated within 120 days of the date received by the PHA. For fixed-income sources, a statement dated within the appropriate benefit year is acceptable documentation. Documents may be supplied by the family or received from a third-party source.

Examples of acceptable tenant-provided documents include, but are not limited to pay stubs, payroll summary reports, employer notice or letters of hire and termination, SSA benefit verification letters, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices. Income tax returns with corresponding official tax forms and schedules attached and including third-party receipt of transmission for income tax return filed (i.e., tax preparer’s transmittal receipt, summary of transmittal from online source, etc.) are an acceptable form of written, third-party verification.

The PHA is required to obtain, at minimum, two current and consecutive pay stubs when calculating income using third-party verification from the source. For new income sources or when two pay stubs are not available, the PHA should determine income based on the information from a traditional written, third-party verification form or the best available information.

When the family disputes EIV-reported employment income, the PHA uses written third-party verification.

When verification of assets is required, PHAs are required to obtain a minimum of one statement that reflects the current balance of banking/financial accounts.

HACN Policy

In general, the PHA will use third-party verification from the source in the following circumstances:

- At annual reexamination when EIV + self-certification is not used;
- For all new admissions; and
- For all interim reexaminations.

The PHA will not use this method if the PHA is able to use an income determination from a means-tested federal assistance program or if the PHA uses EIV + self-certification as outlined above.

In general, third-party documents provided by the family or the source must be dated within 120 days of the date received by the PHA. However, for fixed-income sources, a statement dated within the appropriate benefit year is acceptable documentation.

The PHA may reject documentation provided by the family if the document is not an original, if the document appears to be forged, or if the document is altered, mutilated, or illegible. If the PHA determines that third-party documents provided by the family are not acceptable, the PHA will explain the reason to the family and request additional documentation from the family or will use a lower form of verification such as a written third-party verification form.

When verification of assets held by a banking or financial institution is required, the PHA will obtain one statement that reflects the current balance of the account.

When pay stubs are used, the PHA will require the family to provide the two most current, consecutive pay stubs. At the PHA's discretion, if additional paystubs are needed due to the family's circumstances (e.g., sporadic income, fluctuating schedule, etc.), the PHA may request additional paystubs or a payroll record.

7-I.G. LEVEL 3 VERIFICATION: WRITTEN, THIRD-PARTY FORM
[Notice PIH 2023-27]

This type of verification is a form developed by the PHA and used uniformly for all families when needed to collect information from a third-party source. This is known as “traditional third-party verification.” PHAs send a PHA-developed form directly to the third-party source by mail, fax, or email and the source completes the form by hand (in writing or typeset).

The PHA may use this method when higher forms are unavailable or are rejected by the PHA or when the family is unable to provide acceptable verification. The PHA may skip this level of verification and may instead substitute oral third-party verification before moving to self-certification.

HACN Policy

Typically, the PHA will attempt to send written third-party verification forms to the verification source whenever higher forms of verification are unavailable.

However, on a case-by-case basis, the PHA may choose to obtain oral third-party verification without first attempting, and in lieu of, a written-third party verification form.

7-I.H. LEVEL 2: ORAL THIRD-PARTY VERIFICATION [Notice PIH 2023-27]

For third-party oral verification, PHAs contact sources, identified by UIV techniques or by the family, by telephone or in person.

Third-party oral verification may be used when requests for written third-party verification forms have not been returned within a reasonable time—e.g., 10 business days.

PHAs must document in the file the date and time of the telephone call or visit, the name of the person contacted, the telephone number, as well as the information confirmed.

The PHA may skip this level of verification if they attempted written third-party verification via a form and the source did not respond and move directly to self-certification.

HACN Policy

In general, the PHA will attempt to obtain written third-party verification via a form from the verification source. If written third-party verification forms are not returned within 10 business days, the PHA will accept self-certification from the family without attempting to obtain oral third-party verification.

However, if the PHA chooses to obtain oral third-party verification, the PHA will document in the file the date and time of the telephone call or visit, the name of the person contacted and the telephone number, as well as the information confirmed.

When Third-Party Verification is Not Required [Notice PIH 2023-27]

Third-party verification may not be available in all situations. HUD has acknowledged that it may not be cost-effective or reasonable to obtain third-party verification of income, assets, or expenses when these items would have a minimal impact on the family's total tenant payment.

HACN Policy

If the family cannot provide original documents, the PHA will pay the service charge required to obtain third-party verification, unless it is not cost effective in which case a self-certification will be acceptable as the only means of verification. The cost of verification will not be passed on to the family.

The cost of postage and envelopes to obtain third-party verification of income, assets, and expenses is not an unreasonable cost [VG, p. 18].

Primary Documents

Third-party verification is not required when legal documents are the primary source, such as a birth certificate or other legal documentation of birth.

7-I.I. LEVEL 1: NON-THIRD-PARTY VERIFICATION TECHNIQUE: SELF-CERTIFICATION [Notice PIH 2023-27]

Non-third-party verification consists of a signed statement of reported income and/or expenses. This verification method should be used as a last resort when the PHA has not been successful in obtaining information via all other required verification techniques.

Self-certification, however, is an acceptable form of verification when:

- A source of income is fully excluded;
- Net family assets total \$50,000 or less and the PHA has adopted a policy to accept self-certification;
- The family declares that they do not have any present ownership in any real property;
- A family states that they have non-recurring income that will not be repeated in the coming year; and/or
- The PHA has adopted a policy to implement streamlined annual recertifications for fixed sources of income.

When the PHA was required to obtain third-party verification but instead relies on self-certification, the family's file must be documented to explain why third-party verification was not available.

HUD does not require that a self-certification be notarized; however, HUD recommends including language on any self-certification to ensure the certifier understands the consequences of knowingly providing false information.

HACN Policy

When information cannot be verified by a third party or by review of documents, family members will be required to submit self-certifications attesting to the accuracy of the information they have provided to the PHA.

The PHA may require a family to certify that a family member does not receive a particular type of income or benefit.

The self-certification must be made in a format acceptable to the PHA and must be signed by the family member whose information or status is being verified.

All self-certifications will include the following language:

“I/We, the undersigned, certify under penalty of perjury that the information provided here is true and correct, to the best of my knowledge and recollection. **WARNING:** Anyone who knowingly submits a false claim or knowingly makes a false statement is subject to criminal and/or civil penalties, including confinement for up to five years, fines, and civil and administrative penalties (18 U.S.C. 287, 1001, 1010, 1012; 31 U.S.C. 3279, 3802).”

PART II: VERIFYING FAMILY INFORMATION

7-II.A. VERIFICATION OF LEGAL IDENTITY

HACN Policy

The PHA will require families to furnish verification of legal identity for each household member.

Verification of Legal Identity for Adults	Verification of Legal Identity for Children
Certificate of birth, naturalization papers Church issued baptismal certificate Current, valid driver’s license or Department of Motor Vehicle identification card U.S. military discharge (DD 214) Current U.S. passport Current government employer identification card with picture	Certificate of birth Adoption papers Custody agreement Health and Human Services ID Certified school records

If a document submitted by a family is illegible for any reason or otherwise questionable, more than one of these documents may be required.

If none of these documents can be provided and at the PHA’s discretion, a third party who knows the person may attest to the person’s identity. The certification must be provided in a format acceptable to the PHA and be signed by the family member whose information or status is being verified.

Legal identity will be verified for all applicants at the time of eligibility determination and in cases where the PHA has reason to doubt the identity of a person representing themselves to be a tenant or a member of a tenant family.

7-II.B. SOCIAL SECURITY NUMBERS [24 CFR 5.216 and Notice PIH 2023-27]

The family must provide documentation of a valid Social Security number (SSN) for each member of the household, with the exception of individuals who do not contend eligible immigration status. Exemptions also include, existing residents who were at least 62 years of age as of January 31, 2010, and had not previously disclosed an SSN.

The PHA must accept the following documentation as acceptable evidence of the social security number:

- An original SSN card issued by the Social Security Administration (SSA)
- An original SSA-issued document, which contains the name and SSN of the individual
- An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual

While PHAs must attempt to gather third-party verification of SSNs prior to admission as listed above, PHAs also have the option of accepting a self-certification and a third-party document (such as a bank statement, utility or cell phone bill, or benefit letter) with the applicant's name printed on it to satisfy the SSN disclosure requirement if the PHA has exhausted all other attempts to obtain the required documentation. If verifying an individual's SSN using this method, the PHA must document why the other SSN documentation was not available.

If the tenant's SSN becomes verified in EIV, then no further verification is required. If the tenant's SSN fails the SSA identity match, then the PHA must obtain a valid SSN card issued by the SSA or an original document issued by a federal or state government agency that contains the name of the individual and the SSN of the individual, along with other identifying information of the individual. The tenant's assistance must be terminated if they fail to provide the required documentation.

HACN Policy

The PHA will verify an individual's SSN in the situations described above using the method described above as a last resort when no other forms of verification of the individual's SSN are available.

The PHA may only reject documentation of an SSN provided by an applicant or resident if the document is not an original document, if the original document has been altered, mutilated, is illegible, or if the document appears to be forged.

HACN Policy

The PHA will explain to the applicant or resident the reasons the document is not acceptable and request that the individual obtain and submit acceptable documentation of the SSN to the PHA within 90 days.

If an applicant family includes a child under 6 years of age who joined the household within the 6 months prior to the date of program admission, an otherwise eligible family may be admitted and must provide documentation of the child's SSN within 90 days. A 90-day extension will be granted if the PHA determines that the resident's failure to comply was due to unforeseen circumstances and was outside of the resident's control.

HACN Policy

The PHA will grant one additional 90-day extension if needed for reasons beyond the applicant's control, such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

When a resident requests to add a new household member who is at least 6 years of age, or who is under the age of 6 and has an SSN, the resident must provide the complete and accurate SSN assigned to each new member at the time of reexamination or recertification, in addition to the documentation required to verify it. The PHA may not add the new household member until such documentation is provided.

When a resident requests to add a new household member who is under the age of 6 and has not been assigned an SSN, the resident must provide the SSN assigned to each new child and the required documentation within 90 calendar days of the child being added to the household. A 90-day extension will be granted if the PHA determines that the resident's failure to comply was due to unforeseen circumstances and was outside of the resident's control. During the period the PHA is awaiting documentation of the SSN, the child will be counted as part of the assisted household.

PHA Policy

The PHA will grant one additional 90-day extension if needed for reasons beyond the resident's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

Social security numbers must be verified only once during continuously assisted occupancy.

HACN Policy

The PHA will verify each disclosed SSN by:

Obtaining documentation from applicants and residents that is acceptable as evidence of social security numbers

Making a copy of the original documentation submitted, returning it to the individual, and retaining a copy in the file folder

Once the individual's verification status is classified as "verified," the PHA may, at its discretion, remove and destroy copies of documentation accepted as evidence of social security numbers. The retention of the EIV Summary Report or Income Report is adequate documentation of an individual's SSN.

HACN Policy

Once an individual's status is classified as "verified" in HUD's EIV system, the PHA will not remove and destroy copies of documentation accepted as evidence of social security numbers.

7-II.C. DOCUMENTATION OF AGE

A birth certificate or other official record of birth is the preferred form of age verification for all family members. For elderly family members an original document that provides evidence of the receipt of social security retirement benefits is acceptable.

HACN Policy

If an official record of birth or evidence of social security retirement benefits cannot be provided, the PHA will require the family to submit other documents that support the reported age of the family member (e.g., school records, driver's license if birth year is recorded) and to provide a self-certification.

Age must be verified only once during continuously assisted occupancy.

7-II.D. FAMILY RELATIONSHIPS

Applicants and tenants are required to identify the relationship of each household member to the head of household. Definitions of the primary household relationships are provided in the Eligibility chapter.

HACN Policy

Family relationships are verified only to the extent necessary to determine a family's eligibility and level of assistance. Certification by the head of household normally is sufficient verification of family relationships.

Marriage

HACN Policy

Certification by the head of household is normally sufficient verification. If the PHA has reasonable doubts about a marital relationship, the PHA will require the family to document the marriage with a marriage certificate or other documentation to verify that the couple is married.

In the case of a common law marriage, the couple must demonstrate that they hold themselves to be married (e.g., by telling the community they are married, calling each other husband and wife, using the same last name, filing joint income tax returns).

Separation or Divorce

HACN Policy

Certification by the head of household is normally sufficient verification. If the PHA has reasonable doubts about a divorce or separation, the PHA will require the family to provide documentation of the divorce or separation with a certified copy of a divorce decree, signed by a court officer; a copy of a court-ordered maintenance or other court record; or other documentation that shows a couple is divorced or separated.

If no court document is available, documentation from a community-based agency will be accepted.

Absence of Adult Member

HACN Policy

If an adult member who was formerly a member of the household is reported to be permanently absent, the family must provide evidence to support that the person is no longer a member of the family (e.g., documentation of another address at which the person resides such as a lease or utility bill), if the PHA so requests.

Foster Children and Foster Adults

HACN Policy

Third-party verification from the state or local government agency responsible for the placement of the individual with the family is required.

7-II.E. VERIFICATION OF STUDENT STATUS

HACN Policy

The PHA requires families to provide information about the student status of all students who are 18 years of age or older. This information will be verified only if:

The family claims full-time student status for an adult other than the head, spouse, or cohead, or

The family claims a child care deduction to enable a family member to further their education.

7-II.F. DOCUMENTATION OF DISABILITY

The PHA must verify the existence of a disability in order to allow certain income disallowances and deductions from income. The PHA is not permitted to inquire about the nature or extent of a person's disability [24 CFR 100.202(c)]. The PHA may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If the PHA receives a verification document that provides such information, the PHA will not place this information in the tenant file. Under no circumstances will the PHA request a resident's medical record(s). For more information on health care privacy laws, see the Department of Health and Human Services' Web site at www.os.dhhs.gov.

The PHA may make the following inquiries, provided it makes them of all applicants, whether or not they are persons with disabilities [VG, p. 24]:

- Inquiry into an applicant's ability to meet the requirements of ownership or tenancy
- Inquiry to determine whether an applicant is qualified for a dwelling available only to persons with disabilities or to persons with a particular type of disability
- Inquiry to determine whether an applicant for a dwelling is qualified for a priority available to persons with disabilities or to persons with a particular type of disability
- Inquiry about whether an applicant for a dwelling is a current illegal abuser or addict of a controlled substance
- Inquiry about whether an applicant has been convicted of the illegal manufacture or distribution of a controlled substance

Family Members Receiving SSA Disability Benefits

Verification of receipt of disability benefits from the Social Security Administration (SSA) is sufficient for verification of disability for the purpose of qualification for waiting list preferences or certain income disallowances and deductions [VG, p. 23].

HACN Policy

For family members claiming disability who receive disability payments from the SSA, the PHA will attempt to obtain information about disability benefits through HUD's Enterprise Income Verification (EIV) system. If documentation is not available through HUD's EIV system, the PHA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member claiming disability status. If a family member is unable to provide the document, the PHA will ask the family to obtain a benefit verification letter either by calling SSA at 1-800-772-1213 or by requesting one from www.ssa.gov. Once the family receives the benefit verification letter, they will be required to provide the letter to the PHA.

Family Members Not Receiving SSA Disability Benefits

Receipt of veteran's disability benefits, worker's compensation, or other non-SSA benefits based on the individual's claimed disability are not sufficient verification that the individual meets HUD's definition of disability in 24 CFR 5.403, necessary to qualify for waiting list preferences or certain income disallowances and deductions.

HACN Policy

For family members claiming disability who do not receive SSI or other disability payments from the SSA, a knowledgeable professional must provide third-party verification that the family member meets the HUD definition of disability. See the Eligibility chapter for the HUD definition of disability. The knowledgeable professional will verify whether the family member does or does not meet the HUD definition.

7-II.G. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS [24 CFR 5.508]

Overview

Housing assistance is not available to persons who are not citizens, nationals, or eligible immigrants. Prorated assistance is provided for "mixed families" containing both eligible and ineligible persons. See the Eligibility chapter for detailed discussion of eligibility requirements. This chapter (7) discusses HUD and PHA verification requirements related to citizenship status.

The family must provide a certification that identifies each family member as a U.S. citizen, a U.S. national, an eligible noncitizen or an ineligible noncitizen and submit the documents discussed below for each family member. Once eligibility to receive assistance has been verified for an individual it need not be collected or verified again during continuously-assisted occupancy [24 CFR 5.508(g)(5)]

U.S. Citizens and Nationals

HUD requires a declaration for each family member who claims to be a U.S. citizen or national. The declaration must be signed personally by any family member 18 or older and by a guardian for minors.

The PHA may request verification of the declaration by requiring presentation of a birth certificate, United States passport or other appropriate documentation.

HACN Policy

Family members who claim U.S. citizenship or national status will not be required to provide additional documentation unless the PHA receives information indicating that an individual's declaration may not be accurate.

Eligible Immigrants

Documents Required

All family members claiming eligible immigration status must declare their status in the same manner as U.S. citizens and nationals.

The documentation required for eligible noncitizens varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, age, and the date on which the family began receiving HUD-funded assistance. Exhibit 7-1 at the end of this chapter summarizes documents family members must provide.

PHA Verification [HCV GB, pp 5-3 and 5-7]

For family members age 62 or older who claim to be eligible immigrants, proof of age is required in the manner described in 7-II.C. of this ACOP. No further verification of eligible immigration status is required.

For family members under the age of 62 who claim to be eligible immigrants, the PHA must verify immigration status with the U.S. Citizenship and Immigration Services (USCIS).

The PHA will follow all USCIS protocols for verification of eligible immigration status.

7-II.H. VERIFICATION OF PREFERENCE STATUS

The PHA must verify any preferences claimed by an applicant that determined their placement on the waiting list.

HACN Policy

The PHA offers a preference for working families, described in Section 4-III.B.

The PHA may verify that the family qualifies for the working family preference based on the family's submission of the working member's most recent paycheck stub indicating that the working member works at least 20 hours per week. The paycheck stub must have been issued to the working member within the last thirty days.

The PHA may also seek third party verification from the employer of the head, spouse, cohead or sole member of a family requesting a preference as a working family.

The PHA also offers a preference for victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking as described in Section 4-III.B. To verify that applicants qualify for the preference, the PHA will follow documentation requirements outlined in Section 16-VII.D.

PART III: VERIFYING INCOME AND ASSETS

7-III.A. EARNED INCOME

Tips

HACN Policy

Unless tip income is included in a family member's paystub or W-2 by the employer or in UIV verification sources, persons who work in industries where tips are standard will be required to sign a certified estimate of tips received for the prior year or tips anticipated to be received in the coming year.

Wages

HACN Policy

When the PHA requires third-party verification of wages, for wages other than tips, the family must provide originals of the two most current, consecutive pay stubs.

7-III.B. BUSINESS AND SELF EMPLOYMENT INCOME

The PHA must obtain written, third-party verification when the income type is not available in EIV. This includes income from self-employment.

HACN Policy

Business owners and self-employed persons will be required to provide:

Income tax returns with corresponding official tax forms and schedules attached and including third-party receipt of transmission for income tax return filed (i.e., tax preparer's transmittal receipt, summary of transmittal from online source, etc.).

If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

For self-employed individuals who claim they do not have to file tax returns, the PHA will obtain a completed copy of IRS Form 4506-T to verify that no return has been filed.

For those employed in "gig employment" (i.e., those in formal agreements with on-demand companies such as Uber, Lyft, or DoorDash), the PHA will provide a format for the individual to declare their income and expenses. The PHA will also review the printed statement of monthly income from the applicable app for all hours worked and pay received as well as Schedule C of the individual's tax return and the corresponding IRS Form 1099 or 1099k.

The PHA will provide a format for any person who is unable to provide such a statement to record income and expenses for the coming year. The business owner/self-employed person will be required to submit the information requested and to certify to its accuracy at all future reexaminations. At any reexamination the PHA may request documents that support submitted financial statements such as manifests, appointment books, cash books, or bank statements.

If a family member has been self-employed less than three (3) months, the PHA will accept the family member's certified estimate of income and schedule an interim reexamination in three (3) months. If the family member has been self-employed for three (3) to twelve (12) months, the PHA will require the family to provide documentation of income and expenses for this period and use that information to project income.

7-III.C. PERIODIC PAYMENTS AND PAYMENTS IN LIEU OF EARNINGS

For policies governing streamlined income determinations for fixed sources of income, please see Chapter 9.

Social Security/SSI Benefits

Verification requirements for Social Security (SS) and Supplemental Security Income (SSI) benefits differ for applicants and participants.

For applicants, since EIV does not contain SS or SSI benefit information, the PHA must ask applicants to provide a copy of their current SS and/or SSI benefit letter (dated within the last 120 calendar days) for each family member that receives SS and/or SSI benefits. If the family is unable to provide the document or documents, the PHA should help the applicant request a benefit verification letter from SSA's website at www.ssa.gov or ask the family to request one by calling SSA at 1-800-772-1213. The PHA must obtain the original benefit letter from the applicant, make a photocopy of the document for the file, and return the original to the family.

For participants, the PHA must obtain information through the HUD EIV system and confirm with the participants that the current listed benefit amount is correct.

- If the participant agrees with the amount reported in EIV, the PHA must use the EIV-reported gross benefit amount to calculate annual income from Social Security. PHAs are required to use the EIV-reported SS and SSI benefit amounts when calculating income unless the tenant disputes the EIV-reported amount. For example, an SSA benefit letter may list the monthly benefit amount as \$450.80 and EIV displays the amount as \$450.00. The PHA must use the EIV-reported amount unless the participant disputes the amount.
- If the participant disputes the EIV-reported benefit amount, or if benefit information is not available in EIV, the PHA must request a current SSA benefit verification letter (dated within the last 120 calendar days) from each family member that receives SS and/or SSI benefits. If the family is unable to provide the document or documents, the PHA should help the participant request a benefit verification letter from SSA's website at www.ssa.gov or ask the family to request one by calling SSA at 1-800-772-1213. The PHA must obtain the original benefit letter from the participant, make a photocopy of the document for the file, and return the original to the family.
- Photocopies of social security checks or bank statements are not acceptable forms of verification for SS/SSI benefits.

7-III.D. ALIMONY OR CHILD SUPPORT [Notice PIH 2023-27]

Annual income includes “all amounts received,” not the amount that a family may be legally entitled to receive but which they do not receive. For example, a family’s child support or alimony income must be based on payments received, not the amounts to which the family is entitled by court or agency orders. A copy of a court order or other written payment agreement alone may not be sufficient verification of amounts received by a family.

HACN Policy

The methods the PHA will use to verify alimony and child support payments differ depending on whether the family declares that it receives regular payments.

If the family declares that it *receives regular payments*, verification will be obtained in the following order of priority:

Copies of the receipts and/or payment stubs for the 12 months prior to PHA request

Third-party verification form from the state or local child support enforcement agency

Third-party verification form from the person paying the support

Family's self-certification of amount received

Note: Families are not required to undertake independent enforcement action.

7-III.E. NONRECURRING INCOME [Notice PIH 2023-27]

Income that will not be repeated beyond the coming year (i.e., the 12 months following the effective date of the certification), based on information provided by the family, is considered nonrecurring income and is excluded from annual income. PHAs may accept a self-certification from the family stating that the income will not be repeated in the coming year.

HACN Policy

The PHA will accept self-certification from the family stating that income will not be repeated in the coming year. However, the PHA may choose, on a case-by-case basis, to require third-party verification that income sources will not be repeated in the coming year.

7-III.F. ASSETS AND INCOME FROM ASSETS

Net Family Assets [24 CFR 5.603]

At admission and reexam, for families with net assets totaling \$50,000 or less (adjusted annually), the PHA may, but is not required to, accept the family's self-certification that the family's assets do not exceed \$50,000 without taking any additional steps to verify the accuracy of the declaration. The declaration must include the amount of income the family expects to receive from assets which must be included in the family's income. This includes declaring income from checking and savings accounts which, although excluded from the calculation of net family assets (because the combined value of non-necessary personal property does not exceed \$50,000), may generate asset income. PHAs must clarify during the self-certification process which assets are included/excluded from net family assets.

For PHAs that choose to accept self-certification, the PHA is required to obtain third-party verification of all assets, regardless of the amount, at least once every three years.

PHAs who choose not to accept self-certifications of assets must verify all families' assets on an annual basis.

When net family assets have a total value over \$50,000, the PHA may not rely on the family's self-certification. Third-party verification of assets is required when net family assets exceed \$50,000, adjusted annually by HUD.

When verification of assets is required, PHAs are required to obtain a minimum of one statement that reflects the current balance of banking/financial accounts.

HACN Policy

The PHA will obtain third-party verification of all assets regardless of the amount

Self-Certification of Real Property Ownership [24 CFR 5.618(b)(2)]

The PHA must determine whether a family has present ownership in real property that is suitable for occupancy for purposes of determining whether the family is compliant with the asset limitation described in Chapters 3 and 13. At admission and reexam, the PHA may accept a self-certification from the family that the family does not have any present ownership in any real property that is suitable for occupancy. If the family declares they have present ownership in real property, the PHA must obtain third-party verification.

HACN Policy

Both at admission and reexam, the PHA will accept self-certification from the family that the family does not have any present ownership in any real property. The certification will state that the family does not have any present ownership interest in any real property and must be signed by all family members 18 years of age and older. The PHA reserves the right to require additional verification in situations where the accuracy of the declaration is in question.

If the family declares they have a present ownership in real property, the PHA will obtain third-party verification of the following factors: whether the family has the legal right to reside in the property; whether the family has effective legal authority to sell the property; and whether the property is suitable for occupancy by the family as a residence. However, in cases where a family member is a victim of domestic violence, dating violence, sexual assault, or stalking, the PHA will comply with confidentiality requirements under 24 CFR 5.2007 and will accept a self-certification.

7-III.G. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE

The family must certify whether any assets have been disposed of for less than fair market value in the preceding two years. HUD permits PHAs to accept a self-certification from a family as verification of assets disposed of for less than fair market value [HCV GB, p. 5-28]. The PHA needs to verify only those certifications that warrant documentation [HCV GB, p. 5-28].

HACN Policy

The PHA will accept a self-certification from a family as verification of assets disposed of for less than fair market value.

The PHA will verify the value of assets disposed of only if:

The PHA does not already have a reasonable estimation of its value from previously collected information, or

The amount reported by the family in the certification appears obviously in error.

Example 1: An elderly resident reported a \$10,000 certificate of deposit at the last annual reexamination and the PHA verified this amount. Now the person reports that she has given this \$10,000 to her son. The PHA has a reasonable estimate of the value of the asset; therefore, reverification of the value of the asset is not necessary.

Example 2: A family member has disposed of its 1/4 share of real property located in a desirable area and has valued her share at approximately \$5,000. Based upon market conditions, this declaration does not seem realistic. Therefore, the PHA will verify the value of this asset.

7-III.H. NET INCOME FROM RENTAL PROPERTY

HACN Policy

The family must provide:

A current executed lease for the property that shows the rental amount or certification from the current tenant

A self-certification from the family members engaged in the rental of property providing an estimate of expenses for the coming year and the most recent IRS Form 1040 with Schedule E (Rental Income).

If schedule E was not prepared, the PHA will require the family members involved in the rental of property to provide a self-certification of income and expenses for the previous year and may request documentation to support the statement including: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

7-III.I. FEDERAL TAX REFUNDS OR REFUNDABLE TAX CREDITS

[Notice PIH 2023-27]

PHAs are not required to verify the amount of the family's federal tax refund or refundable tax credit(s) if the family's net assets are equal to or below \$50,000 (adjusted annually for inflation), even in years when full verification of assets is required or if the PHA does not accept self-certification of assets. PHAs must verify the amount of the family's federal tax refund or refundable tax credits if the family's net assets are greater than \$50,000.

7-III.J. RETIREMENT ACCOUNTS

HACN Policy

The PHA will accept an original document from the entity holding the account dated no earlier than 12 months before that reflects any distributions of the account balance, any lump sums taken and any regular payments.

7-III.K. INCOME FROM EXCLUDED SOURCES [Notice PIH 2023-27]

A detailed discussion of excluded income is provided in Chapter 6, Part I.

HUD guidance on verification of excluded income draws a distinction between income which is fully excluded and income which is only partially excluded.

For fully excluded income, the PHA is **not** required to verify the income using third-party verification, document why third-party verification is not available, or report the income on the 50058. *Fully excluded income* is defined as income where the entire amount qualifies to be excluded from the annual income determination in accordance with 24 CFR 5.609(b) and any *Federal Register* notice on mandatory exclusions issued by HUD (for example, food stamps, earned income of a minor, or foster care funds).

PHAs may accept a family's signed application or reexamination form as self-certification of fully excluded income. They do not have to require additional documentation. However, if there is any doubt that a source of income qualifies for full exclusion, PHAs have the option of requiring additional verification.

For partially excluded income, the PHA **is** required to follow the verification hierarchy and all applicable regulations, and to report the income on the 50058. Partially excluded income is defined as income where only a certain portion of what is reported by the family qualifies to be excluded and the remainder is included in annual income (for example, the income of an adult full-time student).

HACN Policy

The PHA will accept the family's self-certification as verification of fully excluded income. The PHA may request additional documentation if necessary to document the income source.

The PHA will verify the source and amount of partially excluded income as described in Part 1 of this chapter.

7-III.L. ZERO INCOME REVIEWS [Notice PIH 2023-27]

A *zero income review* is an assessment, sometimes periodic, performed by the PHA of the income of a family who claims that they do not receive income from any source, including from assets. During such reviews, it is common for PHAs to request that families complete and sign a worksheet explaining how they pay for the household's expenses. HUD does not require PHAs to conduct periodic zero income reviews. In calculating annual income, PHAs must not assign monetary value to nonmonetary in-kind donations from a food bank or similar organization received by the family [24 CFR 5.609(b)(24)(vi)]. PHAs that perform zero income reviews must update local discretionary policies, procedures, and forms. Families who begin receiving income which does not trigger an interim reexamination should no longer be considered zero income even though the family's income is not reflected on the Form HUD-50058.

HACN Policy

The PHA will check UIV sources and/or may request information from third-party sources to verify that certain forms of income such as unemployment benefits, TANF, SS, SSI, earned income, child support, etc. are not being received by families claiming to have zero annual income.

The PHA will also require that each family member who claims zero income status complete a zero income form. If any sources of income are identified on the form, the PHA will verify the income in accordance with the policies in this chapter prior to including the income in the family's annual income.

The PHA will only conduct interims in accordance with PHA policy in Chapter 9.

7-III.M. STUDENT FINANCIAL ASSISTANCE [24 CFR 5.609(b)(9)]

The regulations under HOTMA distinguish between two categories of student financial assistance paid to both full-time and part-time students. Any assistance to students under section 479B of the Higher Education Act of 1965 (Title IV of the HEA) must be excluded from the family's annual income [24 CFR 5.609(b)(9)(i)]. Any other grant-in-aid, scholarship, or other assistance amounts an individual receives for the actual covered costs charged by the institute of higher education not otherwise excluded by the federally mandated income exclusions are excluded [24 CFR 5.609(b)(9)(ii)].

HACN Policy

The PHA will request written third-party verification of both the source and the amount of student financial assistance. Family-provided documents from the educational institution attended by the student will be requested, as well as documents generated by any other person or entity providing such assistance, as reported by the student.

In addition, unless the student's only source of assistance is assistance under Title IV of the HEA, the PHA will request written verification of the cost of the student's tuition, books, supplies, room and board, and other required fees and charges to the student from the educational institution.

If the PHA is unable to obtain third-party written verification of the requested information, the PHA will pursue other forms of verification following the verification hierarchy in section 7-I.B.

PART IV: VERIFYING MANDATORY DEDUCTIONS

7-IV.A. DEPENDENT AND ELDERLY/DISABLED HOUSEHOLD DEDUCTIONS

The dependent and elderly/disabled family deductions require only that the PHA verify that the family members identified as dependents or elderly/disabled persons meet the statutory definitions. No further verifications are required.

Dependent Deduction

See Chapter 6 for a full discussion of this deduction. The PHA will verify that:

- Any person under the age of 18 for whom the dependent deduction is claimed is not the head, spouse or cohead of the family and is not a foster child
- Any person age 18 or older for whom the dependent deduction is claimed is not a foster adult or live-in aide, and is a person with a disability or a full time student

Elderly/Disabled Family Deduction

See the Eligibility chapter for a definition of elderly and disabled families and Chapter 6 for a discussion of the deduction. The PHA will verify that the head, spouse, or cohead is 62 years of age or older or a person with disabilities.

7-IV.B. HEALTH AND MEDICAL CARE EXPENSE DEDUCTION

Policies related to medical expenses are found in Chapter 6. The amount of the deduction will be verified following the standard verification procedures described in Part I.

The PHA must comply with the Health Insurance Portability and Accountability Act (HIPAA) ([Pub. L. 104-191](#), 110 Stat. 1936) and the Privacy Act of 1974 (Pub. L. 93-579, 88 Stat. 1896) when requesting documentation to determine unreimbursed health and medical care expenses. The PHA may not request documentation beyond what is sufficient to determine anticipated health and medical care costs. Before placing bills and documentation in the tenant file, the PHA must redact all personally identifiable information [FR Notice 2/14/23].

Amount of Expense

HACN Policy

Medical expenses will be verified through:

Written third-party documents provided by the family, such as pharmacy printouts or receipts.

The PHA will make a best effort to determine what expenses from the past are likely to continue to occur in the future. The PHA will also accept evidence of monthly payments or total payments that will be due for medical expenses during the upcoming 12 months.

Written third-party verification forms if the family is unable to provide acceptable documentation.

If third-party or document review is not possible, written family certification as to costs anticipated to be incurred during the upcoming 12 months.

Before placing bills and documentation in the tenant file, the PHA will redact all personally identifiable information.

If the PHA receives documentation from a verification source that contains the individual's specific diagnosis, information regarding the individual's treatment, and/or information regarding the nature or severity of the person's disability, the PHA will immediately dispose of this confidential information; this information will never be maintained in the individual's file. If the information needs to be disposed of, the PHA will note in the individual's file that verification was received, the date received, and the name and address of the person/organization that provided the verification. Under no circumstances will PHA include an applicant's or resident's medical records in the file [Notice PIH 2010-26].

In addition, the PHA must verify that:

- The household is eligible for the deduction.
- The costs to be deducted are qualified health and medical care expenses.
- The expenses are not paid for or reimbursed by any other source.
- Costs incurred in past years are counted only once.

Eligible Household

The health and medical care expense deduction is permitted only for households in which the head, spouse, or cohead is at least 62 or a person with disabilities. The PHA will verify that the family meets the definition of an elderly or disabled family provided in the Eligibility chapter, and as described in Chapter 7 (7-IV.A) of this plan.

Qualified Expenses

To be eligible for the health and medical care expense deduction, the costs must qualify as medical expenses. See Chapter 6 for the PHA's policy on what counts as a medical expense.

Unreimbursed Expenses

To be eligible for the health and medical care expense deduction, the costs must not be reimbursed by another source.

HACN Policy

The family will be required to certify that the medical expenses are not paid or reimbursed to the family from any source. If expenses are verified through a third party, the third party must certify that the expenses are not paid or reimbursed from any other source.

Expenses Incurred in Past Years

HACN Policy

When anticipated costs are related to on-going payment of medical bills incurred in past years, the PHA will verify:

The anticipated repayment schedule

The amounts paid in the past, and

Whether the amounts to be repaid have been deducted from the family's annual income in past years

7-IV.C. DISABILITY ASSISTANCE EXPENSES

Policies related to disability assistance expenses are found in 6-II.E. The amount of the deduction will be verified following the standard verification procedures described in Part I.

The PHA must comply with the Health Insurance Portability and Accountability Act (HIPAA) ([Pub. L. 104-191](#), 110 Stat. 1936) and the Privacy Act of 1974 (Pub. L. 93-579, 88 Stat. 1896) when requesting documentation to determine unreimbursed auxiliary apparatus or attendance care costs. The PHA may not request documentation beyond what is sufficient to determine anticipated reasonable attendant care and auxiliary apparatus costs. Before placing bills and documentation in the tenant file, the PHA must redact all personally identifiable information [FR Notice 2/14/23].

Amount of Expense

Attendant Care

HACN Policy

Expenses for attendant care will be verified through:

Written third-party documents provided by the family, such as receipts or cancelled checks.

Third-party verification form signed by the provider, if family-provided documents are not available.

If third-party verification is not possible, written family certification as to costs anticipated to be incurred for the upcoming 12 months.

Before placing bills and documentation in the tenant file, the PHA will redact all personally identifiable information.

If the PHA receives documentation from a verification source that contains the individual's specific diagnosis, information regarding the individual's treatment, and/or information regarding the nature or severity of the person's disability, the PHA will immediately dispose of this confidential information; this information will never be maintained in the individual's file. If the information needs to be disposed of, the PHA will note in the individual's file that verification was received, the date received, and the name and address of the person/organization that provided the verification. Under no circumstances will PHA include an applicant's or resident's medical records in the file [Notice PIH 2010-26].

Auxiliary Apparatus

HACN Policy

Expenses for auxiliary apparatus will be verified through:

Written third-party documents provided by the family, such as billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months.

Third-party verification form signed by the provider, if family-provided documents are not available.

If third-party or document review is not possible, written family certification of estimated apparatus costs for the upcoming 12 months.

In addition, the PHA must verify that:

- The family member for whom the expense is incurred is a person with disabilities (as described in 7-II.F above).
- The expense permits a family member, or members, to work (as described in Chapter 6.).
- The expense is not reimbursed from another source (as described in Chapter 6.).

Family Member is a Person with Disabilities

To be eligible for the disability assistance expense deduction, the costs must be incurred for attendant care or auxiliary apparatus expense associated with a person with disabilities. The PHA will verify that the expense is incurred for a person with disabilities (See 7-II.F.).

Family Member(s) Permitted to Work

The PHA must verify that the expenses claimed actually enable a family member, or members, (including the person with disabilities) to work.

HACN Policy

The PHA will request third-party verification from a rehabilitation agency or knowledgeable medical professional indicating that the person with disabilities requires attendant care or an auxiliary apparatus to be employed, or that the attendant care or auxiliary apparatus enables another family member, or members, to work (See 6-II.E.). This documentation may be provided by the family.

If third-party verification has been attempted and is either unavailable or proves unsuccessful, the family must certify that the disability assistance expense frees a family member, or members (possibly including the family member receiving the assistance), to work.

Unreimbursed Expenses

To be eligible for the disability expenses deduction, the costs must not be reimbursed by another source.

HACN Policy

The family will be required to certify that attendant care or auxiliary apparatus expenses are not paid by or reimbursed to the family from any source.

7-IV.D. CHILD CARE EXPENSES

Policies related to child care expenses are found in Chapter 6. The amount of the deduction will be verified following the standard verification procedures described in Part I. In addition, the PHA must verify that:

- The child is eligible for care (12 or younger).
- The costs claimed are not reimbursed.
- The costs enable a family member to work, actively seek work, or further their education.
- The costs are for an allowable type of child care.
- The costs are reasonable.

Eligible Child

To be eligible for the child care deduction, the costs must be incurred for the care of a child under the age of 13. The PHA will verify that the child being cared for (including foster children) is under the age of 13 (See 7-II.C.).

Unreimbursed Expense

To be eligible for the child care deduction, the costs must not be reimbursed by another source.

HACN Policy

The family and the care provider will be required to certify that the child care expenses are not paid by or reimbursed to the family from any source.

Pursuing an Eligible Activity

The PHA must verify that the family member(s) that the family has identified as being enabled to seek work, pursue education, or be gainfully employed, are actually pursuing those activities.

HACN Policy

Information to be Gathered

The PHA will verify information about how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the time required for study (for students), the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

Seeking Work

Whenever possible the PHA will use documentation from a state or local agency that monitors work-related requirements (e.g., welfare or unemployment). In such cases the PHA will request family-provided verification from the agency of the member's job seeking efforts to date and require the family to submit to the PHA any reports provided to the other agency.

In the event third-party verification is not available, the PHA will provide the family with a form on which the family member must record job search efforts. The PHA will review this information at each subsequent reexamination for which this deduction is claimed.

Furthering Education

The PHA will request third-party documentation to verify that the person permitted to further their education by the child care is enrolled and provide information about the timing of classes for which the person is registered. The documentation may be provided by the family.

Gainful Employment

The PHA will seek third-party verification of the work schedule of the person who is permitted to work by the child care. In cases in which two or more family members could be permitted to work, the work schedules for all relevant family members may be verified. The documentation may be provided by the family.

Allowable Type of Child Care

The type of care to be provided is determined by the family, but must fall within certain guidelines, as discussed in Chapter 6.

HACN Policy

The PHA will verify that the type of child care selected by the family is allowable, as described in Chapter 6.

The PHA will verify that the fees paid to the child care provider cover only child care costs (e.g., no housekeeping services or personal services) and are paid only for the care of an eligible child (e.g., prorate costs if some of the care is provided for ineligible family members).

The PHA will verify that the child care provider is not an assisted family member. Verification will be made through the head of household's declaration of family members who are expected to reside in the unit.

Reasonableness of Expenses

Only reasonable child care costs can be deducted.

HACN Policy

The actual costs the family incurs will be compared with the PHA's established standards of reasonableness for the type of care in the locality to ensure that the costs are reasonable.

If the family presents a justification for costs that exceed typical costs in the area, the PHA will request additional documentation, as required, to support a determination that the higher cost is appropriate.

**Exhibit 7-1: Summary of Documentation Requirements for Noncitizens
[HCV GB, pp. 5-9 and 5-10]**

- All noncitizens claiming eligible status must sign a declaration of eligible immigrant status on a form acceptable to the PHA.
- Except for persons 62 or older, all noncitizens must sign a verification consent form
- Additional documents are required based upon the person's status.

Elderly Noncitizens

- A person 62 years of age or older who claims eligible immigration status also must provide proof of age such as birth certificate, passport, or documents showing receipt of SS old-age benefits.

All other Noncitizens

- Noncitizens that claim eligible immigration status also must present the applicable USCIS document. Acceptable USCIS documents are listed below.

<ul style="list-style-type: none"> • Form I-551 Alien Registration Receipt Card (for permanent resident aliens) • Form I-94 Arrival-Departure Record annotated with one of the following: <ul style="list-style-type: none"> • “Admitted as a Refugee Pursuant to Section 207” • “Section 208” or “Asylum” • “Section 243(h)” or “Deportation stayed by Attorney General” • “Paroled Pursuant to Section 221 (d)(5) of the USCIS” 	<ul style="list-style-type: none"> • Form I-94 Arrival-Departure Record with no annotation accompanied by: <ul style="list-style-type: none"> • A final court decision granting asylum (but only if no appeal is taken); • A letter from a USCIS asylum officer granting asylum (if application is filed on or after 10/1/90) or from a USCIS district director granting asylum (application filed before 10/1/90); • A court decision granting withholding of deportation; or • A letter from an asylum officer granting withholding or deportation (if application filed on or after 10/1/90).
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<ul style="list-style-type: none"> • Form I-688 Temporary Resident Card annotated “Section 245A” or Section 210”. 	<ul style="list-style-type: none"> • Form I-688B Employment Authorization Card annotated “Provision of Law 274a. 12(11)” or “Provision of Law 274a.12”.
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- A receipt issued by the USCIS indicating that an application for issuance of a replacement document in one of the above listed categories has been made and the applicant’s entitlement to the document has been verified; or
- Other acceptable evidence. If other documents are determined by the USCIS to constitute acceptable evidence of eligible immigration status, they will be announced by notice published in the *Federal Register*

Chapter 8

LEASING AND INSPECTIONS

[24 CFR 5, Subpart G; 24 CFR 966, Subpart A]

INTRODUCTION

Public housing leases are the contractual basis of the legal relationship between the PHA and the tenant. All units must be occupied pursuant to a dwelling lease agreement that complies with HUD regulations.

HUD regulations require the PHA to inspect each dwelling unit prior to move-in, at move-out, and annually during the period of occupancy. In addition, the PHA may conduct additional inspections in accordance with PHA policy.

This chapter is divided into two parts as follows:

Part I: Leasing. This part describes pre-leasing activities and the PHA's policies pertaining to lease execution, lease modification, and payments under the lease.

Part II: Inspections. This part describes the PHA's policies for inspecting dwelling units and notifying families of HUD REAC NSPIRE inspections.

PART I: LEASING

8-I.A. OVERVIEW

An eligible family may occupy a public housing dwelling unit under the terms of a lease. The lease must meet all regulatory requirements and must also comply with applicable state and local laws and codes.

The term of the lease must be for a period of 12 months. The lease must be renewed automatically for another 12-month term, except that the PHA may not renew the lease if the family has violated the community service requirement and if the family is determined to be over income for 24 consecutive months [24 CFR 966.4(a)(2)].

PHAs must adopt smoke-free policies, which HUD required to be implemented no later than July 30, 2018. The policy is attached as Exhibit 8-1.

Part I of this chapter contains regulatory information on leasing, where applicable, as well as the PHA's leasing policies.

For policies on lease requirements for families whose incomes have exceeded the over-income limit for 24 consecutive months, see 13-III.C., Over-Income Families.

8-I.B. LEASE ORIENTATION

HACN Policy

After unit acceptance but prior to occupancy, a PHA representative will conduct a lease orientation with the family. All adults are required to attend.

Orientation Agenda

HACN Policy

When families attend the lease orientation, they will be provided with:

A copy of the lease

A copy of the PHA's grievance procedure

A copy of the house rules

A copy of the PHA's schedule of maintenance charges

A copy of "Is Fraud Worth It?" (form HUD-1141-OIG), which explains the types of actions a family must avoid and the penalties for program abuse

A copy of "What You Should Know about EIV," a guide to the Enterprise Income Verification (EIV) system published by HUD as an attachment to Notice PIH 2017-12

A copy of the form HUD-5380, VAWA Notice of Occupancy Rights

A copy of form HUD-5382, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

A copy of the PHA's smoke free policy

A notice that includes the procedures for requesting relief and the PHA's criteria for granting requests for relief for excess utility surcharges

The HUD pamphlet on lead-based paint entitled, "Protect Your Family from Lead in Your Home."

Topics to be discussed and explained to all families include:

Applicable deposits and all other charges

Review and explanation of lease provisions

Unit maintenance requests and work orders

The PHA's interim reporting requirements

Review and explanation of occupancy forms

Community service requirements

Family choice of rent

VAWA protections

Smoke-free policies

8-I.C. EXECUTION OF LEASE

The lease must be executed by the tenant and the PHA, except for automatic renewals of a lease [24 CFR 966.4(a)(3)].

A lease is executed at the time of admission for all new residents. A new lease is also executed at the time of transfer from one PHA unit to another.

The lease must state the composition of the household as approved by the PHA (family members and any PHA-approved live-in aide) [24 CFR 966.4(a)(1)(v)]. See Section 8-I.D. for policies regarding changes in family composition during the lease term.

HACN Policy

The head of household, spouse or cohead, and all other adult members of the household will be required to sign the public housing lease prior to admission. An appointment will be scheduled for the parties to execute the lease. The head of household will be provided a copy of the executed lease and the PHA will retain a copy in the resident's file.

Files for households that include a live-in aide will contain file documentation signed by the live-in aide, that the live-in aide is not a party to the lease and is not entitled to PHA assistance. The live-in aide is only approved to live in the unit while serving as the care attendant for the family member who requires the care.

8-I.D. MODIFICATIONS TO THE LEASE

The lease may be modified at any time by written agreement of the tenant and the PHA [24 CFR 966.4(a)(3)].

Modifications to the Lease Form

The PHA may modify its lease from time to time. However, the PHA must give residents at least thirty (30) days advance notice of the proposed changes and an opportunity to comment on the changes. The PHA must also consider any comments before formally adopting a new lease [24 CFR 966.3].

After proposed changes have been incorporated into the lease and approved by the Board, each family must be notified at least 60 days in advance of the effective date of the new lease or lease revision. A resident's refusal to accept permissible and reasonable lease modifications that are made in accordance with HUD requirements, or are required by HUD, is grounds for termination of tenancy [24 CFR 966.4(l)(2)(iii)(E)].

HACN Policy

The family will have 30 days to accept the revised lease. If the family does not accept the offer of the revised lease within that 30 day timeframe, the family's tenancy will be terminated for other good cause in accordance with the policies in Chapter 13.

Schedules of special charges and rules and regulations are subject to modification or revision. Because these schedules are incorporated into the lease by reference, residents and resident organizations must be provided at least thirty days written notice of the reason(s) for any proposed modifications or revisions, and must be given an opportunity to present written comments. The notice must be delivered directly or mailed to each tenant; or posted in at least three conspicuous places within each structure or building in which the affected dwelling units are located, as well as in a conspicuous place at the project office, if any, or if none, a similar central business location within the project. Comments must be taken into consideration before any proposed modifications or revisions become effective [24 CFR 966.5].

After the proposed revisions become effective they must be publicly posted in a conspicuous manner in the project office and must be furnished to applicants and tenants on request [24 CFR 966.5].

HACN Policy

When the PHA proposes to modify or revise schedules of special charges or rules and regulations, the PHA will post copies of the notice in the central office, in each project office, and in at least 3 conspicuous places in each structure that contains dwelling units.

Other Modifications

HACN Policy

The lease will be amended to reflect all changes in family composition.

If, for any reason, any member of the household ceases to reside in the unit, the lease will be amended by drawing a line through the person's name. The head of household and PHA will be required to initial and date the change.

If a new household member is approved by the PHA to reside in the unit, the person's name and birth date will be added to the lease. The head of household and PHA will be required to initial and date the change. If the new member of the household is an adult, they will also be required to sign and date the lease.

Policies governing when and how changes in family composition must be reported are contained in Chapter 9, Reexaminations.

8-I.E. SECURITY DEPOSITS [24 CFR 966.4(b)(5)]

At the option of the PHA, the lease may require security deposits. The amount of the security deposit cannot exceed one month's rent or a reasonable fixed amount as determined by the PHA. The PHA may allow for gradual accumulation of the security deposit by the family, or the family may be required to pay the security deposit in full prior to occupancy. Subject to applicable laws, interest earned on security deposits may be refunded to the tenant after vacating the unit or used for tenant services or activities.

HACN Policy

Residents must pay a security deposit to the PHA at the time of admission. The amount of the security deposit will be equal to the family's total tenant payment at the time of move-in and must be paid in full prior to occupancy.

The PHA will hold the security deposit for the period the family occupies the unit. The PHA will not use the security deposit for rent or other charges while the resident is living in the unit.

Within 30 days of completion of the move-out renovations, the PHA will refund to the resident the amount of the security deposit (including interest earned on the security deposit), less any amount needed to pay the cost of unpaid rent, damages listed on the move-out inspection report that exceed normal wear and tear, and other charges due under the lease.

The PHA will provide the resident with a written list of any charges against the security deposit within 10 business days of the completion of renovations. If the resident disagrees with the amount charged, the PHA will provide a meeting to discuss the charges.

If the resident transfers to another unit, the PHA will transfer the security deposit to the new unit. The tenant will be billed for any maintenance or other charges due for the "old" unit.

8-I.F. PAYMENTS UNDER THE LEASE

Rent Payments [24 CFR 966.4(b)(1)]

Families must pay the amount of the monthly tenant rent determined by the PHA in accordance with HUD regulations and other requirements. The amount of the tenant rent is subject to change in accordance with HUD requirements.

The lease must specify the initial amount of the tenant rent at the beginning of the initial lease term, and the PHA must give written notice stating any change in the amount of tenant rent and when the change is effective.

HACN Policy

The tenant rent is due and payable at the PHA-designated location on the first of every month. If the first falls on a weekend or holiday, the rent is due and payable on the first business day thereafter.

If a family's tenant rent changes, the PHA will notify the family of the new amount and the effective date by sending a "Notice of Rent Adjustment" which will become an attachment to the lease.

Late Fees and Nonpayment [24 CFR 966.4(b)(3); Notice PIH 2021-29]

At the option of the PHA, the lease may provide for payment of penalties when the family is late in paying tenant rent [24 CFR 966.4(b)(3)].

The lease must provide that late payment fees are not due and collectible until two weeks after the PHA gives written notice of the charges. The written notice is considered an adverse action and must meet the requirements governing a notice of adverse action [24 CFR 966.4(b)(4)].

The notice of proposed adverse action must identify the specific grounds for the action and inform the family of their right for a hearing under the PHA grievance procedures. The PHA must not take the proposed action until the time for the tenant to request a grievance hearing has expired, or (if a hearing was requested within the required timeframe,) the grievance process has been completed [24 CFR 966.4(e)(8)].

HACN Policy

If the family fails to pay their rent by the fifth day of the month, and the PHA has not agreed to accept payment at a later date, a 30-day Notice to Vacate (during nationwide emergency orders) or a 14-day Notice to Vacate (upon expiration of nationwide emergency orders) will be issued to the resident for failure to pay rent, demanding payment in full or the surrender of the premises.

In addition, if the resident fails to make payment by the end of office hours on the fifth day of the month, a late fee of \$25.00 will be charged. Notices of late fees will be in accordance with requirements regarding notices of adverse action. Charges are due and payable 14 calendar days after billing. If the family requests a grievance hearing within the required timeframe, the PHA may not take action for nonpayment of the fee until the conclusion of the grievance process. If the resident can document financial hardship, the late fee may be waived on a case-by-case basis.

When a check is returned for insufficient funds or is written on a closed account, the rent will be considered unpaid and a returned check fee of \$25.00 will be charged to the family. The fee will be due and payable 14 days after billing.

Excess Utility Charges

If the PHA charges the tenant for consumption of excess utilities, the lease must state the basis for the determination of such charges. The imposition of charges for consumption of excess utilities is permissible only if the charges are determined by an individual check meter servicing the leased unit or result from the use of major tenant-supplied appliances [24 CFR 966.4(b)(2)].

Schedules of special charges for utilities that are required to be incorporated in the lease by reference must be publicly posted in a conspicuous manner in the development office and must be furnished to applicants and tenants on request [24 CFR 966.5].

The lease must provide that charges for excess utility consumption are not due and collectible until two weeks after the PHA gives written notice of the charges. The written notice is considered an adverse action and must meet the requirements governing a notice of adverse action [24 CFR 966.4(b)(4)].

The notice of proposed adverse action must identify the specific grounds for the action and inform the family of their right to a hearing under the PHA grievance procedures. The PHA must not take the proposed action until the time for the tenant to request a grievance hearing has expired, or (if a hearing was requested within the required timeframe,) the grievance process has been completed [24 CFR 966.4(e)(8)].

HACN Policy

When applicable, families will be charged for excess utility usage according to the PHA's current posted schedule. Notices of excess utility charges will be mailed monthly and will be in accordance with requirements regarding notices of adverse actions. Charges are due and payable 14 calendar days after billing. If the family requests a grievance hearing within the required timeframe, the PHA may not take action for nonpayment of the charges until the conclusion of the grievance process.

Nonpayment of excess utility charges is a violation of the lease and is grounds for eviction.

The PHA may grant requests for relief from surcharges from excess utility consumption of PHA-furnished utilities as a reasonable accommodation where the PHA deems an exception is appropriate to meet the needs of elderly, ill, or disabled residents. In determining whether to grant this request, the PHA will consider special factors affecting utility usage that are not within the control of the resident, such as the need for medical equipment. Residents may request relief in accordance with Section 2-II.C. of this ACOP. The PHA will process such requests in accordance with Section 2-II.E. of this ACOP.

Notice of the availability of procedures for requesting relief (including the PHA representative with whom initial contact may be made by the resident) and the PHA's criteria for granting requests, will be included in each notice to residents of changes in utility allowances or surcharges as well as to new residents as part of the lease orientation.

Maintenance and Damage Charges

If the PHA charges the tenant for maintenance and repair beyond normal wear and tear, the lease must state the basis for the determination of such charges [24 CFR 966.4(b)(2)].

Schedules of special charges for services and repairs which are required to be incorporated in the lease by reference must be publicly posted in a conspicuous manner in the development office and must be furnished to applicants and tenants on request [24 CFR 966.5].

The lease must provide that charges for maintenance and repair beyond normal wear and tear are not due and collectible until two weeks after the PHA gives written notice of the charges. The written notice is considered an adverse action and must meet the requirements governing a notice of adverse action [24 CFR 966.4(b)(4)].

The notice of proposed adverse action must identify the specific grounds for the action and inform the family of their right for a hearing under the PHA grievance procedures. The PHA must not take the proposed action until the time for the tenant to request a grievance hearing has expired, or (if a hearing was requested within the required timeframe,) the grievance process has been completed [24 CFR 966.4(e)(8)].

HACN Policy

When applicable, families will be charged for maintenance and/or damages according to the PHA's current schedule. Work that is not covered in the schedule will be charged based on the actual cost of labor and materials to make needed repairs (including overtime, if applicable).

Notices of maintenance and damage charges will be mailed monthly and will be in accordance with requirements regarding notices of adverse actions. Charges are due and payable 14 calendar days after billing. If the family requests a grievance hearing within the required timeframe, the PHA may not take action for nonpayment of the charges until the conclusion of the grievance process.

Nonpayment of maintenance and damage charges is a violation of the lease and is grounds for eviction.

PART II: INSPECTIONS

8-II.A. OVERVIEW

The PHA is obligated to maintain safe and habitable dwelling units and to make necessary repairs to dwelling units [24 CFR 966.4(e)]. The National Standards for the Inspection Physical Inspection of Real Estate (NSPIRE) are the standard under which HUD housing units, including those under the public housing program, are inspected. NSPIRE ensures that residents of public housing live in safe, habitable dwellings, and the items and components located inside, outside, and within the units are functionally adequate, operable, and free of health and safety hazards [24 CFR 5.703(a)]. Further, units must comply with state and local code requirements (such as fire, mechanical, plumbing, carbon monoxide, property maintenance, and residential code) [24 CFR 5.703(f)] as well as with all requirements related to the evaluation and control of lead-based paint hazards [24 CFR 5.703(e)(2)].

Under NSPIRE, public housing units are subject to three types of inspections: annual self-inspections, NSPIRE Inspections (which are used to assess and score the PHA under the Public Housing Assessment System (PHAS)), and NSPIRE Plus Inspections (which are triggered by poor property conditions). HUD regulations also require the PHA to inspect each public housing unit prior to move-in and at move-out. The PHA may require additional inspections, in accordance with PHA policy. This part contains the PHA's policies governing inspections by the PHA and HUD, notification of unit entry, and inspection repair timelines. This section discusses inspections conducted by the PHA (including annual self-inspections) and inspections conducted by HUD REAC.

8-II.B. PHA-CONDUCTED INSPECTIONS

The PHA is obligated to maintain dwelling units and the project in safe and habitable condition and to make necessary repairs to dwelling units [24 CFR 966.4(e)].

Types of PHA-Conducted Inspections

Move-In Inspections [24 CFR 966.4(i)]

The lease must require the PHA and the family to inspect the dwelling unit prior to occupancy in order to determine the condition of the unit and equipment in the unit. A copy of the initial inspection, signed by the PHA and the tenant, must be provided to the tenant and retained in the resident file.

HACN Policy

Any adult family member may attend the initial inspection and sign the inspection form for the head of household.

Move-Out Inspections [24 CFR 966.4(i)]

The PHA must inspect the unit at the time the resident vacates the unit and must allow the resident to participate in the inspection if they wish, unless the tenant vacates without notice to the PHA. The PHA must provide to the tenant a statement of any charges to be made for maintenance and damage beyond normal wear and tear.

The difference between the condition of the unit at move-in and move-out establishes the basis for any charges against the security deposit so long as the work needed exceeds that for normal wear and tear.

HACN Policy

When applicable, the PHA will provide the tenant with a statement of charges to be made for maintenance and damage beyond normal wear and tear, within 10 business days of completion of renovations.

Special Inspections

HACN Policy

PHA staff may conduct a special inspection for any of the following reasons:

Housekeeping

Unit condition

Suspected lease violation

Preventive maintenance

Routine maintenance

There is reasonable cause to believe an emergency exists

Other Inspections

HACN Policy

Building exteriors, grounds, common areas and systems will be inspected on a regular basis.

Notice of Entry

Non-emergency Entries [24 CFR 966.4(j)(1)]

The PHA may enter the unit, with reasonable advance notification to perform routine inspections and maintenance, make improvements and repairs, or to show the unit for re-leasing. A written statement specifying the purpose of the PHA entry delivered to the dwelling unit at least two days before such entry is considered reasonable advance notification.

HACN Policy

The PHA will notify the resident in writing at least 48 hours prior to any non-emergency inspection.

For regular annual self-inspections, the family will receive at least two weeks written notice of the inspection to allow the family to prepare the unit for the inspection.

Entry for repairs requested by the family will not require prior notice. Resident-requested repairs presume permission for the PHA to enter the unit.

Except for emergencies, management will not enter the dwelling unit to perform inspections where a pet resides unless accompanied for the entire duration of the inspection by the pet owner or responsible person designated by the pet owner in accordance with the pet policies in Section 10-II.D.

Emergency Entries [24 CFR 966.4(j)(2)]

The PHA may enter the dwelling unit at any time without advance notice when there is reasonable cause to believe that an emergency exists. If no adult household member is present at the time of an emergency entry, the PHA must leave a written statement showing the date, time and purpose of the entry prior to leaving the dwelling unit.

Scheduling of PHA-Conducted Inspections

HACN Policy

Inspections will be conducted during business hours. If a family needs to reschedule an inspection, they must notify the PHA at least 24 hours prior to the scheduled inspection. The PHA will reschedule the inspection no more than once unless the resident has a verifiable good cause to delay the inspection. The PHA may request verification of such cause. Inspections for reexaminations must be completed prior to the date of previous annual inspection.

Attendance at Inspections

Residents are required to be present for move-in inspections [24 CFR 966.4(i)]. There is no such requirement for other types of inspections.

HACN Policy

While the resident is required to be present for move-in inspections, the resident is not required to be present for other types of inspections. The resident may attend the inspection if they wish.

If no one is at home, the inspector will enter the unit, conduct the inspection and leave a copy of the inspection report in the unit.

Repairs

Correction timeframes differ depending on whether repairs are considered emergency or non-emergency repairs.

Emergency Repairs [24 CFR 966.4(h)]

If the unit is damaged to the extent that conditions are created which are hazardous to the life, health, or safety of the occupants, the tenant must immediately notify the PHA of the damage, and the PHA must make repairs within a reasonable time frame. Under NSPIRE, the PHA must correct all Life-Threatening and Severe deficiencies within 24 hours.

If the damage was caused by a household member or guest, the PHA must charge the family for the reasonable cost of repairs. The PHA may also take lease enforcement action against the family.

If the PHA cannot make repairs quickly, the PHA must offer the family standard alternative accommodations. If the PHA can neither repair the defect within a reasonable time frame nor offer alternative housing, rent shall be abated in proportion to the seriousness of the damage and loss in value as a dwelling. Rent shall not be abated if the damage was caused by a household member or guest, or if the resident rejects the alternative accommodations.

Non-emergency Repairs

HACN Policy

The PHA will correct deficiencies resulting in a non-emergency work order identified during a PHA conducted inspection in conjunction with REAC guidelines. If the PHA is unable to make repairs within that period due to circumstances beyond the PHA's control (e.g., required parts or services are not available, weather conditions, etc.) the PHA will notify the family of an estimated date of completion.

The family must allow the PHA access to the unit to make repairs.

Except for emergencies, management will not enter the dwelling unit to perform repairs where a pet resides unless accompanied for the entire duration of the repair by the pet owner or responsible person designated by the pet owner in accordance with the pet policies in Section 10-II.D.

Resident-Caused Damages

HACN Policy

Damages to the unit beyond wear and tear will be billed to the tenant in accordance with the policies in 8-I.F., Maintenance and Damage Charges.

Repeated or excessive damages to the unit beyond normal wear and tear will be considered a serious or repeated violation of the lease.

Housekeeping

HACN Policy

Residents whose housekeeping habits pose a non-emergency health or safety risk, encourage insect or rodent infestation, or cause damage to the unit are in violation of the lease. In these instances, the PHA will provide proper notice of a lease violation.

A reinspection will be conducted within 30 days to confirm that the resident has complied with the requirement to abate the problem. Failure to abate the problem or allow for a reinspection is considered a violation of the lease and may result in termination of tenancy in accordance with Chapter 13.

Notices of lease violation will also be issued to residents who purposely disengage the unit's smoke detector and/or carbon monoxide alarm. Only one warning will be given. A second incidence will result in lease termination.

8-II.C. NSPIRE INSPECTIONS [24 CFR 5.705(c); Notice PIH 2023-16]

During an NSPIRE inspection, REAC inspectors will inspect areas and associated items or components that are listed in the regulations as affirmative requirements and those included within the NSPIRE standards. For most properties, the frequency of NSPIRE inspections is determined by the date of the prior inspection and the score received.

Notice to Residents [Notice PIH 2023-16]

The PHA must provide notice to all residents as described in 24 CFR 5.711(h) and the lease.

HACN Policy

The PHA will provide all residents with at least seven days' notice of an NSPIRE inspection. Notice will be provided through multiple communication methods, including by posted notice on each resident's door and through email where applicable. All materials, notices, and communications to families regarding the inspection will be clearly communicated and provided in a manner that is effective for persons with hearing, visual, and other communication-related disabilities consistent with Section 504 of the Rehabilitation Act (Section 504) and HUD's Section 504 regulation, and Titles II or III of the Americans with Disabilities Act (ADA) and implementing regulations.

24-Hour Corrections [24 CFR 5.711(c); Notice PIH 2023-16]

At the conclusion of the NSPIRE inspection, or at the end of the day on multi-day inspections, HUD provides the PHA with a list of Life-Threatening and Severe deficiencies. The PHA must correct all Life-Threatening and Severe deficiencies within 24 hours, with certification of correction submitted to HUD within two business days of receipt of notification of the deficiency.

If permanent repair will take longer than the allowable time in the relevant standard for the deficiency, the PHA must provide HUD with a timeframe for completing permanent repairs and submit evidence that the repair is in progress. Any extension to the allowable time for rectifying the deficiency is allowed only upon HUD approval for good cause.

HACN Policy

The PHA will correct all Life-Threatening and Severe deficiencies within 24 hours. Correcting the deficiency means the PHA will resolve or sufficiently address the deficiency in a manner that it no longer poses a severe health or safety risk to residents or the hazard is blocked until permanent repairs can be completed. A correction could include controlling or blocking access to the hazard by performing a temporary relocation of the resident while repairs are made.

While the PHA will complete all repairs expeditiously, if a permanent repair is not possible within 24-hours, the PHA will correct the deficiency by performing an interim repair to remove the health and safety hazard. If the correction is temporary or professional services or materials are unavailable within 24 hours, the PHA will provide a target date for permanent correction. Such interim repairs will be fully completed within a reasonable timeframe approved by HUD.

The family must allow the PHA access to the unit to make repairs.

Non-emergency Repairs

Under NSPIRE, the PHA must correct Moderate deficiencies within 30 days and Low deficiencies within 60 days, or as otherwise provided in the NSPIRE standards. Repairs should be permanent fixes, unless otherwise approved by HUD in writing. HUD may also prescribe timelines in Corrective Action Plans as defined in 24 CFR 902.3 or Corrective Action Agreements as described in 24 CFR 902.105.

HACN Policy

If the PHA is unable to make repairs within the periods identified in the NSPIRE standards due to circumstances beyond the PHA's control (e.g., required parts or services are not available, weather conditions, etc.), the PHA will provide HUD with a timeframe for completing permanent repairs and obtain HUD approval. The PHA will also notify the family of an estimated date of completion.

The family must allow the PHA access to the unit to make repairs.

Except for emergencies, management will not enter the dwelling unit to perform repairs where a pet resides unless accompanied for the entire duration of the repair by the pet owner or responsible person designated by the pet owner in accordance with the pet policies in Section 10-II.D.

EXHIBIT 8-1: SMOKE-FREE POLICY

In accordance with HUD regulations, the Housing Authority has adopted these smoke-free policies. The policies are effective as of Board approval date.

Due to the increased risk of fire, increased maintenance costs, and the known health effects of secondhand smoke, smoking is prohibited in all living units and interior areas, including but not limited to hallways, rental and administrative offices, community centers, day care centers, laundry centers, and similar structures. Smoking is also prohibited in outdoor areas within 25 feet from public housing and administrative office buildings.

This policy applies to all employees, residents, household members, guests, and service persons. Residents are responsible for ensuring that household members and guests comply with this rule.

The term “smoking” means any inhaling, exhaling, burning, or carrying any lighted cigar, cigarette, pipe, or other prohibited tobacco product in any manner or any form. Prohibited tobacco products include water pipes or hookahs.

Violation of the smoke-free policy constitutes a violation of the terms of the public housing lease. Consequences of lease violations include termination of tenancy.

PHA POLICIES

Designated Smoking Areas (DSA)

Example policy 1: The PHA has established designated smoking areas at (INSERT LOCATION(S)). Residents using the designated smoking areas must extinguish all smoking materials and dispose of them safely in receptacles provided for that purpose.

Example policy 2: The PHA has not designated any smoking areas on the PHA’s property. Residents may not discard smoking products on the property.

Electronic Nicotine Delivery Systems (ENDS)

Electronic nicotine delivery systems (ENDS) include e-cigarettes, nicotine inhalers, and vaping devices.

Example policy 1: Use of ENDS is permitted in public housing units but is prohibited in common areas and in outdoor areas within 25 feet from housing and administrative buildings. That is, use of ENDS is prohibited in all common and outdoor areas in which smoking is prohibited.

Example policy 2: Use of ENDS is permitted in public housing units only as a reasonable accommodation approved by the PHA that necessary for a person with disabilities. Use of ENDS is prohibited in common areas and in outdoor areas within 25 feet from housing and administrative buildings. That is, use of ENDS is prohibited in all areas in which smoking is prohibited.

Example policy 3: Use of ENDS is not permitted in public housing units, common areas, or in outdoor areas within 25 feet from housing and administrative buildings.

Effective Date

The PHA's effective date(s) of this smoke-free policy is/are as follows:

Example 1: The smoke-free policy is effective for all residents, household members, employees, guests, and service persons as of (INSERT DATE)

Example 2: The smoke-free policy is effective for all employees and service persons as of (INSERT DATE).

Residents must execute a smoke-free lease addendum as part of the annual lease renewal process. All residents must have been in compliance with the smoke-free policy as of July 30, 2018.

Enforcement

The PHA must enforce smoke-free policies when a resident violates this policy. When enforcing the lease, the PHA will provide due process and allow residents to exercise their right to an informal settlement and formal hearing. The PHA will not evict a resident for a single incident of smoking in violation of this policy. As such, the PHA will implement a graduated enforcement framework that includes escalating warnings. Prior to pursuing eviction for violation of smoke-free policies, the PHA will take specific, progressive monitoring and enforcement actions, while at the same time educating tenants and providing smoking cessation information. The lease will identify the actions that constitute a policy violation, quantify the number of documented, verified violations that warrant enforcement action, state any disciplinary actions that will be taken for persistent non-responsiveness or repeated noncompliance, and state how many instances of noncompliance will constitute a violation. Tenancy termination and eviction will be pursued only as a last resort. The PHA may terminate tenancy at any time for violations of the lease and failure to otherwise fulfill household obligations if resident behavior disturbs other residents' peaceful enjoyment and is not conducive to maintaining the property in a decent, safe, and sanitary condition.

Example 1: Upon issuance of a written warning from the property manager and/or a documented complaint, the PHA will increase the frequency of unit inspections for a suspected policy violator. (INSERT PHA POLICY ON MORE FREQUENT INSPECTION HERE)

Example 2: The PHA will provide information and resources on smoking cessations, including: (INSERT A DESCRIPTION OF ANY INFORMATION THE PHA WILL PROVIDE)

Example 3: If the resident does not have any new violations for (INSERT PERIOD OF TIME), the resident will be considered to have a clear record, and no further enforcement action will be taken.

Example 4: Repeated violation of the smoke-free policy may rise to the level of other good cause for termination of tenancy. (INSERT PHA POLICY ON THE NUMBER OF DOCUMENTED VIOLATIONS THAT CONSTITUTE TERMINATION)

Reasonable Accommodation

While addiction to nicotine or smoking is not a disability, the PHA will provide reasonable accommodation to persons with disabilities who smoke that are in compliance with the requirements of this smoke-free policy.

Chapter 9

REEXAMINATIONS

[24 CFR 960.257, 960.259, 966.4]

INTRODUCTION

With the exception of non-public housing over income families, the PHA is required to reexamine each family's income and composition periodically, and to adjust the family's rent accordingly. PHAs must adopt policies for conducting annual and interim reexaminations that are consistent with regulatory requirements and must conduct reexaminations in accordance with such policies [24 CFR 960.257(c)].

The frequency with which the PHA must reexamine the income and composition of a family depends on whether the family pays income-based rent or flat rent. HUD requires the PHA to offer all families the choice of paying income-based rent or flat rent at least annually. The PHA's policies for offering families a choice of rents are located in Chapter 6.

This chapter discusses both annual and interim reexaminations.

Part I: Annual Reexaminations for Families Paying Income Based Rents. This part discusses the requirements for annual reexamination of income and family composition. Full reexaminations are conducted at least once a year for families paying income-based rents.

Part II: Reexaminations for Families Paying Flat Rents. This part contains the PHA's policies for conducting full reexaminations of family income and composition for families paying flat rents. These full reexaminations are conducted at least once every three years. This part also contains the PHA's policies for conducting annual updates of family composition for flat rent families.

Part III: Interim Reexaminations. This part includes HUD requirements and PHA policies related to when a family may and must report changes that occur between annual reexaminations.

Part IV: Recalculating Tenant Rent. After gathering and verifying required information for an annual or interim reexamination, the PHA must recalculate the tenant rent. While the basic policies that govern these calculations are provided in Chapter 6, this part describes the policies that affect these calculations during a reexamination.

Part V: Non-Interim Reexamination Transactions. This part describes transactions that do not entail changes to the family's adjusted income.

Policies governing reasonable accommodation, family privacy, required family cooperation, and program abuse, as described elsewhere in this ACOP, apply to annual and interim reexaminations.

PART I: ANNUAL REEXAMINATIONS FOR FAMILIES PAYING INCOME-BASED RENTS

24 CFR 960.257

9-I.A. OVERVIEW

For those families who choose to pay income-based rent, the PHA must conduct a reexamination of income and family composition at least annually [24 CFR 960.257(a)(1)]. With the exception of over-income families, who must have their income reviewed at 12 and 24 months, for flat rent families, the PHA must conduct a reexamination of family composition at least annually and must conduct a reexamination of family income at least once every three years [24 CFR 960.257(a)(2)]. For any non-public housing over income families, the PHA may not conduct an annual reexamination of family income. Policies related to the reexamination process for families paying flat rent are located in Part II of this chapter.

For all residents of public housing, whether those residents are paying income-based or flat rents, the PHA must conduct an annual review of community service requirement compliance. This annual reexamination is also a good time to have residents sign consent forms for criminal background checks in case the criminal history of a resident is needed at some point for the purposes of lease enforcement or eviction.

The PHA is required to obtain all of the information necessary to conduct reexaminations. How that information will be collected is left to the discretion of the PHA. Families are required to provide current and accurate information on income, assets, allowances and deductions, family composition and community service compliance as part of the reexamination process [24 CFR 960.259].

Unlike when performing an interim reexamination or at intake, at annual reexamination, the PHA must determine the income of the family for the previous 12-month period, except where the PHA uses a streamlined income determination. Income from assets, however, is always anticipated, irrespective of the income examination type [Notice PIH 2023-27]. PHAs also have the option of using a “safe harbor” income verification from another federal means-tested program to verify gross annual income. Chapter 7 contains the PHA’s policies related to streamlined income determinations and the use of safe harbor income verifications.

This part contains the PHA’s policies for conducting annual reexaminations.

9-I.B. SCHEDULING ANNUAL REEXAMINATIONS

The PHA must establish a policy to ensure that the annual reexamination for each family paying an income-based rent is completed within a 12-month period [24 CFR 960.257(a)(1)].

HACN Policy

Generally, the PHA will schedule annual reexaminations to coincide with the family's anniversary date. The PHA will begin the annual reexamination process approximately 120 days in advance of the scheduled effective date.

Anniversary date is defined as 12 months from the effective date of the family's last annual reexamination or, during a family's first year in the program, from the effective date of the family's initial examination (admission).

If the family transfers to a new unit, the PHA will not perform a new annual reexamination.

The PHA may also schedule an annual reexamination for completion prior to the anniversary date for administrative purposes.

Notification of and Participation in the Annual Reexamination Process

The PHA is required to obtain information needed to conduct annual reexaminations. How that information will be collected is left to the discretion of the PHA. However, PHAs should give tenants who were not provided the opportunity to provide contact information at the time of admission the option to complete Form HUD-92006 at this time. The PHA should provide the family with the opportunity to update, change, or remove information from the HUD-92006 at the time of the annual reexamination [Notice PIH 2009-36].

HACN Policy

Families generally are required to participate in an annual reexamination interview, which must be attended by the head of household, spouse, or cohead. If participation in an in-person interview poses a hardship because of a family member's disability, the family should contact the PHA to request a reasonable accommodation (See Chapter 2).

Notification of annual reexamination interviews will be sent by first-class mail and will contain the date, time, and location of the interview. In addition, it will inform the family of the information and documentation that must be brought to the interview.

If the family is unable to attend a scheduled interview, the family should contact the PHA in advance of the interview to schedule a new appointment. If a family does not attend the scheduled interview the PHA will send a notification of missed appointment which will advise the tenant of options for completing the interview/reexamination.

If a family fails to attend a second interview or otherwise complete the reexamination process via distance reexamination, the family will be in violation of their lease and may be terminated in accordance with the policies in Chapter 13.

An advocate, interpreter, or other assistant may assist the family in the interview process.

9-I.C. CONDUCTING ANNUAL REEXAMINATIONS

The terms of the public housing lease require the family to furnish information regarding income and family composition as may be necessary for the redetermination of rent, eligibility, and the appropriateness of the housing unit [24 CFR 966.4(c)(2)].

HACN Policy

Families will be asked to bring all required information (as described in the reexamination notice) to the reexamination appointment. The required information will include a PHA-designated reexamination form as well as supporting documentation related to the family's income, expenses, and family composition.

Any required documents or information that the family is unable to provide at the time of the interview or any stated deadline must be provided within 10 business days of the interview. If the family is unable to obtain the information or materials within the required time frame, the family may request an extension.

If the family does not provide the required documents or information within the required time frame (plus any extensions), the family will be in violation of their lease and may be terminated in accordance with the policies in Chapter 13.

The information provided by the family generally must be verified in accordance with the policies in Chapter 7. Unless the family reports a change, or the agency has reason to believe a change has occurred in information previously reported by the family, certain types of information that are verified at admission typically do not need to be re-verified on an annual basis. These include:

- Legal identity
- Age
- Social security numbers
- A person's disability status
- Citizenship or immigration status

9-I.D. CALCULATING ANNUAL INCOME AT ANNUAL REEXAMINATION [24 CFR 5.609(c)(2) and Notice PIH 2023-27]

The PHA must determine the income of the family for the previous 12-month period and use this amount as the family income for annual reexaminations, except where the PHA uses a streamlined income determination as indicated in Chapter 7 of this policy. The PHA may also use Safe harbor income determinations dated within the last 12 months from a means-tested federal public assistance program at annual reexamination as outlined in Chapter 7 of this policy.

Except when using streamlined or safe harbor income determinations, in determining the income of the family for the previous 12-month period, any change of income since the family's last annual reexamination, including those that did not meet the threshold to process an interim reexamination in accordance with PHA policies and 24 CFR 5.657(c) or 960.257(b) must be considered.

Income from assets is always anticipated, irrespective of the income examination type.

A change in income may be a loss of income or the addition of a new source of income. Changing to a different employer in the prior year does not necessarily constitute a change if the income earned from either employer is substantially the same. The PHA should look at the entirety of the family's unearned income and earned income from the prior year in which earned income may have been one constant job or many different jobs that start and stop.

Cost of Living Adjustments (COLA) to Social Security income and Social Security disability income are always considered changes to income because the COLA is an adjustment that automatically occurs annually by law. See Chapter 6 for PHA policies on when the COLA is applied and Chapter 7 on streamlined determination of income for inflationary adjustments.

Notice PIH 2023-27 lists the following steps to calculate both earned and unearned income at annual reexamination.

Step 1: The PHA determines annual income for the previous 12-month period by reviewing the following information:

- The EIV Income Report pulled within 120 days of the effective date of the annual reexamination;
- The income reported on the most recent HUD-50058; and
- The amount of prior-year income reported by the family on the PHA's annual reexamination paperwork.

Step 2: The PHA takes into consideration any interim reexamination of family income completed since the last annual reexamination.

- If there was an interim reexamination performed, the PHA must use the annual income from the interim to determine the family's total annual income, provided there are no additional changes.
- If the PHA did not perform an interim or there have been changes since the last reexamination, the PHA moves to Step 3.

Step 3: If there were changes in annual income not processed by the PHA since the last reexamination, the PHA must use current income. The family will be required to report their income for the prior year and whether there have been permanent changes.

If there are no reported changes to an income source, the PHA may use documentation of prior-year income to calculate the annual income. For example, the PHA may use the following documentation:

- EIV + self-certification (wages, Supplemental Security Income (SSI), Social Security, and unemployment)
- Current written third-party verification from the source verifying prior-year income that is dated within 120 days of receipt by the PHA, for example:
 - Year-end statements
 - Paycheck with year-to-date amounts
 - Tax forms (Form 1040, W2, 1099, etc.)

If there are reported changes by the family or the PHA notes discrepancies between EIV and what the family reports, the PHA must follow the verification hierarchy (described in Chapter 7) to document and verify income. Exhibit 9-1 provides detailed examples of how the PHA calculates income from different sources at annual reexamination using the above method.

HACN Policy

The PHA will not calculate income using a streamlined income determination.

9-I.E. OTHER CONSIDERATIONS

Change in Unit Size

Changes in family or household composition may make it appropriate to consider transferring the family to comply with occupancy standards. The PHA may use the results of the annual reexamination to require the family to move to an appropriate size unit [24 CFR 960.257(a)(4)]. Policies related to such transfers are located in Chapter 12.

Criminal Background Checks

Information obtained through criminal background checks may be used for lease enforcement and eviction [24 CFR 5.903(e)(1)(ii)]. Criminal background checks of residents will be conducted in accordance with the policy in Section 13-IV.B.

HACN Policy

Each household member age 18 and over will be required to execute a consent form for a criminal background check as part of the annual reexamination process.

Additionally, HUD recommends that at annual reexaminations PHAs ask whether the tenant, or any member of the tenant's household, is subject to a lifetime sex offender registration requirement in any state [Notice PIH 2012-28].

HACN Policy

At the annual reexamination, the PHA will ask whether the tenant, or any member of the tenant's household, is subject to a lifetime sex offender registration requirement in any state. The PHA will use the Dru Sjodin National Sex Offender database to verify the information provided by the tenant.

If the PHA proposes to terminate assistance based on lifetime sex offender registration information, the PHA must notify the household of the proposed action and must provide the subject of the record and the tenant a copy of the record and an opportunity to dispute the accuracy and relevance of the information prior to termination. [24 CFR 5.903(f) and 5.905(d)]. (See Chapter 13.)

Compliance with Community Service

For families who include nonexempt individuals, the PHA must determine compliance with community service requirements once each 12 months [24 CFR 960.257(a)(3)].

See Chapter 11 for the PHA's policies governing compliance with the community service requirement.

9-I.F. EFFECTIVE DATES

As part of the annual reexamination process, the PHA must make appropriate adjustments in the rent after consultation with the family and upon verification of the information [24 CFR 960.257(a)(1)].

HACN Policy

In general, an *increase* in the tenant rent that results from an annual reexamination will take effect on the family's anniversary date, and the family will be notified at least 30 days in advance.

If less than 30 days remain before the scheduled effective date, the increase will take effect on the first of the month following the end of the 30-day notice period.

If the PHA chooses to schedule an annual reexamination for completion prior to the family's anniversary date for administrative purposes, the effective date will be determined by the PHA, but will always allow for the 30-day notice period.

If the family causes a delay in processing the annual reexamination, *increases* in the tenant rent will be applied retroactively, to the scheduled effective date of the annual reexamination. The family will be responsible for any underpaid rent and may be offered a repayment agreement in accordance with the policies in Chapter 16.

In general, a *decrease* in the tenant rent that results from an annual reexamination will take effect on the family's anniversary date.

If the PHA chooses to schedule an annual reexamination for completion prior to the family's anniversary date for administrative purposes, the effective date will be determined by the PHA.

If the family causes a delay in processing the annual reexamination, *decreases* in the tenant rent will be applied prospectively, from the first day of the month following completion of the reexamination processing.

Delays in reexamination processing are considered to be caused by the family if the family fails to provide information requested by the PHA by the date specified, and this delay prevents the PHA from completing the reexamination as scheduled.

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PART II: REEXAMINATIONS FOR FAMILIES PAYING FLAT RENTS

[24 CFR 960.253(f)]

9-II.A. OVERVIEW

HUD requires that the PHA offer all families the choice of paying income-based rent or flat rent at least annually. The PHA's policies for offering families a choice of rents are located in Chapter 6.

For families who choose flat rents, the PHA must conduct a reexamination of family composition at least annually and must conduct a reexamination of family income at least once every three years [24 CFR 960.253(f)]. The PHA is only required to provide the amount of income-based rent the family might pay in those years that the PHA conducts a full reexamination of income and family composition, or upon request of the family after the family submits updated income information [24 CFR 960.253(e)(2)]. However, these regulations are not applicable to over-income families. Once an over-income determination is made, the PHA must conduct an interim reexamination at 12 and 24 months, as applicable, to determine if the family remains over-income [Notice PIH 2023-03].

As it does for families that pay income-based rent, the PHA must also review compliance with the community service requirement for families with nonexempt individuals.

This part contains the PHA's policies for conducting reexaminations of families who choose to pay flat rents.

9-II.B. FULL REEXAMINATION OF FAMILY INCOME AND COMPOSITION

Frequency of Reexamination

HACN Policy

For families paying flat rents, the PHA will conduct a full reexamination of family income and composition once every two years.

However, for flat rent families who become over-income, this policy will not apply. The PHA will instead conduct an interim reexamination at 12 months following the initial over-income determination as needed to verify the family remains over-income. The family will continue to be given a choice between income-based and flat rent at each annual reexamination during the over-income grace period.

If the family is subsequently determined to no longer be over-income:

If the determination is the result of an annual reexamination, the family will be given a choice between income-based or flat rent at reexam. If the family selects flat rent, the PHA will resume reexamination of family income and composition once every two years.

If determination is as a result of an interim reexamination, the PHA will conduct an annual reexamination for the family at their next scheduled annual date. If the family selects flat rent, the PHA will resume reexamination of family income and composition once every three years. Families will only be given the choice between income-based and flat rent at annual reexamination.

Reexamination Policies

HACN Policy

In conducting full reexaminations for families paying flat rents, the PHA will follow the policies used for the annual reexamination of families paying income-based rent as set forth in Sections 9-I.B through 9-I.E above.

9-II.C. REEXAMINATION OF FAMILY COMPOSITION (“ANNUAL UPDATE”)

As noted above, if full reexaminations are conducted every three years for families paying flat rents, in the years between full reexaminations, regulations require the PHA to conduct a reexamination of family composition (“annual update”) [24 CFR 960.257(a)(2)]. Over-income families who select the flat rent are not subject to annual update as their income must be reviewed, and an interim reexamination conducted, at 12 and 24 months as applicable.

The annual update process is similar to the annual reexamination process, except that the PHA does not collect information about the family’s income and expenses, and the family’s rent is not recalculated following an annual update.

Scheduling

The PHA must establish a policy to ensure that the reexamination of family composition for families choosing to pay the flat rent is completed at least annually [24 CFR 960.257(a)(2)].

HACN Policy

For families paying flat rents, annual updates will be conducted in each of the 2 years following the full reexamination.

In scheduling the annual update, the PHA will follow the policy used for scheduling the annual reexamination of families paying income-based rent as set forth in Section 9-I.B. above.

Conducting Annual Updates

The terms of the public housing lease require the family to furnish information necessary for the redetermination of rent and family composition [24 CFR 966.4(c)(2)].

HACN Policy

Generally, the family will not be required to attend an interview for an annual update. However, if the PHA determines that an interview is warranted, the family may be required to attend.

The annual update will be sent by first-class mail and will inform the family of the information and documentation that must be provided to the PHA. The family will have 10 business days to submit the required information to the PHA.

If the family is unable to obtain the information or documents within the required time frame, the family may request an extension. The PHA will accept required documentation by mail, by email, or in person.

If the family does not provide the required documents or information within the required time frame (plus any extensions), the family will be in violation of their lease and may be terminated in accordance with the policies in Chapter 13.

Change in Unit Size

Changes in family or household composition may make it appropriate to consider transferring the family to comply with occupancy standards. The PHA may use the results of the annual update to require the family to move to an appropriate size unit [24 CFR 960.257(a)(4)]. Policies related to such transfers are located in Chapter 12.

Criminal Background Checks

Information obtained through criminal background checks may be used for lease enforcement and eviction [24 CFR 5.903(e)]. Criminal background checks of residents will be conducted in accordance with the policy in Section 13-IV.B.

HACN Policy

Each household member age 18 and over will be required to execute a consent form for criminal background check as part of the annual update process.

Compliance with Community Service

For families who include nonexempt individuals, the PHA must determine compliance with community service requirements once each 12 months [24 CFR 960.257(a)(3)].

See Chapter 11 for the PHA's policies governing compliance with the community service requirement.

PART III: INTERIM REEXAMINATIONS

24 CFR 960.257(b); 24 CFR 966.4; and Notice PIH 2023-27

9-III.A. OVERVIEW

Family circumstances may change during the period between annual reexaminations. HUD and PHA policies define the types of information about changes in family circumstances that must be reported, and under what circumstances the PHA must process interim reexaminations to reflect those changes.

A family may request an interim determination of family income or composition because of any changes since the last determination. The PHA must conduct any interim reexamination within a reasonable period of time after the family request or when the PHA becomes aware of a change in the family's adjusted income that must be processed in accordance with HUD regulations. What qualifies as a "reasonable time" may vary based on the amount of time it takes to verify information, but the PHA generally should conduct the interim reexamination not longer than 30 days after the PHA becomes aware of changes in income.

Notice PIH 2023-27 changes the conditions under which interim reexaminations must be conducted, codifies when interim reexaminations should be processed and made effective, and requires related changes for annual reexaminations and streamlined income determinations. When the PHA determines that an interim reexamination of income is necessary, they must ask the family to report changes in all aspects of adjusted income.

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

Reporting

PHAs must require families to report household composition changes; however, PHAs determine the timeframe in which reporting happens [Notice PIH 2023-27]. The PHA must adopt policies prescribing when and under what conditions the family must report changes in family composition [24 CFR 960.257(b)(5)].

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

HACN Policy

All families, those paying income-based rent as well as flat rent, must report all changes in family and household composition that occur between annual reexaminations (or annual updates) within 10 business days of the change.

The PHA will conduct interim reexaminations to account for any changes in household composition that occur between annual reexaminations.

New Family Members Not Requiring Approval

The addition of a family member as a result of birth, adoption, or court-awarded custody does not require PHA approval. However, the family is required to promptly notify the PHA of the addition [24 CFR 966.4(a)(1)(v)].

New Family and Household Members Requiring Approval

With the exception of children who join the family as a result of birth, adoption, or court-awarded custody, a family must request PHA approval to add a new family member [24 CFR 966.4(a)(1)(v)] or other household member (live-in aide or foster child) [24 CFR 966.4(d)(3)].

The PHA may adopt reasonable policies concerning residence by a foster child or a live-in aide and defining the circumstances in which PHA consent will be given or denied. Under such policies, the factors considered by the PHA may include [24 CFR 966.4(d)(3)(i)]:

- Whether the addition of a new occupant may necessitate a transfer of the family to another unit, and whether such units are available.
- The PHA's obligation to make reasonable accommodation for persons with disabilities.

HACN Policy

Families must request PHA approval to add a new family member, live-in aide, foster child, or foster adult. This includes any person not on the lease who is expected to stay in the unit for more than 14 consecutive days or a total of 30 cumulative calendar days during any 12-month period and therefore no longer qualifies as a "guest." Requests must be made in writing and approved by the PHA prior to the individual moving into the unit.

If adding a person to a household (other than a child by birth, adoption, or court-awarded custody) will require a transfer to a larger size unit (under the transfer policy in Chapter 12), the PHA will approve the addition only if the family can demonstrate that there are medical needs or other extenuating circumstances, including reasonable accommodation, that should be considered by the PHA. Exceptions will be made on a case-by-case basis.

The PHA will not approve the addition of a new family or household member unless the individual meets the PHA's eligibility criteria (see Chapter 3) and documentation requirements (See Chapter 7, Part II).

If the PHA determines that an individual does not meet the PHA's eligibility criteria or documentation requirements, the PHA will notify the family in writing of its decision to deny approval of the new family or household member and the reasons for the denial.

The PHA will make its determination within 10 business days of receiving all information required to verify the individual's eligibility.

Departure of a Family or Household Member

The family must promptly notify the PHA if any household member (including a live-in aide, foster child, or foster adult) no longer lives in the unit. The PHA must process an interim for all decreases in adjusted income when a family member permanently moves out of the unit.

HACN Policy

If a household member ceases to reside in the unit, the family must inform the PHA within 10 business days. This requirement also applies to family members who had been considered temporarily absent, who are now permanently absent.

The PHA will process an interim if the family's adjusted income will decrease as a result of a family member permanently moving out of the unit.

9-III.C. CHANGES AFFECTING INCOME OR EXPENSES

HACN Policy

This section only applies to families paying income-based rent. Families paying flat rent are not required to report changes in income or expenses.

Interim reexaminations for changes in income or expenses may be scheduled either because the PHA has reason to believe that changes in income or expenses may have occurred, or because the family reports a change.

The PHA must estimate the income of the family for the upcoming 12-month period to determine family income for an interim reexamination [24 CFR 5.609(c)(1)]. Policies for projecting income are found in Chapter 6.

Interim Decreases [24 CFR 960.257(b)(2) and Notice PIH 2023-27]

A family may request an interim determination of family income for any change since the last determination. However, the PHA may decline to conduct an interim reexamination if the PHA estimates the family's adjusted income will decrease by an amount that is less than 10 percent of the family's adjusted income. The PHA may set a lower threshold in PHA policy such as performing an interim for any decreases in adjusted income, although HUD prohibits the PHA from setting a dollar-figure threshold.

However, while the PHA has some discretion, HUD requires that the PHA perform an interim reexamination for a decrease in adjusted income of any amount in two circumstances:

- When there is a decrease in family size attributed to the death of a family member; or
- When a family member permanently moves out of the assisted unit during the period since the family's last reexamination.

In the above circumstances, the PHA must perform an interim reexamination for any decrease in adjusted income.

If the net effect of the changes in adjusted income due to a decrease in family size results in no change or an increase in annual adjusted income, then PHA must process the removal of the household member(s) as a non-interim reexamination transaction without making changes to the family's annual adjusted income.

HACN Policy

The PHA will conduct an interim reexamination any time the family's adjusted income has decreased by any amount.

Interim Increases [24 CFR 960.257(b)(3) and Notice PIH 2023-27]

Increases Less than 10 Percent

PHAs must not process interim reexaminations for income increases that result in less than a 10 percent increase in annual adjusted income.

Increases 10 Percent or Greater

PHAs must conduct an interim reexamination of family income when the PHA becomes aware that the family's adjusted income has changed by an amount that the PHA estimates will result in an increase of 10 percent or more in adjusted income, with the following exceptions:

- PHAs may not consider any increases in earned income when estimating or calculating whether the family's adjusted income has increased, unless the family has previously received an interim reduction during the same reexamination cycle; and
- PHAs may choose not to conduct an interim reexamination during the last three months of a certification period if a family reports an increase in income within three months of the next annual reexamination effective date.

When the family previously received an interim reexamination for a decrease to adjusted income during the same annual reexamination cycle, a PHA has the discretion whether to consider a subsequent increase in earned income.

HACN Policy

When a family reports an increase in their earned income between annual reexaminations, the PHA will not conduct an interim reexamination, regardless of the amount of the increase, and regardless of whether there was a previous decrease since the family's last annual reexamination.

The PHA will process an interim reexamination for any increases in unearned income of 10 percent or more in adjusted income.

The PHA will not perform an interim reexamination when a family reports an increase in income (whether earned or unearned income) within three months of their annual reexamination effective date. However, families who delay reporting income increases until the last three months of their certification period may be subject to retroactive rent increases in accordance with the PHA policies in Chapter 15.

Concurrent Increases in Earned and Unearned Income [Notice PIH 2023-27]

When the family reports an increase in both earned and unearned income at the same time, the PHA must look at the earned and unearned income changes independently of each other to determine if an interim reexamination is performed. The PHA will only conduct an interim reexamination when the increase independently meets the 10 percent threshold and all other requirements for performing interim reexaminations. For example, if a family reported increases in both earned and unearned income that overall resulted in a 12 percent increase in their adjusted income, but the change in earned income represented a 7 percent increase and the change in unearned income represented a 5 percent increase, the PHA may not perform an interim for either change since neither change meets the 10 percent threshold amount independently. If the change in unearned income met the 10 percent threshold in this case, the PHA would be required to perform an interim. If the change in earned income met the 10 percent threshold in this case, the PHA would refer to PHA policy to determine whether an interim was required.

Cumulative Increases [Notice PIH 2023-27]

A series of smaller reported increases in adjusted income may cumulatively meet or exceed the 10-percent increase threshold, at which point the PHA must conduct an interim reexamination in accordance with PHA policy.

Public Housing Over-Income Families [24 CFR 960.507(c); Notice PIH 2020-3; and Notice PIH 2023-27]

Regardless of changes in adjusted income, in some circumstances the PHA is required to conduct an interim reexamination to determine whether a family's income continues to exceed the public housing over-income limit. PHAs are required to conduct income examinations of public housing families who have been determined to exceed the over-income limit at specific intervals. When a PHA makes an initial determination that a family is over-income during an interim reexamination, the PHA must conduct a second interim reexamination 12 months after the over-income determination, and then again 12 months after the second over-income determination, unless the family's income falls below the over-income limit during the 24-month period. This continued evaluation of the family's over-income status requires the PHA to notify any family that exceeds the over-income limit that they remain over the income limit, even if the family is paying the flat rent [24 CFR 960.253]. An interim income reexamination to determine if a public housing family remains over-income does not reset the family's normal annual reexamination date.

Family Reporting

The PHA must adopt policies consistent with HUD regulations prescribing when and under what conditions the family must report a change in family income or composition [24 CFR 960.257(b)(5)].

PHA policy may require families to report only changes that the family estimates meet the threshold for an interim reexamination or the PHA may establish policies requiring that families report all changes in income and household composition, and the PHA will subsequently determine if the change requires an interim reexamination [Notice PIH 2023-27].

When the PHA determines that an interim reexamination of income is necessary, they must ask the family to report changes in all aspects of adjusted income. For example, if the family is reporting a decrease in adjusted income that is more than 10 percent, but the family also had a change in assets that would result in a change in income, the change in assets must also be reviewed [Notice PIH 2023-27].

HACN Policy

The family will be required to report all changes in income regardless of the amount of the change, whether the change is to earned or unearned income, or if the change occurred during the last three months of the certification period. Families must report changes in income within 10 business days of the date the change takes effect. The family may notify the PHA of changes either orally or in writing. If the family provides oral notice, the PHA may also require the family to submit the changes in writing.

Within 10 business days of the family reporting the change, the PHA will determine whether the change will require an interim reexamination.

If the change will not result in an interim reexamination, the PHA will note the information in the tenant file but will not conduct an interim reexamination. The PHA will send the family written notification within 10 business days of making this determination informing the family that the PHA will not conduct an interim reexamination.

If the change will result in an interim reexamination, the PHA will determine the documentation the family will be required to submit based on the type of change reported and PHA policies in Chapter 7. The PHA will ask the family to report changes in all aspects of adjusted income at this time. The family must submit any required information or documents within 10 business days of receiving a request from the PHA. This time frame may be extended for good cause with PHA approval. The PHA will accept required documentation by mail, email, fax, or in person. The PHA will conduct the interim within a reasonable time period based on the amount of time it takes to verify the information.

Generally, the family will not be required to attend an interview for an interim reexamination. However, if the PHA determines that an interview is warranted, the family may be required to attend.

9-III.D. EFFECTIVE DATES

Changes Reported Timely [24 CFR 960.257(b)(6) and Notice PIH 2023-27]

If the family reports a change in family income or composition timely in accordance with PHA policies:

- For rent increases, the PHA must provide the family with 30 days advance written notice. The rent increase is effective the first of the month after the end of that 30-day notice period.
- Rent decreases are effective on the first of the month after the date of the actual change leading to the interim reexamination of family income. This means the decrease will be applied retroactively.

Changes Not Reported Timely [24 CFR 960.257(b)(6)(ii) and (iii) and Notice PIH 2023-27]

If the family failed to report a change in family income or composition timely in accordance with PHA policies:

- For rent increases, the PHA must implement any resulting rent increases retroactively to the first of the month following the date of the change leading to the interim reexamination of family income.
- For rent decreases, the PHA must implement the change no later than the first rent period following completion of the interim reexamination.

However, the PHA may choose to adopt a policy that would make the effective date of the rent decrease retroactive to the first of the month following completion of the reexamination. PHAs may choose to establish conditions or requirements for when such a retroactive application would apply. PHAs that choose to adopt such policies must ensure the earliest date that the retroactive decrease is applied is the later of:

- The first of the month following the date of the change that led to the interim reexamination; or
- The first of the month following the most recent previous income examination.

In applying a retroactive change in rent as the result of an interim reexamination, the PHA must clearly communicate the effect of the retroactive adjustment to the family so that there is no confusion over the amount of the rent that is the family's responsibility.

HACN Policy

In general, when the family fails to report a change in income or family composition timely, and the change would lead to a rent decrease, the PHA will apply the decrease the first of the month following completion of the interim reexamination.

However, the PHA will apply the results of the interim reexamination retroactively where a family's ability to report a change in income promptly may have been hampered due to extenuating circumstances such as a natural disaster or disruptions to PHA management operations. The PHA will decide to apply decreases retroactively on a case-by-case basis.

When the PHA applies the results of interim decreases retroactively, the PHA will clearly communicate the effect of the retroactive adjustment to the family and may enter into a repayment agreement in accordance with PHA policies.

PART IV: RECALCULATING TENANT RENT

9-IV.A. OVERVIEW

For those families paying income-based rent, the PHA must recalculate the rent amount based on the income information received during the reexamination process and notify the family of the changes [24 CFR 966.4, 960.257]. While the basic policies that govern these calculations are provided in Chapter 6, this part lays out policies that affect these calculations during a reexamination.

9-IV.B. CHANGES IN UTILITY ALLOWANCES [24 CFR 965.507, 24 CFR 966.4]

The tenant rent calculations must reflect any changes in the PHA's utility allowance schedule [24 CFR 960.253(c)(3)]. Chapter 16 discusses how utility allowance schedules are established.

HACN Policy

Unless the PHA is required to revise utility allowances retroactively, revised utility allowances will be applied to a family's rent calculations at the first annual reexamination after the allowance is adopted. If an interim is conducted after the effective date of the utility allowance revision and, the PHA may apply the revised utility allowance at time of the interim reexamination.

9-IV.C. NOTIFICATION OF NEW TENANT RENT

The public housing lease requires the PHA to give the tenant written notice stating any change in the amount of tenant rent, and when the change is effective [24 CFR 966.4(b)(1)(ii)].

When the PHA redetermines the amount of rent (Total Tenant Payment or Tenant Rent) payable by the tenant, not including determination of the PHA's schedule of Utility Allowances for families in the PHA's Public Housing Program, or determines that the tenant must transfer to another unit based on family composition, the PHA must notify the tenant that the tenant may ask for an explanation stating the specific grounds of the PHA determination, and that if the tenant does not agree with the determination, the tenant shall have the right to request a hearing under the PHA's grievance procedure [24 CFR 966.4(c)(4)].

HACN Policy

The notice to the family will include the annual and adjusted income amounts that were used to calculate the tenant rent.

9-IV.D. DISCREPANCIES

During an annual or interim reexamination, the PHA may discover that information previously reported by the family was in error, or that the family intentionally misrepresented information. In addition, the PHA may discover errors made by the PHA. When errors resulting in the overpayment or underpayment of rent are discovered, corrections will be made in accordance with the policies in Chapter 15.

PART V: NON-INTERIM REEXAMINATION TRANSACTIONS

Notice PIH 2023-27

Families may experience changes within the household that do not trigger an interim reexamination under PHA policy and HUD regulations but which HUD still requires the PHA to report via Form HUD-50058. These are known as *non-interim reexamination transactions*. In these cases, PHAs will submit a separate, new action code on Form HUD-50058. The following is a list of non-interim reexamination transactions:

- Adding or removing a hardship exemption for the child care expense deduction;
- Updating or removing the phased-in hardship relief for the health and medical care expense deduction and/or reasonable attendant care and auxiliary apparatus expense deduction (the phased-in relief will begin at an eligible family's first annual or interim reexamination, whichever is sooner, after January 1, 2024);
- Adding or removing general hardship relief for the health and medical care expense deduction and/or reasonable attendant care and auxiliary apparatus expense deduction;
- Adding or removing a minimum rent hardship;
- Adding or removing a non-family member (i.e., live-in aide, foster child, foster adult);
- Ending a family's EID or excluding 50 percent (decreased from 100 percent) of a family member's increase in employment income at the start of the second 12-month EID period.
- Adding a family member and the increase in adjusted income does not trigger an interim reexamination under the final rule;
- Removing a family member and the increase in adjusted income does not trigger an interim reexamination under the final rule;
- Adding/updating a family or household member's Social Security number; and
- Updating a family member's citizenship status from eligible to ineligible or vice versa, resulting in a change to the family's rent and/or utility reimbursement, if applicable (i.e., family begins receiving prorated assistance or previously prorated assistance becomes full assistance), or updating the prorated rent calculation due to the addition or removal of family members in household with an ineligible noncitizen(s).

PHAs must make all other changes to assets, income, and deductions at the next annual or interim reexamination of income, whichever is sooner.

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EXHIBIT 9-1: CALCULATING INCOME AT ANNUAL REEXAMINATION

Example 1: Calculating Annual Income at Annual Reexamination Using EIV

Staff are processing the 3/1/2024 annual reexamination for Ruby Myers and her minor daughter, Georgia. No interim reexaminations have been processed, and Ruby has not reported any changes to annual income to the PHA since the 3/1/2023 annual reexamination. The SSA-published 2024 COLA is 7 percent.

Last reexamination – 3/1/2023 Annual Reexamination

<u>Ruby:</u>	<u>Georgia:</u>
<u>Wages: \$30,000</u>	<u>SSI: \$10,980 (\$915 monthly)</u>

The EIV report pulled on 12/15/2023

Ruby:	Georgia:
Wages Total: \$33,651	SSI Total: \$10,980
Quarter 3 of 2023: \$8,859 (City Public School)	2023 benefit \$915 monthly
Quarter 2 of 2023: \$8,616 (City Public School)	
Quarter 1 of 2023: \$8,823 (City Public School)	
Quarter 4 of 2022: \$7,353 (City Public School)	

Income Reported on Reexamination Application

Ruby:

Georgia:

Wages at City Public School: \$32,000
(switched jobs but no permanent change to amount)

SSI benefits: \$10,980 (no changes)

Calculating Ruby's wages:

Calculating Georgia's SSI benefit:

Step 1: Determine prior annual income from EIV (i.e., Q4 2022 through Q3 of 2023: \$33,651).

Step 1: Determine the prior annual income from EIV (i.e., \$915 x 12 months: \$10,980).

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination (in this case, there have been no interim reexaminations processed since the last annual reexamination).

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination (in this case, there have been no interim reexaminations processed since the last annual reexamination).

Step 3: Ruby certifies that the \$33,651 of wages in EIV is accurate and reflects her current annual income, so the PHA will use \$33,651 for annual wages for the 3/1/2024 annual reexamination given there have been no additional changes to annual income.

Step 3: Ruby certifies the SSI income in EIV is accurate and reflects Georgia's current annual income. The PHA must adjust the prior-year income (2023 SSI benefit) by the 7- percent COLA and will use this amount to calculate annual SSI income for the 3/1/2024 annual reexamination:

COLA: \$64.05 (\$915 x 0.07)

New gross SSI benefit: \$11,748.60 (\$979.05 x 12 months)

If Ruby did not agree with the annual wages reported in EIV, the PHA/MFH Owner would be required to verify her current income in accordance with HUD's verification hierarchy.

Summary of Annual Income (as reported on the HUD-50058)

Ruby (Head of Household):

Georgia (Other Youth Under 18):

Other Wage: \$33,651

SSI: \$11,748

Myers Family Total Annual Income: \$45,399

**Example 2: Calculating Annual Income at Annual Reexamination Using EIV:
Family Disagrees with EIV**

Staff are processing Paul Hewson’s 5/1/2024 annual reexamination. Since the last annual reexamination, Paul reported a decrease in annual income that exceeded 10 percent. Last year, Paul reported a decrease in earned income because he transferred from a full-time job at Sasha’s Sweets to a part-time job at Viking Bakery. Following HUD’s EIV verification hierarchy, staff confirmed Paul was no longer employed at Sasha’s Sweets and decreased his anticipated annual income from \$28,000 to \$7,500 resulting from his new part-time employment at Viking Bakery; an interim reexamination was processed effective 7/1/2023. After the 7/1/2023 interim, Paul worked briefly at two different jobs, but he says he is no longer working and is not planning to work.

5/1/2023 Annual Reexamination

Wages: \$28,000

The EIV report pulled on 1/15/2024

Wages Total: \$18,271

Quarter 3 of 2023: \$2,500 (Viking Bakery)

Quarter 3 of 2023: \$796 (Sweet Tooth Candy Bar)

Quarter 2 of 2023: \$1,300 (Sasha’s Sweets)

Quarter 2 of 2023: \$584 (Larry’s Concessions)

Quarter 2 of 2023: \$2,401 (Viking Bakery)

Quarter 1 of 2023: \$6,500 (Sasha’s Sweets)

Quarter 4 of 2022: \$600 (Sasha’s Sweets)

SS/SSI: No history of benefits

Income Reported on Reexamination Application

Wages: \$0 (permanent change; no longer receiving)

Social Security: \$14,400 (\$1,200 monthly)

Paul certified on the PHA's annual reexamination paperwork that he does not agree with the annual wages of \$18,271 reported in EIV and it is not reflective of his current anticipated annual income. He reported he is currently unemployed, and provided a copy of an award letter from the Social Security Administration to document that he will begin receiving a monthly disability benefit of \$1,200 effective 3/1/2024.

Calculating Wages and SS Benefit

Step 1: Determine prior annual income taking into consideration the 8/1/2023 interim reexamination (i.e., EIV wages reflected Q4 2022 through Q3 2023: \$18,271)

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination. In this case, there was a 7/1/2023 interim that reduced wages to \$7,500.

Step 3: Obtain documentation to verify current income and confirm Paul is no longer employed at Viking Bakery or The Sweet Tooth Candy Bar (the employers reported in the most recent quarter of EIV). This step is necessary, because Paul did not agree with the EIV income report or income reported on the last interim reexamination. Paul reported that he is no longer working at all.

Process the annual reexamination effective 5/1/2024 using annual SS income of \$14,400 and \$0 wages.

Summary of Annual Income (as reported on the HUD-50058)

Paul (Head of Household): \$14,400 (SS)

Hewson Family Total Annual Income: \$14,400

Example 3: Calculating Annual Income at Annual Reexamination

Staff are processing the 11/1/2024 annual reexamination for Samantha and Fergus Pool, head of household and spouse. On 2/14/2024 Samantha reported her monthly child support payment was reduced from \$200 to \$100 per month, but an interim reexamination was not processed because the reduction in child support income for Samantha’s daughter, Hailey, did not result in a decrease of 10 percent or more in annual adjusted income, and the PHA did not establish a lower threshold. Samantha did not report any additional changes to the PHA.

Last reexamination – 11/1/2023 Annual Reexamination

Samantha:

Business income: \$28,000
 VA disability pension: \$12,000
 Child support: \$2,400

Fergus:

Wages: \$8,250
 Other non-wage income: \$3,000 (Go Fund Me online fundraiser)

The EIV report pulled on 9/16/2024

Samantha:

Wages Total: \$0 (no wage data reported since Q1 2023)

Fergus:

Wages Total: \$8,600
 Quarter 1 of 2024: \$2,100 (Ian’s Fish ‘n’ Chips)
 Quarter 1 of 2024: \$500 (Claire’s Healthcare Supplies)
 Quarter 4 of 2023: \$1,000 (Claire’s Healthcare Supplies)
 Quarter 3 of 2023: \$1,800 (The Onion Garden Shop)
 Quarter 2 of 2023: \$3,200 (Ivar’s Fish Haus)

Current Family Circumstances: Income Reported on Reexamination Application

Samantha and Fergus reported how much income was earned/received in the previous 12-month period and noted permanent changes, where applicable, for each source of their income on PHA’s annual reexamination form. However, no information was reported by the family concerning other non-wage income. Fergus reported only wages and his current employment at Ian’s Fish ‘n’ Chips for the annual reexamination. The family supplied the supporting documentation noted below to the PHA for the 11/1/2024 annual reexamination.

Samantha: Business income: \$28,750 (last year); has decreased to \$18,000 (permanent change) VA disability benefit: \$12,000 (last year); has increased to \$12,300 (permanent change) Child support: \$2,400 (last year); has decreased to \$1,200 (permanent change)	Fergus: Wages: \$6,000
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Calculating Samantha’s Net Business Income

Step 1: Determine prior annual net business income (i.e., \$28,000 on last HUD–50058).

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination. In this case, there have been no interim reexaminations processed since the last annual reexamination.

Step 3: Adjust to reflect current net business income. Samantha reported on the annual reexamination application that business income permanently decreased to \$18,000. The PHA must obtain supporting documentation from Samantha that demonstrates current net business income. Samantha provided documentation that supported the current annual net business income is \$18,000. Process the annual reexamination effective 11/1/2024 using annual net business income determined in Step 3.

Calculating Samantha’s VA Pension Income

Step 1: Determine prior annual VA pension income (i.e., \$12,000 supported by a VA award letter Samantha supplied that documents the prior year monthly VA pension was \$1,000).

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination. In this case, there have been no interim reexaminations processed since the last annual reexamination.

Step 3: The PHA needs to adjust to reflect current VA pension income. Samantha supplies a VA award letter showing a monthly pension of \$1,025, or \$12,300 annually. Process the annual reexamination effective 11/1/2024 using annual VA pension income determined in Step 3 (\$12,300 in this example).

Calculating Samantha’s Child Support Income

Step 1: Determine prior annual child support income (i.e., \$2,400 on the last HUD–50058).

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination. In this case, there have been no interim reexaminations processed since the last annual reexamination. The family reported a decrease from \$200 to \$100 monthly, but the change was not processed because it did not meet the threshold.

Step 3: The family reported changes, so the PHA must adjust to reflect current child support income. In this example, the family submitted a child support history report from the local child support office that documents regular \$100 monthly child supports payments beginning 3/1/2024 through the current month. Process the annual reexamination effective 11/1/2024 using current annual child support income determined in Step 3 (\$1,200 in this example).

Calculating Fergus’ Wages

Step 1: Determine prior annual income from wages in EIV (i.e., Q2 2023 through Q1 of 2024: \$8,600).

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination. In this case, there have been no interim reexaminations processed since the last annual reexamination.

Step 3: There is a discrepancy between what the family reported and EIV, so the PHA must verify and adjust to reflect current annual income from wages. Fergus reported \$6,000 in annual income from wages on the annual reexamination from a single employer, Ian’s Fish ‘n’ Chips. The PHA projected annual income of \$7,800 based on the two paystubs for this employer, and EIV shows \$8,600 earned in the most recent four quarters in EIV. To complete Step 3, the PHA must do the following:

- Resolve the discrepancy between EIV wages, the \$6,000 annual income Fergus reported, and the \$7,800 projected based on the paystubs he provided, and
- Verify he is no longer employed at Claire’s Healthcare Supplies in accordance with HUD’s verification hierarchy and local policies.

The PHA determined that Fergus reported his net vs. gross annual income from wages, which he corrected on the annual reexamination form to reflect his current gross annual income of \$9,000. The PHA verified Fergus was no longer employed at Claire’s Healthcare Supplies and obtained two additional paystubs. Based on four current and consecutive paystubs, Fergus is now projected to earn \$9,360 annually. Process the annual reexamination effective 11/1/2024 using income from wages determined in Step 3 (\$9,360 in this example).

<u>Calculating Fergus’ Other Non-Wage Income</u>	
Step 1: Determine prior annual income from other non-wage income (i.e., \$3,000 on the last HUD– 50058).	
Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination. In this case, there have been no interim reexaminations processed since the last annual reexamination.	
Step 3: The family did not report any non-wage income on the annual reexamination form, but it was included on the last HUD–50058. The PHA must verify and adjust to reflect current non-wage income. The PHA must verify no income was received through a “Go Fund Me” online fundraiser so that it may be excluded. Fergus provided a self-certification that he hasn’t solicited funds online and doesn’t plan to in the following year; he also provided records from the account that documented no fundraising activity in the prior 12-month period. Process the annual reexamination effective 11/1/2024 using annual non-wage income of \$0 determined in Step 3.	
<u>Summary of Annual Income (as reported on the HUD-50058)</u>	
Samantha (Head of Household):	Fergus (Co-head):
Own business: \$18,000	Wages: \$9,360
Pension: \$12,300	
Child support: \$1,200	
Poole Family Total Annual Income: \$40,860	

Chapter 10

PETS

[24 CFR 5, Subpart C; 24 CFR 960, Subpart G]

INTRODUCTION

This chapter explains the PHA's policies on the keeping of pets and describes any criteria or standards pertaining to the policies. The rules adopted are reasonably related to the legitimate interest of the PHA to provide a decent, safe and sanitary living environment for all tenants, and to protect and preserve the physical condition of the property, as well as the financial interest of the PHA.

The chapter is organized as follows:

Part I: Assistance Animals. This part explains the difference between assistance animals,, including service and support animals, and pets, and contains policies related to the designation of an assistance animal as well as their care and handling.

Part II: Pet policies for all developments. This part includes pet policies that are common to both elderly/disabled developments and general occupancy developments.

Part III: Pet deposits and fees for elderly/disabled developments. This part contains policies for pet deposits and fees that are applicable to elderly/disabled developments.

Part IV: Pet deposits and fees for general occupancy developments. This part contains policies for pet deposits and fees that are applicable to general occupancy developments.

PART I: ASSISTANCE ANIMALS

[Section 504; Fair Housing Act (42 U.S.C.); 24 CFR 5.303; 24 CFR 960.705;
Notice FHEO 2020-01]

10-I.A. OVERVIEW

This part discusses situations under which permission for an assistance animal, including service and support animals, may be denied, and also establishes standards for the care of assistance animals.

Notice FHEO 2020-01 was published January 28, 2020. The notice provides guidance to help PHAs and other housing providers distinguish between a person with a non-obvious disability who has a legitimate need for an assistance animal and a person without a disability who simply wants to have a pet or avoid the costs and limitations imposed by the PHA's pet policies. FHEO 2020-01 makes clear that the notice is guidance and a tool for PHAs and other housing providers to use at their discretion and provides a set of best practices for addressing requests for assistance animals. The guidance in FHEO 2020-01 should be read together with HUD's regulations prohibiting discrimination under the Fair Housing Act (FHA) and the HUD/Department of Justice (DOJ) Joint Statement on Reasonable Accommodation under the Fair Housing Act. Housing providers may also be subject to the Americans with Disabilities Act (ADA) and should therefore refer also to DOJ's regulations implementing Titles II and III of the ADA at 28 CFR Parts 35 and 36, in addition to DOJ's other guidance on assistance animals.

There are two types of assistance animals: (1) service animals, and (2) other animals that do work, perform tasks, provide assistance, and/or provide therapeutic emotional support for individuals with disabilities (i.e., support animals).

Assistance animals, including service and support animals, are not pets and thus are not subject to the PHA's pet policies described in Parts II through IV of this chapter [24 CFR 5.303; 960.705; Notice FHEO 2020-01].

10-I.B. APPROVAL OF ASSISTANCE ANIMALS [Notice FHEO 2020-01]

Service Animals

Notice FHEO 2020-01 states that PHAs should initially follow the Department of Justice (DOJ) analysis to assessing whether an animal is a service animal under the Americans with Disabilities Act (ADA). Under the ADA, a *service animal* means any dog that is individually trained to do work or perform tasks for the benefit of an individual with a disability, including a physical, sensory, psychiatric, intellectual, or other mental disability. Other species of animals, whether wild or domestic, trained or untrained, are not service animals for the purposes of this definition. The work or tasks performed by a service animal must be directly related to the individual's disability.

As a best practice, housing providers may use the following questions to help them determine if an animal is a service animal under the ADA:

- Is the animal a dog? If not, the animal is not a service animal but may be another type of assistance animal for which an accommodation is needed (support animal).
- Is it readily apparent that the dog is trained to do work or perform tasks for the benefit of the individual with a disability? If yes, further inquiries are inappropriate because the animal is a service animal. If not, it is advisable that the PHA limit its inquiries to the following two questions: (1) Is the animal required because of the disability? and (2) What work or task has the animal been trained to perform?

If the answer to question (1) is “yes” and work or a task is identified in response to question (2), grant the requested accommodation if otherwise reasonable. If the answer to either question is “no,” the animal does not qualify as a service animal but may be a support animal.

A service animal must be permitted in all areas of the facility where members of the public are allowed.

Support Animals (Assistance Animals other than Service Animals)

If the animal does not qualify as a service animal, the PHA must next determine whether the animal would qualify as a support animal (other type of assistance animal). If the individual has indeed requested a reasonable accommodation to get or keep an animal in connection with a physical or mental impairment or disability, the PHA may use the following questions to help them assess whether to grant the accommodation in accordance with the policies outlined in Chapter 2 (the PHA is not required to grant a reasonable accommodation that has not been requested):

- Does the person have an observable disability or does the PHA already have information giving them reason to believe that the person has a disability? If not, has the person requesting the accommodation provided information that reasonably supports that the person seeking the accommodation has a disability?

- If the person has an observable disability, the PHA already has information giving them reason to believe the person has a disability, or the person has provided information supporting that they have a disability, then has the person provided information that reasonably supports that the animal does work, performs tasks, provides assistance, and/or provides therapeutic emotional support with respect to the individual’s disability?
- If yes, is the animal commonly kept in households? An *animal commonly kept in households* would be a dog, cat, small bird, rabbit, hamster, gerbil, other rodent, fish, turtle, or other small, domesticated animal that is traditionally kept in the home for pleasure rather than for commercial purposes. For purposes of this assessment, reptiles (other than turtles), barnyard animals, monkeys, kangaroos, and other non-domesticated animals are not considered common household animals.

If the individual is requesting to keep a unique animal not commonly kept in households, then the requestor has the substantial burden of demonstrating a disability-related therapeutic need for the specific animal or the specific type of animal. Such individuals are encouraged to submit documentation from a health care professional.

General Considerations

A person with a disability is not automatically entitled to have an assistance animal. Reasonable accommodation requires that there is a relationship between the person’s disability and their need for the animal [PH Occ GB, p. 179].

Before denying a reasonable accommodation request due to lack of information confirming an individual’s disability or disability-related need for an animal, the PHA is encouraged to engage in a good-faith dialog with the requestor called the “interactive process” [FHEO 2020-01].

A PHA may not refuse to allow a person with a disability to have an assistance animal merely because the animal does not have formal training. Some, but not all, animals that assist persons with disabilities are professionally trained. Other assistance animals are trained by the owners themselves and, in some cases, no special training is required. The question is whether or not the animal performs the assistance or provides the benefit needed by the person with the disability [PH Occ GB, p. 178].

A PHA’s refusal to permit persons with a disability to use and live with an assistance animal that is needed to assist them, would violate Section 504 of the Rehabilitation Act and the Fair Housing Act unless [PH Occ GB, p. 179]:

- There is reliable objective evidence that the animal poses a direct threat to the health or safety of others that cannot be reduced or eliminated by a reasonable accommodation
- There is reliable objective evidence that the animal would cause substantial physical damage to the property of others

The Fair Housing Act does not require a dwelling to be made available to an individual whose tenancy would constitute a direct threat to the health or safety of other individuals or would result in substantial physical damage to the property of others. A PHA may therefore refuse a reasonable accommodation for an assistance animal if the specific animal poses a direct threat that cannot be eliminated or reduced to an acceptable level through the actions the individual takes to maintain or control the animal (e.g., keeping the animal in a security enclosure).

While most requests for reasonable accommodations involve one animal, requests sometimes involve more than one animal (for example, a person has a disability-related need for both animals, or two people living together each have a disability-related need for a separate assistance animal). The decision-making process in Notice FHEO 2020-01 should be used in accordance with the reasonable accommodation policies in Chapter 2 for all requests for exceptions or modifications to the PHA's rules, policies, practices, and procedures so that persons with disabilities can have assistance animals in the housing where they reside.

PHAs have the authority to regulate service animals and assistance animals under applicable federal, state, and local law [24 CFR 5.303(b)(3); 960.705(b)(3)].

HACN Policy

For an animal to be excluded from the pet policy and be considered a service animal, it must be trained, and there must be a person with disabilities in the household who requires the dog's services.

For an animal to be excluded from the pet policy and be considered a support animal, there must be a person with disabilities in the household, there must be a disability-related need for the animal, and the family must request and the PHA approve a reasonable accommodation in accordance with the criteria outlined in Notice FHEO 2020-01 and the policies contained in Chapter 2.

10-I.C. CARE AND HANDLING

HUD regulations do not affect any authority a PHA may have to regulate assistance animals, including service animals, under federal, state, and local law [24 CFR 5.303; 24 CFR 960.705].

HACN Policy

Residents are responsible for feeding, maintaining, providing veterinary care, and controlling their assistance animals. A resident may do this on their own or with the assistance of family, friends, volunteers, or service providers.

Residents must care for assistance animals in a manner that complies with state and local laws, including anti-cruelty laws.

Residents must ensure that assistance animals do not pose a direct threat to the health or safety of others, or cause substantial physical damage to the development, dwelling unit, or property of other residents.

When a resident's care or handling of an assistance animal violates these policies, the PHA will consider whether the violation could be reduced or eliminated by a reasonable accommodation. If the PHA determines that no such accommodation can be made, the PHA may withdraw the approval of a particular assistance animal.

PART II: PET POLICIES FOR ALL DEVELOPMENTS

[24 CFR 5, Subpart C; 24 CFR 960, Subpart G]

10-II.A. OVERVIEW

The purpose of a pet policy is to establish clear guidelines for ownership of pets and to ensure that no applicant or resident is discriminated against regarding admission or continued occupancy because of ownership of pets. It also establishes reasonable rules governing the keeping of common household pets. This part contains pet policies that apply to all developments.

10-II.B. MANAGEMENT APPROVAL OF PETS

Registration of Pets

PHAs may require registration of the pet with the PHA [24 CFR 960.707(b)(5)].

HACN Policy

Pets must be approved by the PHA before they are brought onto the premises. All pets must be registered with the PHA immediately.

Registration includes documentation signed by a licensed veterinarian or state/local authority that the pet has received all inoculations required by state or local law, and that the pet has no communicable disease(s) and is pest-free. This registration must be renewed annually and will be coordinated with the annual reexamination date.

Pets will not be approved to reside in a unit until completion of the registration requirements.

Refusal to Register Pets

HACN Policy

The PHA will refuse to register a pet if:

The pet is not *a common household pet* as defined in Section 10-II.C. below

Keeping the pet would violate any pet restrictions listed in this policy

The pet owner fails to provide complete pet registration information, or fails to update the registration annually

The applicant has previously been charged with animal cruelty under state or local law; or has been evicted, had to relinquish a pet or been prohibited from future pet ownership due to pet rule violations or a court order

The PHA reasonably determines that the pet owner is unable to keep the pet in compliance with the pet rules and other lease obligations. The pet's temperament and behavior may be considered as a factor in determining the pet owner's ability to comply with provisions of the lease.

If the PHA refuses to register a pet, a written notification will be sent to the pet owner within 10 business days of the PHA's decision. The notice will state the reason for refusing to register the pet and will inform the family of their right to appeal the decision in accordance with the PHA's grievance procedures.

Pet Agreement

HACN Policy

Residents who have been approved to have a pet must enter into a pet agreement with the PHA, or the approval of the pet will be withdrawn.

The pet agreement is the resident's certification that they have received a copy of the PHA's pet policy and applicable house rules, that they have read the policies and/or rules, understand them, and agree to comply with them.

The resident further certifies by signing the pet agreement that they understand that noncompliance with the PHA's pet policy and applicable house rules may result in the withdrawal of PHA approval of the pet or termination of tenancy.

10-II.C. STANDARDS FOR PETS [24 CFR 5.318; 960.707(b)]

PHAs may establish reasonable requirements related to pet ownership including, but not limited to:

- Limitations on the number of animals in a unit, based on unit size
- Prohibitions on types of animals that the PHA classifies as dangerous, provided that such classifications are consistent with applicable state and local law
- Prohibitions on individual animals, based on certain factors, including the size and weight of the animal
- Requiring pet owners to have their pets spayed or neutered

Cat declawing is not a requirement or condition of pet ownership in public housing and HUD encourages PHAs to refrain from engaging in this practice [New PH OCC GB, *Pet Ownership*, p. 9].

PHAs may not require pet owners to have any pet's vocal cords removed.

PHAs may not require pet owners to obtain or carry liability insurance.

Definition of "Common Household Pet"

There is no regulatory definition of common household pet for public housing programs, although the regulations for pet ownership in both elderly/disabled and general occupancy developments use the term. The regulations for pet ownership in elderly/disabled developments expressly authorize PHAs to define the term [24 CFR 5.306(2)].

HACN Policy

Common household pet means a domesticated animal, such as a dog, cat, bird, or fish that is traditionally recognized as a companion animal and is kept in the home for pleasure rather than commercial purposes.

The following animals are not considered common household pets:

Wild animals or feral animals

Animals used for breeding

Any other animal that due to its size, nature, or disposition present a risk to public health or safety, or cannot be properly cared for due to its physical needs

Animals whose climatological needs cannot be met in the unaltered environment of the dwelling unit

Pet Restrictions

HACN Policy

The following animals are not permitted:

Any animal whose adult weight will exceed 50 pounds

Any animal not permitted under state or local law or code

Number of Pets

HACN Policy

Residents may own a maximum of 2 pets

Other Requirements

HACN Policy

Dogs and cats must be spayed or neutered at the time of registration or, in the case of underage animals, within 30 days of the pet reaching 6 months of age. Exceptions may be made upon veterinary certification that subjecting this particular pet to the procedure would be temporarily or permanently medically unsafe or unnecessary.

Pets must be licensed in accordance with state or local law. Residents must provide proof of licensing at the time of registration and annually, in conjunction with the resident's annual reexamination.

10-II.D. PET RULES

Pet owners must maintain pets responsibly, in accordance with PHA policies, and in compliance with applicable state and local public health, animal control, and animal cruelty laws and regulations [24 CFR 5.315; 24 CFR 960.707(a)].

Pet Area Restrictions

HACN Policy

Pets must be maintained within the resident's unit. When outside of the unit (within the building or on the grounds) dogs must be kept on a leash or carried. They must be under the control of the resident or other responsible individual at all times.

Pets other than dogs or cats must be attended when outside of the unit.

Pets are not permitted in common areas including lobbies, community rooms and laundry areas except for those common areas which are entrances to and exits from the building.

Pet owners must dispose of any pet waste promptly.

Designated Pet/No-Pet Areas [24 CFR 5.318(g), PH Occ GB, p. 182]

PHAs may designate buildings, floors of buildings, or sections of buildings as no-pet areas where pets generally may not be permitted. Pet rules may also designate buildings, floors of building, or sections of building for residency by pet-owning tenants.

PHAs may direct initial tenant moves as may be necessary to establish pet and no-pet areas. The PHA may not refuse to admit, or delay admission of, an applicant on the grounds that the applicant's admission would violate a pet or no-pet area. The PHA may adjust the pet and no-pet areas or may direct such additional moves as may be necessary to accommodate such applicants for tenancy or to meet the changing needs of the existing tenants.

PHAs may not designate an entire development as a no-pet area, since regulations permit residents to own pets.

HACN Policy

With the exception of common areas as described in the previous policy, the PHA has not designated any buildings, floors of buildings, or sections of buildings as no-pet areas. In addition, the PHA has not designated any buildings, floors of buildings, or sections of buildings for residency of pet-owning tenants.

Cleanliness

HACN Policy

The pet owner shall be responsible for the removal of waste by placing it in a sealed plastic bag and disposing of it in a container provided by the PHA (trash bin or designated pet waste disposal stations located in various areas around the property)

The pet owner shall take adequate precautions to eliminate any pet odors within or around the unit and to maintain the unit in a sanitary condition at all times.

Litter box requirements:

Pet owners must promptly dispose of waste from litter boxes and must maintain litter boxes in a sanitary manner.

Litter shall not be disposed of by being flushed through a toilet.

Litter boxes shall be kept inside the resident's dwelling unit.

Alterations to Unit

HACN Policy

Pet owners shall not alter their unit, patio, premises or common areas for pet accommodations with authorization from the PHA.

Noise

HACN Policy

Pet owners must agree to control the noise of pets so that such noise does not constitute a nuisance to other residents or interrupt their peaceful enjoyment of their housing unit or premises. This includes, but is not limited to loud or continuous barking, howling, whining, biting, scratching, chirping, or other such activities.

Pet Care

HACN Policy

Each pet owner shall be responsible for adequate care, nutrition, exercise and medical attention for their pet.

Each pet owner shall be responsible for appropriately training and caring for their pet to ensure that the pet is not a nuisance or danger to other residents and does not damage PHA property.

No animals may be tethered or chained inside or outside the dwelling unit at any time.

Responsible Parties

HACN Policy

The pet owner will be required to designate an alternate responsible party for the care of the pet if the health or safety of the pet is threatened by the death or incapacity of the pet owner, or by other factors that render the pet owner unable to care for the pet.

A resident who cares for another resident's pet must notify the PHA and sign a statement that they agree to abide by all of the pet rules.

Inspections and Repairs

HACN Policy

Except for emergencies, HACN personnel or its affiliates will not enter the dwelling unit for performance of repairs or inspections where a pet resides unless accompanied for the entire duration of the inspection or repair by the pet owner or responsible person designated by the pet owner. The pet must be held under physical restraint by the pet owner or responsible person until management has completed its tasks. Any delays or interruptions suffered by HACN or its affiliates in the inspection, maintenance, and upkeep of the premises due to the presence of a pet may be cause for lease termination.

Pets Temporarily on the Premises

HACN Policy

Pets that are not owned by a tenant are not allowed on the premises without PHA consent. Residents are prohibited from feeding or harboring stray animals.

This rule does not apply to visiting pet programs sponsored by a humane society or other non-profit organizations and approved by the PHA.

Pet Rule Violations

HACN Policy

All complaints of cruelty and all dog bites will be referred to animal control or an applicable agency for investigation and enforcement.

If a determination is made on objective facts supported by written statements, that a resident/pet owner has violated the pet rules, written notice will be served.

The notice will contain a brief statement of the factual basis for the determination and the pet rule(s) that were violated. The notice will also state:

That the pet owner has 10 business days from the effective date of the service of notice to correct the violation, if applicable, or make written request for a meeting to discuss the violation

That the pet owner is entitled to be accompanied by another person of their choice at the meeting

That the pet owner's failure to correct the violation, request a meeting, or appear at a requested meeting may result in initiation of procedures to remove the pet, or to terminate the pet owner's tenancy

Repeated pet violations may result termination of tenancy. Three or more violations of any kind within a twelve-month period will constitute repeated violations. Continuous and repetitive violations will also constitute repeated violations.

Notice for Pet Removal

HACN Policy

If the pet owner and the PHA are unable to resolve the violation at the meeting or the pet owner fails to correct the violation in the time period allotted by the PHA, the PHA may serve notice to remove the pet.

The notice will contain:

A brief statement of the factual basis for the PHA's determination of the pet rule that has been violated

The requirement that the resident /pet owner must remove the pet within 30 calendar days of the notice, with the exception of vicious animals or animals posing a direct threat or public nuisance, in which case the animal must be removed immediately.

A statement that failure to remove the pet may result in the initiation of termination of tenancy procedures

Pet Removal

HACN Policy

If the death or incapacity of the pet owner threatens the health or safety of the pet, or other factors occur that render the owner unable to care for the pet, the situation will be reported to the responsible party designated by the pet owner.

If the responsible party is unwilling or unable to care for the pet, or if the PHA after reasonable efforts cannot contact the responsible party, the PHA may contact the appropriate state or local agency and request the removal of the pet.

Termination of Tenancy

HACN Policy

The PHA may initiate procedures for termination of tenancy based on a pet rule violation if:

The pet owner has failed to remove the pet or correct a pet rule violation within the time period specified

The pet rule violation is sufficient to begin procedures to terminate tenancy under terms of the lease

The pet owner receives repeated or continuous violations as specified on page 10-13 of this chapter.

Emergencies

HACN Policy

The PHA will take all necessary steps to ensure that pets that become vicious, display symptoms of severe illness, or demonstrate behavior that constitutes an immediate threat to the health or safety of others, are immediately removed from the premises by referring the situation to the appropriate state or local entity authorized to remove such animals.

If it is necessary for the PHA to place the pet in a shelter facility, the cost will be the responsibility of the pet owner.

If the pet is removed as a result of any aggressive act on the part of the pet, the pet will not be allowed back on the premises.

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PART III: PET DEPOSITS AND FEES IN ELDERLY/DISABLED DEVELOPMENTS

10-III.A. OVERVIEW

This part describes the PHA's policies for pet deposits and fees in elderly, disabled and mixed population developments.

Policies governing deposits and fees in general occupancy developments are described in Part IV.

HACN Policy

The PHA does not have designated Elderly/Disabled Developments

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PART IV: PET DEPOSITS AND FEES IN GENERAL OCCUPANCY DEVELOPMENTS

10-IV.A. OVERVIEW

This part describes the PHA's policies for pet deposits and fees for those who reside in general occupancy developments.

10-IV.B. PET DEPOSITS

A PHA may require a refundable pet deposit to cover additional costs attributable to the pet and not otherwise covered [24 CFR 960.707(b)(1)].

A PHA that requires a resident to pay a pet deposit must place the deposit in an account of the type required under applicable State or local law for pet deposits, or if there are no such requirements, for rental security deposits, if applicable. The PHA must comply with such laws as to retention of the deposit, interest, and return of the deposit to the resident, and any other applicable requirements [24 CFR 960.707(d)].

Payment of Deposit

HACN Policy

Pet owners are required to pay a pet deposit of \$50 per pet in addition to any other required deposits. The deposit must be paid in full before the pet is brought on the premises.

The pet deposit is not part of rent payable by the resident.

Refund of Deposit

HACN Policy

Pet deposits are nonrefundable. The resident will be billed for any amount that exceeds the pet deposit upon completion of any repairs or renovations required after the tenant vacates the unit.

10-IV.C. NON-REFUNDABLE NOMINAL PET FEE

PHAs may require payment of a non-refundable nominal pet fee to cover the reasonable operating costs to the development relating to the presence of pets [24 CFR 960.707(b)(1)].

HACN Policy

The PHA has elected not to impose a non-refundable nominal pet fee

10-IV.D. OTHER CHARGES

Pet-Related Damages During Occupancy

HACN Policy

All reasonable expenses incurred by the PHA as a result of damages directly attributable to the presence of the pet in the project will be the responsibility of the resident, including:

The cost of repairs and replacements to the resident's dwelling unit

Fumigation of the dwelling unit

Repairs to common areas of the project

The expense of flea elimination shall also be the responsibility of the resident.

If the resident is in occupancy when such costs occur, the resident shall be billed for such costs in accordance with the policies in Section 8-I.F, Maintenance and Damage Charges. Pet deposits will not be applied to the costs of pet-related damages during occupancy.

Charges for pet-related damage are not part of rent payable by the resident.

Pet Waste Removal Charge

The regulations do not address the PHA's ability to impose charges for house pet rule violations. However, charges for violation of PHA pet rules may be treated like charges for other violations of the lease and PHA tenancy rules.

HACN Policy

A separate pet waste removal charge of \$10.00 per occurrence will be assessed against pet owners who fail to remove pet waste in accordance with this policy. Pet owners will also receive a lease violation for each occurrence.

Such charges will be due and payable 14 calendar days after billing.

Charges for pet waste removal are not part of rent payable by the resident.

Chapter 11

COMMUNITY SERVICE

INTRODUCTION

This chapter explains HUD regulations requiring PHAs to implement a community service program for all nonexempt adults living in public housing.

This chapter describes HUD regulations and PHA policies related to these topics in two parts:

Part I: Community Service Requirements. This part describes who is subject to the community service requirement, who is exempt, and HUD's definition of economic self-sufficiency.

Part II: PHA Implementation of Community Service. This part provides PHA policy regarding PHA implementation and program design.

PART I: COMMUNITY SERVICE REQUIREMENT

11-I.A. OVERVIEW

HUD regulations pertaining to the community service requirement are contained in 24 CFR 960 Subpart F (960.600 through 960.609). PHAs and residents must comply with the community service requirement, effective with PHA fiscal years that commenced on or after October 1, 2000. Per 903.7(1)(1)(iii), the PHA Plan must contain a statement of how the PHA will comply with the community service requirement, including any cooperative agreement that the PHA has entered into or plans to enter into.

Community service is the performance of voluntary work or duties that are a public benefit, and that serve to improve the quality of life, enhance resident self-sufficiency, or increase resident self-responsibility in the community. Community service is not employment and may not include political activities [24 CFR 960.601(b)].

In administering community service requirements, the PHA must comply with all nondiscrimination and equal opportunity requirements [24 CFR 960.605(c)(5)].

11-I.B. REQUIREMENTS

Each adult resident of the PHA, who is not exempt, must [24 CFR 960.603(a)]:

- Contribute 8 hours per month of community service; or
- Participate in an economic self-sufficiency program (as defined in the regulations) for 8 hours per month; or
- Perform 8 hours per month of combined activities (community service and economic self-sufficiency programs).
- The required community service or self-sufficiency activity may be completed 8 hours each month or may be aggregated across a year. Any blocking of hours is acceptable as long as 96 hours is completed by each annual certification of compliance [Notice PIH 2015-12].

Definitions

Exempt Individual [24 CFR 960.601(b), Notice PIH 2015-12]

An *exempt individual* is an adult who:

- Is age 62 years or older
- Is blind or disabled (as defined under section 216[i][1] or 1614 of the Social Security Act), and who certifies that because of this disability s/he is unable to comply with the service provisions
- Is a primary caretaker of such an individual
- Is engaged in work activities

HACN Policy

The PHA will consider 30 hours per week as the minimum number of hours needed to qualify for a work activity exemption.

- Is able to meet requirements of being exempted under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program
 - This exemption applies to anyone whose characteristics or family situation meet the welfare agency exemption criteria and can be verified.
- Is a member of a family receiving assistance, benefits, or services under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program and the supplemental nutrition assistance program (SNAP), and has not been found by the state or other administering entity to be in noncompliance with such program.
- Is a member of a non-public housing over-income family.

Community Service [24 CFR 960.601(b), Notice PIH 2015-12]

Community service is the performance of voluntary work or duties that are a public benefit, and that serve to improve the quality of life, enhance resident self-sufficiency, or increase resident self responsibility in the community. Community service is not employment and may not include political activities.

Eligible community service activities include, but are not limited to, work at:

- Local public or nonprofit institutions such as schools, head start programs, before or after school programs, child care centers, hospitals, clinics, hospices, nursing homes, recreation centers, senior centers, adult day care programs, homeless shelters, feeding programs, food banks (distributing either donated or commodity foods), or clothes closets (distributing donated clothing)
- Nonprofit organizations serving PHA residents or their children such as: Boy or Girl Scouts, Boys or Girls Club, 4-H clubs, Police Assistance League (PAL), organized children’s recreation, mentoring or education programs, Big Brothers or Big Sisters, garden centers, community clean-up programs, beautification programs
- Programs funded under the Older Americans Act, such as Green Thumb, Service Corps of Retired Executives, senior meals programs, senior centers, Meals on Wheels
- Public or nonprofit organizations dedicated to seniors, youth, children, residents, citizens, special-needs populations or with missions to enhance the environment, historic resources, cultural identities, neighborhoods, or performing arts
- PHA housing to improve grounds or provide gardens (so long as such work does not alter the PHA’s insurance coverage); or work through resident organizations to help other residents with problems, including serving on the Resident Advisory Board
- Care for the children of other residents so parent may volunteer

PHAs may form their own policy in regards to accepting community services at profit-motivated entities, acceptance of volunteer work performed at homes or offices of general private citizens, and court-ordered or probation-based work.

HACN Policy

The PHA will accept community services at profit-motivated entities, volunteer work performed at homes or offices of general private citizens, and court-ordered or probation-based work as eligible community service activities.

Economic Self-Sufficiency Program [24 CFR 5.603(b), Notice PIH 2015-12]

For purposes of satisfying the community service requirement, an *economic self-sufficiency program* is defined by HUD as any program designed to encourage, assist, train, or facilitate economic independence of assisted families or to provide work for such families.

Eligible self-sufficiency activities include, but are not limited to:

- Job readiness or job training
- Training programs through local one-stop career centers, workforce investment boards (local entities administered through the U.S. Department of Labor), or other training providers
- Employment counseling, work placement, or basic skills training
- Education, including higher education (junior college or college), GED classes, or reading, financial, or computer literacy classes
- Apprenticeships (formal or informal)
- English proficiency or English as a second language classes
- Budgeting and credit counseling
- Any other program necessary to ready a participant to work (such as substance abuse or mental health counseling)

Work Activities [42 U.S.C. 607(d)]

As it relates to an exemption from the community service requirement, *work activities* means:

- Unsubsidized employment
- Subsidized private sector employment
- Subsidized public sector employment
- Work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available
- On-the-job training
- Job search and job readiness assistance
- Community service programs
- Vocational educational training (not to exceed 12 months with respect to any individual)
- Job skills training directly related to employment
- Education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency
- Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate

Notification Requirements [24 CFR 960.605(c)(2), Notice PIH 2015-12, Notice PIH 2016- 06]

The PHA must give each family a written description of the community service requirement, the process for claiming status as an exempt person, and the process for PHA verification of exempt status. The PHA must also notify the family of its determination identifying the family members who are subject to the service requirement, and the family members who are exempt. In addition, the family must sign a certification, such as Attachment A of Notice PIH 2015-12, that they have received and read the policy and understand that if they are not exempt, failure to comply with the requirement will result in nonrenewal of their lease. The family must also sign a certification at annual reexamination, such as Attachment B of Notice PIH 2015-12, certifying that they understand the requirement.

HACN Policy

The PHA will provide the family with a copy of the Community Service Policy found in Exhibit 11-1 of this chapter, at lease-up, lease renewal, annual reexamination, when a family member is determined to be subject to the community service requirement during the lease term, and at any time upon the family's request. The policy will notify the family that self-certification forms are subject to review by the PHA.

On an annual basis, at the time of annual reexamination, the PHA will notify the family in writing of the family members who are subject to the community service requirement and the family members who are exempt. If the family includes nonexempt individuals the notice will include a list of agencies in the community that provide volunteer and/or training opportunities, as well as a documentation form on which they may record the activities they perform and the number of hours contributed. The form will also have a place for a signature by an appropriate official, who will certify to the activities and hours completed.

11-I.C. DETERMINATION OF EXEMPTION STATUS AND COMPLIANCE [24 CFR 960.605(c)(3)]

The PHA must review and verify family compliance with service requirements annually at least thirty days before the end of the twelve month lease term. The policy for documentation and verification of compliance with service requirements may be found at Section 11-I.D., Documentation and Verification.

HACN Policy

Where the lease term does not coincide with the effective date of the annual reexamination, the PHA will not change the effective date of the annual reexamination to coincide with the lease term.

Annual Determination

Determination of Exemption Status

An exempt individual is excused from the community service requirement [24 CFR 960.603(a)].

HACN Policy

The PHA will review and verify the exemption status of all adult family members. This verification will only be done on an annual basis unless the family reports a change or the PHA has reason to believe that an individual's exemption status has changed. For individuals who are exempt because they are 62 years of age and older, verification of exemption status will be done only at the initial examination.

Upon completion of the verification process, the PHA will notify the family of its determination in accordance with the policy in Section 11-I.B., Notification Requirements.

Determination of Compliance

The PHA must review resident family compliance with service requirements annually at least 30 days before the end of the twelve month lease term [24 CFR 960.605(c)(3)]. As part of this review, the PHA must verify that any family member that is not exempt from the community service requirement has met their service obligation.

HACN Policy

The PHA will provide written notice requiring the family to submit documentation that all subject family members have complied with the service requirement annually. The family will have 10 business days to submit the PHA required documentation form(s).

If the family fails to submit the required documentation within the required timeframe, or PHA approved extension, the subject family members will be considered noncompliant with community service requirements, and notices of noncompliance will be issued pursuant to the policies in Section 11-I.E., Noncompliance.

Change in Status between Annual Determinations

HACN Policy

Exempt to Nonexempt Status

If an exempt individual becomes nonexempt during the 12-month lease term, it is the family's responsibility to report this change to the PHA within 10 business days.

Within 10 business days of a family reporting such a change, or the PHA determining such a change is necessary, the PHA will provide written notice of the effective date of the requirement, a list of agencies in the community that provide volunteer and/or training opportunities, as well as a documentation form on which the family member may record the activities performed and number of hours contributed.

The effective date of the community service requirement will be the first of the month following 30-day notice.

Determination of Initial Compliance

When an adult family member becomes subject to community service, they must perform 8 hours of community service for the months they are subject to the requirement before the end of the lease term (anniversary date).

Example 1: Alberto Jones turns 18 on 5/10/15 and is not exempt from the community service requirement. His community service requirement begins on 6/1/15, and his initial compliance is reviewed before the end of the lease term (anniversary date), which is 11/30/15.

- Alberto must perform 6 months of community service in his initial compliance period, before the end of the lease term (anniversary date).

Example 2: Lisa Dewhurst leaves her job on 9/20/14 and is not exempt from the community service requirement. Her community service requirement begins on 10/1/14, and her initial compliance is reviewed before the end of the lease term (anniversary date), which is 6/30/15.

- Ms. Dewhurst must perform 9 months of community service in her initial compliance period, before the end of the lease term (anniversary date).

Nonexempt to Exempt Status

If a nonexempt person becomes exempt during the twelve month lease term, it is the family's responsibility to report this change to the PHA within 10 business days. Any claim of exemption will be verified by the PHA in accordance with the policy at 11-I.D., Documentation and Verification of Exemption Status.

Within 10 business days of a family reporting such a change, or the PHA determining such a change is necessary, the PHA will provide the family written notice that the family member is no longer subject to the community service requirement, if the PHA is able to verify the exemption.

The exemption will be effective immediately.

11-I.D. DOCUMENTATION AND VERIFICATION [24 CFR 960.605(c)(4), 960.607, Notice PIH 2016-08]

The PHA must retain reasonable documentation of service requirement performance or exemption in participant files.

Documentation and Verification of Exemption Status

HACN Policy

All family members who claim they are exempt from the community service requirement will be required to sign the community service exemption certification form found in Exhibit 11-3. The PHA will provide a completed copy to the family and will keep a copy in the tenant file.

The PHA will verify that an individual is exempt from the community service requirement by following the verification hierarchy and documentation requirements in Chapter 7.

The PHA makes the final determination whether or not to grant an exemption from the community service requirement. If a resident does not agree with the PHA's determination, s/he can dispute the decision through the PHA's grievance procedures (see Chapter 14).

Documentation and Verification of Compliance

At each regularly scheduled reexamination, each nonexempt family member presents a signed standardized certification form developed by the PHA of community service and self-sufficiency activities performed over the last 12 months [Notice PIH 2015-12].

If qualifying community service activities are administered by an organization other than the PHA, a family member who is required to fulfill a service requirement must provide documentation required by the PHA. The PHA may require a self-certification or certification from a third party [24 CFR 960.607].

If the PHA accepts self-certification of compliance with the community service requirement, it must provide a form which includes a statement that the client performed the required hours, contact information for the community service provider, a description of activities performed, and dates of service.

If the PHA accepts self-certification, it must validate a sample of certifications through third-party documentation. The PHA must notify families that self-certification forms are available and that a sample of self-certifications will be validated.

HUD strongly encourages PHAs to investigate community service compliance when there are questions of accuracy.

HACN Policy

Each individual who is subject to the community service requirement will be required to record their community service or self-sufficiency activities and the number of hours contributed on the required form. The certification form will also include places for signatures and phone numbers of supervisors, instructors, and counselors certifying to the number of hours contributed.

Families will be required to submit the documentation to the PHA, upon request by the PHA, at least annually.

If the PHA has reasonable cause to believe that the certification provided by the family is false or fraudulent, the PHA has the right to require additional third-party verification.

11-I.E. NONCOMPLIANCE

Noncompliant Residents

The lease specifies that it is renewed automatically for all purposes, unless the family fails to comply with the community service requirement and families determined to be over-income for 24 consecutive months. Violation of the service requirement is grounds for nonrenewal of the lease at the end of the twelve month lease term, but not for termination of tenancy during the course of the twelve month lease term [24 CFR 960.603(b)].

PHAs may not evict a family due to CSSR noncompliance. However, if PHA finds a tenant is noncompliant with CSSR, the PHA must provide written notification to the tenant of the noncompliance which must include:

- A brief description of the finding of non-compliance with CSSR.
- A statement that the PHA will not renew the lease at the end of the current 12-month lease term unless the tenant enters into a written work-out agreement with the PHA or the family provides written assurance that is satisfactory to the PHA explaining that the tenant or other noncompliant resident no longer resides in the unit. Such written work-out agreement must include the means through which a noncompliant family member will comply with the CSSR requirement [24 CFR 960.607(c), Notice PIH 2015-12].

The notice must also state that the tenant may request a grievance hearing on the PHA's determination, in accordance with the PHA's grievance procedures, and that the tenant may exercise any available judicial remedy to seek timely redress for the PHA's nonrenewal of the lease because of the PHA's determination.

HACN Policy

The notice of noncompliance will be sent at least 45 days prior to the end of the lease term.

The family will have 10 business days from the date of the notice of noncompliance to enter into a written work-out agreement to cure the noncompliance over the 12-month term of the new lease, provide documentation that the noncompliant resident no longer resides in the unit, or to request a grievance hearing.

If the family reports that a noncompliant family member is no longer residing in the unit, the family must provide documentation that the family member has actually vacated the unit before the PHA will agree to continued occupancy of the family. Documentation must consist of a certification signed by the head of household as well as evidence of the current address of the family member that previously resided with them.

If the family does not request a grievance hearing, or does not take either corrective action required by the notice of noncompliance within the required 10 business day timeframe, the PHA will terminate tenancy in accordance with the policies in Section 13-IV.D.

Continued Noncompliance and Enforcement Documentation [24 CFR 960.607(b)]

Should a family member refuse to sign a written work-out agreement, or fail to comply with the terms of the work-out agreement, PHAs are required to initiate termination of tenancy proceedings at the end of the current 12-month lease (see 24 CFR 966.53(c)) for failure to comply with lease requirements. When initiating termination of tenancy proceedings, the PHA will provide the following procedural safeguards:

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

HACN Policy

Notices of continued noncompliance will be sent at least 30 days prior to the end of the lease term and will also serve as the family's termination notice. The notice will meet the requirements for termination notices described in Section 13-IV.D, Form, Delivery, and Content of the Notice.

The family will have 10 business days from the date of the notice of non-compliance to provide documentation that the noncompliant resident no longer resides in the unit, or to request a grievance hearing.

If the family reports that a noncompliant family member is no longer residing in the unit, the family must provide documentation that the family member has actually vacated the unit before the PHA will agree to continued occupancy of the family. Documentation must consist of a certification signed by the head of household as well as evidence of the current address of the noncompliant family member that previously resided with them.

If the family does not request a grievance hearing, or provide such documentation within the required 10 business day timeframe, the family's lease and tenancy will automatically terminate at the end of the current lease term without further notice.

PART II: IMPLEMENTATION OF COMMUNITY SERVICE

11-II.A. OVERVIEW

Each PHA must develop a policy for administration of the community service and economic self-sufficiency requirements for public housing. It is in the PHA's best interests to develop a viable, effective community service program, to provide residents the opportunity to engage in the community and to develop competencies.

PHA Implementation of Community Service

The PHA may not substitute any community service or self-sufficiency activities performed by residents for work ordinarily performed by PHA employees, or replace a job at any location where residents perform activities to satisfy the service requirement [24 CFR 960.609].

HACN Policy

The PHA will notify its insurance company if residents will be performing community service at the PHA. In addition, the PHA will ensure that the conditions under which the work is to be performed are not hazardous.

If a disabled resident certifies that s/he is able to perform community service, the PHA will ensure that requests for reasonable accommodation are handled in accordance with the policies in Chapter 2.

PHA Program Design

The PHA may administer qualifying community service or economic self-sufficiency activities directly, or may make community service activities available through a contractor, or through partnerships with qualified organizations, including resident organizations, and community agencies or institutions [24 CFR 960.605(b)].

HACN Policy

The PHA will attempt to provide the broadest choice possible to residents as they choose community service activities.

The PHA's goal is to design a service program that gives residents viable opportunities to become involved in the community and to gain competencies and skills. The PHA will work with resident organizations and community organizations to design, implement, assess and recalibrate its community service program.

The PHA will make every effort to identify volunteer opportunities throughout the community, especially those in proximity to public housing developments. To the greatest extent possible, the PHA will provide names and contacts at agencies that can provide opportunities for residents, including persons with disabilities, to fulfill their community service obligations.

Any written agreements or partnerships with contractors and/or qualified organizations, including resident organizations, are described in the PHA Plan.

The PHA will provide in-house opportunities for volunteer work or self-sufficiency programs when possible.

EXHIBIT 11-1: COMMUNITY SERVICE AND SELF-SUFFICIENCY POLICY

A. Background

The Quality Housing and Work Responsibility Act of 1998 requires that all nonexempt (see definitions) public housing adult residents (18 or older) contribute eight (8) hours per month of community service (volunteer work) or participate in eight (8) hours of training, counseling, classes or other activities that help an individual toward self-sufficiency and economic independence. This is a requirement of the public housing lease.

B. Definitions

Community Service – community service activities include, but are not limited to, work at:

- Local public or nonprofit institutions such as schools, head start programs, before or after school programs, child care centers, hospitals, clinics, hospices, nursing homes, recreation centers, senior centers, adult day care programs, homeless shelters, feeding programs, food banks (distributing either donated or commodity foods), or clothes closets (distributing donated clothing)
- Nonprofit organizations serving PHA residents or their children such as: Boy or Girl Scouts, Boys or Girls Club, 4-H clubs, Police Assistance League (PAL), organized children’s recreation, mentoring or education programs, Big Brothers or Big Sisters, garden centers, community clean-up programs, beautification programs
- Programs funded under the Older Americans Act, such as Green Thumb, Service Corps of Retired Executives, senior meals programs, senior centers, Meals on Wheels
- Public or nonprofit organizations dedicated to seniors, youth, children, residents, citizens, special-needs populations or with missions to enhance the environment, historic resources, cultural identities, neighborhoods, or performing arts
- PHA housing to improve grounds or provide gardens (so long as such work does not alter the PHA’s insurance coverage); or work through resident organizations to help other residents with problems, including serving on the Resident Advisory Board
- Care for the children of other residents so parent may volunteer

Note: Political activity is excluded.

Self-Sufficiency Activities – self-sufficiency activities include, but are not limited to:

- Job readiness or job training
- Training programs through local one-stop career centers, workforce investment boards (local entities administered through the U.S. Department of Labor), or other training providers
- Employment counseling, work placement, or basic skills training
- Education, including higher education (junior college or college), or reading, financial, or computer literacy classes
- Apprenticeships (formal or informal)
- English proficiency or English as a second language classes
- Budgeting and credit counseling
- Any other program necessary to ready a participant to work (such as substance abuse or mental health counseling)

Exempt Adult – an adult member of the family who meets any of the following criteria:

- Is 62 years of age or older
- Is blind or a person with disabilities (as defined under section 216[i][1] or 1614 of the Social Security Act), and who certifies that because of this disability they are unable to comply with the service provisions, or is the primary caretaker of such an individual
- Is engaged in *work activities*
- Is able to meet requirements under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program; or
- Is a member of a family receiving assistance, benefits, or services under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program and the supplemental nutrition assistance program (SNAP), and has not been found by the state or other administering entity to be in noncompliance with such program
- Is a member of a non-public housing over-income family.

PHAs can use reasonable guidelines in clarifying the work activities in coordination with TANF, as appropriate.

Work Activities – as it relates to an exemption from the community service requirement, *work activities* means:

- Unsubsidized employment
- Subsidized private sector employment
- Subsidized public sector employment
- Work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available
- On-the-job training
- Job search and job readiness assistance
- Community service programs
- Vocational educational training (not to exceed 12 months with respect to any individual)
- Job skills training directly related to employment
- Education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency
- Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate
- Provision of child care services to an individual who is participating in a community service program

C. Requirements of the Program

1. The eight (8) hours per month may be either volunteer work or self-sufficiency program activity, or a combination of the two.
2. At least eight (8) hours of activity must be performed each month, or may be aggregated across a year. Any blocking of hours is acceptable as long as long as 96 hours is completed by each annual certification of compliance.
3. Family obligation:
 - At lease execution, all adult members (18 or older) of a public housing resident family must:
 - Sign a certification (Attachment A) that they have received and read this policy and understand that if they are not exempt, failure to comply with the community service requirement will result in a nonrenewal of their lease; and
 - Declare if they are exempt. If exempt, they must complete the Exemption Form (Exhibit 11-3) and provide documentation of the exemption.
 - Upon written notice from the PHA, nonexempt family members must present complete documentation of activities performed during the applicable lease term. This documentation will include places for signatures of supervisors, instructors, or counselors, certifying the number of hours.
 - If a family member is found to be noncompliant at the end of the 12-month lease term, they, and the head of household, will be required to sign an agreement with the housing authority to make up the deficient hours over the next twelve (12) month period, or the lease will be terminated.
 - At annual reexamination, the family must also sign a certification certifying that they understand the community service requirement.
4. Change in exempt status:
 - If, during the twelve (12) month lease period, a nonexempt person becomes exempt, it is their responsibility to report this to the PHA and provide documentation of exempt status.
 - If, during the twelve (12) month lease period, an exempt person becomes nonexempt, it is their responsibility to report this to the PHA. Upon receipt of this information the PHA will provide the person with the appropriate documentation form(s) and a list of agencies in the community that provide volunteer and/or training opportunities.

D. Authority Obligation

1. To the greatest extent possible and practicable, the PHA will:
 - Provide names and contacts at agencies that can provide opportunities for residents, including residents with disabilities, to fulfill their community service obligations.
 - Provide in-house opportunities for volunteer work or self-sufficiency activities.
2. The PHA will provide the family with a copy of this policy, and all applicable exemption verification forms and community service documentation forms, at lease-up, lease renewal, when a family member becomes subject to the community service requirement during the lease term, and at any time upon the family's request.
3. Although exempt family members will be required to submit documentation to support their exemption, the PHA will verify the exemption status in accordance with its verification policies. The PHA will make the final determination as to whether or not a family member is exempt from the community service requirement. Residents may use the PHA's grievance procedure if they disagree with the PHA's determination.
4. Noncompliance of family member:
 - At least thirty (30) days prior to the end of the 12-month lease term, the PHA will begin reviewing the exempt or nonexempt status and compliance of family members;
 - If, at the end of the initial 12-month lease term under which a family member is subject to the community service requirement, the PHA finds the family member to be noncompliant, the PHA will not renew the lease unless:
 - The head of household and any other noncompliant resident enter into a written agreement with the PHA, to make up the deficient hours over the next twelve (12) month period; or
 - The family provides written documentation satisfactory to the PHA that the noncompliant family member no longer resides in the unit.
 - If, at the end of the next 12-month lease term, the family member is still not compliant, a 30-day notice to terminate the lease will be issued and the entire family will have to vacate, unless the family provides written documentation satisfactory to the PHA that the noncompliant family member no longer resides in the unit;
 - The family may use the PHA's grievance procedure to dispute the lease termination.

All adult family members must sign and date below, certifying that they have read and received a copy of this Community Service and Self-Sufficiency Policy.

Resident

Date

Resident

Date

Resident

Date

Resident

Date

EXHIBIT 11-2: DEFINITION OF A PERSON WITH A DISABILITY UNDER SOCIAL SECURITY ACTS 216(i)(1) and Section 1416(excerpt) FOR PURPOSES OF EXEMPTION FROM COMMUNITY SERVICE

Social Security Act:

216(i)(1): Except for purposes of sections 202(d), 202(e), 202(f), 223, and 225, the term “disability” means (A) 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 has lasted or can be expected to last for a continuous period of not less than 12 months, or (B) blindness; and the term “blindness” means central visual acuity of 20/200 or less in the better eye with the use of a correcting lens. An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered for purposes of this paragraph as having a central visual acuity of 20/200 or less.

Section 1416 (excerpt):

SEC. 1614. [42 U.S.C. 1382c] (a)(1) For purposes of this title, the term “aged, blind, or disabled individual” means an individual who—

(A) is 65 years of age or older, is blind (as determined under paragraph (2)), or is disabled (as determined under paragraph (3)), and

(B)(i) is a resident of the United States, and is either (I) a citizen or (II) an alien lawfully admitted for permanent residence or otherwise permanently residing in the United States under color of law (including any alien who is lawfully present in the United States as a result of the application of the provisions of section 212(d)(5) of the Immigration and Nationality Act), or

(ii) is a child who is a citizen of the United States and, who is living with a parent of the child who is a member of the Armed Forces of the United States assigned to permanent duty ashore outside the United States.

(2) An individual shall be considered to be blind for purposes of this title if he has central visual acuity of 20/200 or less in the better eye with the use of a correcting lens. An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered for purposes of the first sentence of this subsection as having a central visual acuity of 20/200 or less. An individual shall also be considered to be blind for purposes of this title if he is blind as defined under a State plan approved under title X or XVI as in effect for October 1972 and received aid under such plan (on the basis of blindness) for December 1973, so long as he is continuously blind as so defined.

(3)(A) Except as provided in subparagraph (C), an individual shall be considered to be disabled for purposes of this title if he is unable 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 months.

EXHIBIT 11-3: PHA DETERMINATION OF EXEMPTION FOR COMMUNITY SERVICE

Family: _____

Adult family member: _____

This adult family member meets the requirements for being exempted from the PHA’s community service requirement for the following reason:

- 62 years of age or older (*Documentation of age in file*)
- Is a person with disabilities and self-certifies below that they are unable to comply with the community service requirement (*Documentation of HUD definition of disability in file*)

Tenant certification: I am a person with disabilities and am unable to comply with the community service requirement.

Signature of Family Member

Date

- Is the primary caretaker of such an individual in the above category (*Documentation in file*)
- Is engaged in work activities (*Verification in file*)
- Is able to meet requirements under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program (*Documentation in file*)
- Is a member of a family receiving assistance, benefits, or services under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program and the supplemental nutrition assistance program (SNAP), and has not been found by the state or other administering entity to be in noncompliance with such program (*Documentation in file*)

Signature of Family Member

Date

Signature of PHA Official

Date

EXHIBIT 11-4: CSSR WORK-OUT AGREEMENT

Date: _____

Noncompliant Adult: _____

Adult family member: _____

Community Service & Self-Sufficiency Requirement (CSSR):

Under Section 12 of the U.S. Housing Act, the _____ (insert name of PHA) is required to enforce the community service and self-sufficiency requirement (CSSR). Under the CSSR, each nonexempt adult family member residing in public housing must perform 8 hours per month of community service or self sufficiency activities.

Noncompliance: _____ (insert name of PHA) has found that the nonexempt individual named above is in noncompliance with the CSSR. This work-out agreement is the PHA’s written notification to you of this noncompliance.

Our records show that for the most recent lease term you were required to perform _____ hours of CSSR activities. However, there were _____ hours of verified CSSR activities. Therefore, you are in noncompliance for _____ hours.

_____ (insert name of PHA) will not renew the lease at the end of the current 12-month lease term unless the head of household and noncompliant adult sign a written work-out agreement with _____ (insert name of PHA) or the family provides written assurance that is satisfactory to _____ (insert name of PHA) explaining that the noncompliant adult no longer resides in the unit. The regulations require that the work-out agreement include the means through which a noncompliant family member will comply with the CSSR requirement. [24 CFR 960.607(c), Notice PIH 2015-12]. The terms of the CSSR work-out agreement are on the reverse side of this page.

Enforcement: Should a family member refuse to sign this CSSR work-out agreement, or fail to comply with the terms of this CSSR work-out agreement, or fail to provide satisfactory written assurance that the noncompliant adult no longer resides in the unit, _____ (insert name of PHA) is required to initiate termination of tenancy proceedings at the end of the current 12-month lease [24 CFR 966.53(c)].

Terms of CSSR Work-Out Agreement

Noncompliant Adult: _____

Please check one of the below boxes:

- I [head of household or spouse/cohead] certify that the noncompliant adult named above no longer resides in the unit. [Verification attached.]
- I, the noncompliant adult named above, agree to complete _____ hours in the upcoming 12-month lease term. These hours include the _____ hours not fulfilled in the most previous lease term, plus the 96 hours for the upcoming lease term.

Below is a description of means through which I will comply with the CSSR requirement:

	Description of Activity	Number of Hours
1.		
2.		
3.		
4.		
5.		
	Total Hours	

SIGNED AND ATTESTED THIS DATE

Signature: _____ Date: _____
 Head of Household

Signature: _____ Date: _____
 Noncompliant Adult, if other than Head of Household

Signature: _____ Date: _____
 PHA Official

Chapter 12

TRANSFER POLICY

INTRODUCTION

This chapter explains the PHA's transfer policy, based on HUD regulations, HUD guidance, and PHA policy decisions.

This chapter describes HUD regulations and PHA policies related to transfers in four parts:

Part I: Emergency Transfers. This part describes emergency transfers, emergency transfer procedures, and payment of transfer costs.

Part II: PHA Required Transfers. This part describes types of transfers that may be required by the PHA, notice requirements, and payment of transfer costs.

Part III: Transfers Requested by Residents. This part describes types of transfers that may be requested by residents, eligibility requirements, security deposits, payment of transfer costs, and handling of transfer requests.

Part IV: Transfer Processing. This part describes creating a waiting list, prioritizing transfer requests, the unit offer policy, examples of good cause, deconcentration, transferring to another development and reexamination.

The PHA may require the tenant to move from the unit under some circumstances. There are also emergency circumstances under which alternate accommodations for the tenant must be provided, that may or may not require a transfer.

The tenant may also request a transfer, such as a request for a new unit as a reasonable accommodation.

The PHA must have specific policies in place to deal with acceptable transfer requests.

PART I: EMERGENCY TRANSFERS

12-I.A. OVERVIEW

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

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

12-I.B. EMERGENCY TRANSFERS

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

VAWA requires the PHA to adopt an emergency transfer plan for victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking.

HACN Policy

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

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

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

The PHA will immediately process requests for transfers due to domestic violence, dating violence, sexual assault, stalking, or human trafficking. The PHA will allow a tenant to make an internal emergency transfer under VAWA when a safe unit is immediately available. The PHA defines *immediately available* as a vacant unit, that is ready for move-in within a reasonable period of time, not to exceed 10 business days. If an internal transfer to a safe unit is not immediately available, the PHA will assist the resident in seeking an external emergency transfer either within or outside the PHA's programs.

The PHA has adopted an emergency transfer plan, which is included as Exhibit 16-3 to this plan.

12-I.C. EMERGENCY TRANSFER PROCEDURES

HACN Policy

Any condition that would produce an emergency work order would qualify a family for an emergency transfer if the repairs cannot be made within 24 hours.

If the transfer is necessary because of maintenance conditions, and an appropriate unit is not immediately available, the PHA will provide temporary accommodations to the tenant by arranging for temporary lodging at a hotel or similar location. The family is entitled to alternative accommodations even if the tenant, household member, guest, or other covered person is responsible for the damage that caused the hazard or if a family is in the process of being evicted.

If the conditions that required the transfer cannot be repaired, or the condition cannot be repaired in a reasonable amount of time, the PHA will transfer the resident to the first available and appropriate unit after the temporary relocation.

Emergency transfers that arise due to maintenance conditions are mandatory for the tenant.

If the emergency transfer is necessary to protect a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking, the PHA will follow procedures outlined in Exhibit 16-4.

12-I.D. COSTS OF TRANSFER

HACN Policy

The PHA will bear the reasonable costs of temporarily accommodating the tenant and of long-term transfers, if any, due to emergency conditions.

The reasonable cost of transfers includes the cost of packing, moving, and unloading.

Rather than reimbursing the family for eligible, reasonable expenses related to the move, the PHA will either complete the move or make arrangements and pay for the move, if requested.

PART II: PHA REQUIRED TRANSFERS

12-II.A. OVERVIEW

HUD regulations regarding transfers are minimal, leaving it up to the PHA to develop reasonable transfer policies.

The PHA may require that a resident transfer to another unit under some circumstances. For example, the PHA may require a resident to transfer to make an accessible unit available to a disabled family. The PHA may also transfer a resident in order to maintain occupancy standards based on family composition. Finally, a PHA may transfer residents in order to demolish or renovate the unit.

A transfer that is required by the PHA is an adverse action, and is subject to the notice requirements for adverse actions [24 CFR 966.4(e)(8)(i)].

12-II.B. TYPES OF PHA REQUIRED TRANSFERS

HACN Policy

The types of transfers that may be required by the PHA, include, but are not limited to, transfers to make an accessible unit available for a disabled family, transfers to comply with occupancy standards, transfers for demolition, disposition, revitalization, or rehabilitation, and emergency transfers as discussed in Part I of this chapter.

Transfers required by the PHA are mandatory for the tenant. The family will be given 30 days to vacate the unit after receipt of written notice.

Transfers to Make an Accessible Unit Available

When a family is initially given an accessible unit, but does not require the accessible features, the PHA may require the family to agree to move to a non-accessible unit when it becomes available [24 CFR 8.27(b)].

HACN Policy

When a non-accessible unit becomes available, the PHA will transfer a family living in an accessible unit that does not require the accessible features, to an available unit that is not accessible. The PHA may wait until a disabled resident requires the accessible unit before transferring the family that does not require the accessible features out of the accessible unit.

Occupancy Standards Transfers

The PHA may require a resident to move when a reexamination indicates that there has been a change in family composition, and the family is either overcrowded or over-housed according to PHA policy [24 CFR 960.257(a)(4)]. On some occasions, the PHA may initially place a resident in an inappropriately sized unit at lease-up, where the family is over-housed, to prevent vacancies. The public housing lease must include the tenant's agreement to transfer to an appropriately sized unit based on family composition [24 CFR 966.4(c)(3)].

HACN Policy

The PHA will transfer a family when the family size has changed, and the family is now too large (overcrowded) or too small (over-housed) for the unit occupied.

For purposes of the transfer policy, overcrowded and over-housed are defined as follows:

Overcrowded: the number of household members exceeds the maximum number of persons allowed for the unit size in which the family resides, according to the chart in Section 5-I.B.

Over-housed: the family no longer qualifies for the bedroom size in which they are living based on the PHA's occupancy standards as described in Section 5-I.B.

The PHA may also transfer a family who was initially placed in a unit in which the family was over-housed to a unit of an appropriate size based on the PHA's occupancy standards, when the PHA determines there is a need for the transfer.

The PHA may elect not to transfer an over-housed family in order to prevent vacancies.

A family that is required to move because of family size will be advised by the PHA that a transfer is necessary and that the family has been placed on the transfer list.

Families that request and are granted an exception to the occupancy standards (for either a larger or smaller size unit) in accordance with the policies in Section 5-I.C. will only be required to transfer if it is necessary to comply with the approved exception.

Demolition, Disposition, Revitalizations, or Rehabilitation, Including Rental Assistance Demonstration (RAD) Conversions Transfers

These transfers permit the PHA to demolish, sell or do major capital or rehabilitation work at a building site [PH Occ GB, page 148].

HACN Policy

The PHA will relocate a family when the unit or site in which the family lives is undergoing major rehabilitation that requires the unit to be vacant, or the unit is being disposed of or demolished. The PHA's relocation plan may or may not require transferring affected families to other available public housing units.

If the relocation plan calls for transferring public housing families to other public housing units, affected families will be placed on the transfer list.

In cases of revitalization or rehabilitation, the family may be offered a temporary relocation if allowed under Relocation Act provisions, and may be allowed to return to their unit, depending on contractual and legal obligations, once revitalization or rehabilitation is complete.

12-II.C. ADVERSE ACTION [24 CFR 966.4(e)(8)(i)]

A PHA required transfer is an adverse action. As an adverse action, the transfer is subject to the requirements regarding notices of adverse actions. If the family requests a grievance hearing within the required timeframe, the PHA may not take action on the transfer until the conclusion of the grievance process.

12-II.D. COST OF TRANSFER

HACN Policy

The PHA will bear the reasonable costs of transfers that the PHA requires, except that residents will be required to bear the cost of occupancy standards transfers.

The reasonable costs of transfers include the cost of packing, moving, and unloading.

Rather than reimbursing the family for eligible, reasonable expenses related to the move, the PHA will either complete the move or make arrangements and pay for the move, if requested.

PART III: TRANSFERS REQUESTED BY TENANTS

12-III.A. OVERVIEW

HUD provides the PHA with discretion to consider transfer requests from tenants. The only requests that the PHA is required to consider are requests for reasonable accommodation. All other transfer requests are at the discretion of the PHA. To avoid administrative costs and burdens, this policy limits the types of requests that will be considered by the PHA.

Some transfers that are requested by tenants should be treated as higher priorities than others due to the more urgent need for the transfer.

12-III.B. TYPES OF RESIDENT REQUESTED TRANSFERS

HACN Policy

The types of requests for transfers that the PHA will consider are limited to requests for transfers to alleviate a serious or life-threatening medical condition, transfers due to a threat of physical harm or criminal activity, reasonable accommodation, transfers to a different unit size as long as the family qualifies for the unit according to the PHA's occupancy standards, and transfers to a location closer to employment. No other transfer requests will be considered by the PHA without just cause.

The PHA will consider the following as high priority transfer requests:

When a transfer is needed to alleviate verified medical problems of a serious or life-threatening nature

When there has been a verified threat of physical harm or criminal activity. Such circumstances may, at the PHA's discretion, include an assessment by law enforcement indicating that a family member is the actual or potential victim of a criminal attack, retaliation for testimony, or a hate crime.

When a family requests a transfer as a reasonable accommodation. Examples of a reasonable accommodation transfer include, but are not limited to, a transfer to a first-floor unit for a person with mobility impairment, or a transfer to a unit with accessible features

The PHA will consider the following as regular priority transfer requests:

When a family requests a larger bedroom size unit even though the family does not meet the PHA's definition of overcrowded, as long as the family meets the PHA's occupancy standards for the requested size unit

When the head of household or spouse is employed 25 miles or more from the public housing unit, has no reliable transportation, and public transportation is not adequate

Transfers requested by the tenant are considered optional for the tenant.

12-III.C. ELIGIBILITY FOR TRANSFER

Transferring residents do not have to meet the admission eligibility requirements pertaining to income or preference. However, the PHA may establish other standards for considering a transfer request [PH Occ GB, p. 150].

HACN Policy

Except where reasonable accommodation is being requested, the PHA will only consider transfer requests from residents that meet the following requirements:

Have not engaged in criminal activity that threatens the health and safety of residents and staff

Owe no back rent or other charges, or have a pattern of late payment

Have no housekeeping lease violations or history of damaging property

Can get utilities turned on in the name of the head of household (applicable only to properties with tenant-paid utilities)

A resident with housekeeping standards violations will not be transferred until the resident passes a follow-up housekeeping inspection.

Exceptions to the good record requirement may be made when it is to the PHA's advantage to make the transfer.

Exceptions will also be made when the PHA determines that a transfer is necessary to protect the health or safety of a resident who is a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking, and who provides documentation of abuse in accordance with section 16-VII.D of this ACOP. Tenants who are not in good standing may still request an emergency transfer under VAWA.

If a family requested to be placed on the waiting list for a unit size smaller than designated by the occupancy guidelines, the family will not be eligible to transfer to a larger size unit for a period of two years from the date of admission, unless they have a change in family size or composition, or it is needed as a reasonable accommodation.

12-III.D. SECURITY DEPOSITS

HACN Policy

When a family transfers from one unit to another, the PHA will transfer their security deposit to the new unit. The tenant will be billed for any maintenance or others charges due for the “old” unit.

12-III.E. COST OF TRANSFER

The PHA must pay moving expenses to transfer a resident with a disability to an accessible unit as an accommodation for the resident’s disability [Notice PIH 2010-26].

HACN Policy

The resident will bear all of the costs of transfer s/he requests. However, the PHA may bear the reasonable transfer costs on a case-by-case basis when the transfer is done as a reasonable accommodation, if requested. Approval of such requests will be at the sole discretion of the PHA.

12-III.F. HANDLING OF REQUESTS

HACN Policy

Residents requesting a transfer to another unit or development will be required to submit a written request for transfer.

In order to request the emergency transfer under VAWA, the resident will be required to submit an emergency transfer request form (HUD-5383) (Exhibit 16-4 of this ACOP). The PHA may, on a case-by-case basis, waive this requirement and accept a verbal request in order to expedite the transfer process. If the PHA accepts an individual's statement, the PHA will document acceptance of the statement in the individual's file in accordance with 16-VII.D. of this ACOP. Transfer requests under VAWA will be processed in accordance with the PHA's Emergency Transfer Plan (Exhibit 16-3). In case of a reasonable accommodation transfer, the PHA will encourage the resident to make the request in writing using a reasonable accommodation request form. However, the PHA will consider the transfer request any time the resident indicates that an accommodation is needed whether or not a formal written request is submitted.

The PHA will respond by approving the transfer and putting the family on the transfer list, by denying the transfer, or by requiring more information or documentation from the family, such as documentation of domestic violence, dating violence, sexual assault, stalking, or human trafficking in accordance with section 16-VII.D of this ACOP.

If the family does not meet the "good record" requirements under Section 12-III.C., the manager will address the problem and, until resolved, the request for transfer will be denied.

The PHA will respond within ten (10) business days of the submission of the family's request. If the PHA denies the request for transfer, the family will be informed of its grievance rights.

PART IV: TRANSFER PROCESSING

12-IV.A. OVERVIEW

Generally, families who request a transfer should be placed on a transfer list and processed in a consistent and appropriate order. The transfer process must be clearly auditable to ensure that residents do not experience inequitable treatment.

12-IV.B. TRANSFER LIST

HACN Policy

The PHA will maintain a centralized transfer list to ensure that transfers are processed in the correct order and that procedures are uniform across all properties.

Emergency transfers will be handled immediately, on a case by case basis. If the emergency cannot be resolved by a temporary accommodation, and the resident requires a permanent transfer, the family will be placed at the top of the transfer list.

Transfers will be processed in the following order:

1. Emergency transfers (hazardous maintenance conditions, VAWA)
2. High-priority transfers (verified medical condition, threat of harm or criminal activity, and reasonable accommodation)
3. Transfers to make accessible units available
4. Demolition, renovation, etc.
5. Occupancy standards
6. Other PHA-required transfers
7. Other tenant-requested transfers

Within each category, transfers will be processed in order of the date a family was placed on the transfer list, starting with the earliest date.

With the approval of the executive director, the PHA may, on a case-by-case basis, transfer a family without regard to its placement on the transfer list in order to address the immediate need of a family in crisis.

Demolition and renovation transfers will gain the highest priority as necessary to allow the PHA to meet the demolition or renovation schedule.

Transfers will take precedence over waiting list admissions.

12-IV.C. TRANSFER OFFER POLICY

HACN Policy

Residents will receive one offer of a transfer.

When the transfer is required by the PHA, the refusal of that offer without good cause will result in lease termination.

When the transfer has been requested by the resident, the refusal of that offer without good cause will result in the removal of the family from the transfer list. In such cases, the family must wait six months to reapply for another transfer.

12-IV.D. GOOD CAUSE FOR UNIT REFUSAL

HACN Policy

Examples of good cause for refusal of a unit offer include, but are not limited to, the following:

The family demonstrates to the PHA's satisfaction that accepting the unit offer will require an adult household member to quit a job, drop out of an educational institution or job training program, or take a child out of day care or an educational program for children with disabilities.

The family demonstrates to the PHA's satisfaction that accepting the offer will place a family member's life, health, or safety in jeopardy. The family should offer specific and compelling documentation such as restraining orders, other court orders, risk assessments related to witness protection from a law enforcement agency, or documentation of domestic violence, dating violence, stalking, or human trafficking in accordance with section 16-VII.D of this ACOP. Reasons offered must be specific to the family. Refusals due to location alone do not qualify for this good cause exemption.

A health professional verifies temporary hospitalization or recovery from illness of the principal household member, other household members (as listed on final application) or live-in aide necessary to the care of the principal household member.

The unit is inappropriate for the applicant's disabilities, or the family does not need the accessible features in the unit offered and does not want to be subject to a 30-day notice to move.

The unit has lead-based paint and the family includes children under the age of six.

The PHA may require documentation of good cause for unit refusals.

12-IV.E. DECONCENTRATION

HACN Policy

The PHA is not subject to deconcentration requirements.

12-IV.F. REEXAMINATION POLICIES FOR TRANSFERS

HACN Policy

The reexamination date will not be changed in the event of a transfer. The tenant's reexamination will continue to take place annually by date of admission into the program.

Chapter 13

LEASE TERMINATIONS

INTRODUCTION

Either party to the dwelling lease agreement may terminate the lease in accordance with the terms of the lease. A public housing lease is different from a private dwelling lease in that the family's rental assistance is tied to their tenancy. When the family moves from their public housing unit, they lose their rental assistance. Therefore, there are additional safeguards to protect the family's tenancy in public housing.

Likewise, there are safeguards to protect HUD's interest in the public housing program. The PHA has the authority to terminate the lease because of the family's failure to comply with HUD regulations, for serious or repeated violations of the terms of the lease, and for other good cause. HUD regulations also specify when termination of the lease is mandatory by the PHA.

When determining PHA policy on terminations of the lease, the PHA must consider state and local landlord-tenant laws in the area where the PHA is located. Such laws vary from one location to another, and these variances may be either more or less restrictive than federal law or HUD regulation.

This chapter presents the policies that govern voluntary termination of the lease by the family and the mandatory and voluntary termination of the lease by the PHA. It is presented in four parts:

Part I: Termination by Tenant. This part discusses the PHA requirements for voluntary termination of the lease by the family.

Part II: Termination by PHA - Mandatory. This part describes circumstances when termination of the lease by the PHA is mandatory. This part also explains nonrenewal of the lease for noncompliance with community service requirements and families that have been over the income limit for 24 consecutive months.

Part III: Termination by PHA – Other Authorized Reasons. This part describes the PHA's options for lease termination that are not mandated by HUD regulation but for which HUD authorizes PHAs to terminate. For some of these options HUD requires the PHA to establish policies and lease provisions for termination, but termination is not mandatory. For other options the PHA has full discretion whether to consider the options as just cause to terminate as long as the PHA policies are reasonable, nondiscriminatory, and do not violate state or local landlord-tenant law. This part also discusses the alternatives that the PHA may consider in lieu of termination, and the criteria the PHA will use when deciding what actions to take.

Part IV: Notification Requirements. This part presents the federal requirements for disclosure of criminal records to the family prior to termination, the HUD requirements and PHA policies regarding the timing and content of written notices for lease termination and eviction, and notification of the post office when eviction is due to criminal activity. This part also discusses record keeping related to lease termination.

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PART I: TERMINATION BY TENANT

13-I.A. TENANT CHOOSES TO TERMINATE THE LEASE [24 CFR 966.4(k)(1)(ii) and 24 CFR 966.4(l)(1)]

The family may terminate the lease at any time, for any reason, by following the notification procedures as outlined in the lease. Such notice must be in writing and delivered to the property site office or the PHA central office or sent by pre-paid first-class mail, properly addressed.

HACN Policy

If a family desires to move and terminate their tenancy with the PHA, they must give at least 30 calendar days advance written notice to the PHA of their intent to vacate. When a family must give less than 30 days' notice due to circumstances beyond their control the PHA, at its discretion, may waive the 30-day requirement.

The notice of lease termination must be signed by the head of household, spouse, or cohead.

PART II: TERMINATION BY PHA – MANDATORY

13-II.A. OVERVIEW

HUD requires mandatory termination of the lease for certain actions or inactions of the family. There are other actions or inactions of the family that constitute *grounds* for lease termination, but the lease termination is not mandatory. The PHA must establish policies for termination of the lease in these cases where termination is optional for the PHA.

For those tenant actions or failures to act where HUD requires termination, the PHA has no such option. In those cases, the family's lease must be terminated. This part describes situations in which HUD requires the PHA to terminate the lease.

13-II.B. FAILURE TO PROVIDE CONSENT [24 CFR 960.259(a) and (b)]

The PHA must terminate the lease if any family member fails to sign and submit any consent form s/he is required to sign for any reexamination. See Chapter 7 for a complete discussion of consent requirements.

13-II.C. FAILURE TO DOCUMENT CITIZENSHIP [24 CFR 5.514(c) and (d) and 24 CFR 960.259(a)]

The PHA must terminate the lease if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status; (2) a family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family, resulting in no eligible family members; or (3) a family member, as determined by the PHA, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit. For (3), such termination must be for a period of at least 24 months. This does not apply to ineligible noncitizens already in the household where the family's assistance has been prorated.

See Chapter 7 for a complete discussion of documentation requirements.

13-II.D. FAILURE TO DISCLOSE AND DOCUMENT SOCIAL SECURITY NUMBERS [24 CFR 5.218(c), 24 CFR 960.259(a)(3), Notice PIH 2018-24]

The PHA must terminate assistance if a participant family fails to disclose the complete and accurate social security numbers of each household member and the documentation necessary to verify each social security number.

However, if the family is otherwise eligible for continued program assistance, and the PHA determines that the family's failure to meet the SSN disclosure and documentation requirements was due to circumstances that could not have been foreseen and were outside of the family's control, the PHA may defer the family's termination and provide the opportunity to comply with the requirement within a period not to exceed 90 calendar days from the date the PHA determined the family to be noncompliant.

HACN Policy

The PHA will defer the family's termination and provide the family with the opportunity to comply with the requirement for a period of 90 calendar days for circumstances beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency, if there is a reasonable likelihood that the participant will be able to disclose an SSN by the deadline.

See Chapter 7 for a complete discussion of documentation and certification requirements.

13-II.E. FAILURE TO ACCEPT THE PHA'S OFFER OF A LEASE REVISION [24 CFR 966.4(l)(2)(ii)(E)]

The PHA must terminate the lease if the family fails to accept the PHA's offer of a lease revision to an existing lease, provided the PHA has done the following:

- The revision is on a form adopted by the PHA in accordance with 24 CFR 966.3 pertaining to requirements for notice to tenants and resident organizations and their opportunity to present comments.
- The PHA has made written notice of the offer of the revision at least 60 calendar days before the lease revision is scheduled to take effect.
- The PHA has specified in the offer a reasonable time limit within that period for acceptance by the family.

See Chapter 8 for information pertaining to PHA policies for offering lease revisions.

13-II.F. METHAMPHETAMINE CONVICTION [24 CFR 966.4(l)(5)(i)(A)]

The PHA must immediately terminate the lease if the PHA determines that any household member has ever been convicted of the manufacture or production of methamphetamine on the premises of federally assisted housing.

See Part 13-III.B. below for the HUD definition of *premises*.

13-II.G. LIFETIME REGISTERED SEX OFFENDERS [Notice PIH 2012-28]

Should a PHA discover that a member of an assisted household was subject to a lifetime registration requirement at admission and was erroneously admitted after June 25, 2001, the PHA must immediately terminate assistance for the household member.

In this situation, the PHA must offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, the PHA must terminate assistance for the household.

13-II.H. NONCOMPLIANCE WITH COMMUNITY SERVICE REQUIREMENTS [24 CFR 966.4(l)(2)(ii)(D), 24 CFR 960.603(b) and 24 CFR 960.607(b)(2)(ii) and (c)]

The PHA is prohibited from renewing the lease at the end of the 12-month lease term when the family fails to comply with the community service requirements as described in Chapter 11.

13-II.I. DEATH OF A SOLE FAMILY MEMBER [Notice PIH 2012-4]

The PHA must immediately terminate the lease following the death of the sole family member.

13-II.J. OVER_INCOME FAMILIES [24 CFR 960.507; FR Notice 7/26/18; Notice PIH 2023-03; FR Notice 2/14/23]

In the public housing program, an *over-income family* is defined as a family whose income exceeds the over-income limit for 24 consecutive months. When this occurs, the PHA must either:

- Terminate the family’s tenancy within six months of the PHA’s final notification of the end of the 24-month grace period; or
- Within 60 days of the PHA’s final notification of the end of the 24-month grace period or the next lease renewal (whichever is sooner), have the family execute a new lease that is consistent with 24 CFR 960.509 and charge the family a monthly rent that is the higher of the applicable fair market rent (FMR) or the amount of monthly subsidy for the unit, including amounts from the operating and capital funds.

However, a PHA that owns or operates fewer than 250 public housing units may continue to lease public housing units to families whose incomes exceed the low-income limit at initial occupancy in accordance with 24 CFR 960.503. Otherwise, the PHA must establish a continued occupancy policy for over-income families in the ACOP indicating which of the above will occur.

HACN Policy

For families whose income exceeds the over-income limit for 24 consecutive months, the PHA will terminate the family’s tenancy no more than six months after the final notification of the family’s over income status in accordance with the continued occupancy policies below.

Over-Income Limit [Notice PIH 2023-03]

The PHA must publish over-income limits in their ACOP and update them no later than 60 days after HUD publishes new income limits each year. The over-income limit is calculated by multiplying the very low-income limit (VLI) by 2.4, as adjusted for family size.

HACN Policy

The PHA will rely on the following over-income limits. These numbers will be updated within 60 days of HUD publishing new income limits each year and will be effective for all annual and interim reexaminations once these policies have been adopted.

Family Size	1	2	3	4	5	6	7	8
Over-Income Limit								

For families larger than eight persons, the over-income limit will be calculated by multiplying the applicable very low-income limit by 2.4.

Decreases in Income [24 CFR 960.507(c)(4)]

If, at any time during the consecutive 24-month period following the initial over-income determination, the PHA determines that the family's income is below the over-income limit, the PHA's over-income policies no longer apply to the family. If the PHA later determines that the family's income exceeds the over-income limit at a subsequent annual or interim reexamination, the family is entitled to a new 24 consecutive month period and new notices under this section.

HACN Policy

If, at any time during the 24-month period following the initial over-income determination, an over-income family experiences a decrease in income, the family may request an interim redetermination of rent in accordance with PHA policy in Chapter 9.

If, as a result, the previously over-income family is now below the over-income limit, the family is no longer subject to over-income provisions as of the effective date of the recertification. The PHA will notify the family in writing within 10 business days of the determination that over-income policies no longer apply to them.

Initial Notice of Over-Income Status [24 CFR 960.507(c)(1); Notice PIH 2023-03]

If the PHA determines the family has exceeded the over-income limit during an annual or interim reexamination, the PHA must provide written notice to the family of the over-income determination no later than 30 days after the income examination. The notice must state that the family has exceeded the over-income limit and continuing to do so for a total of 24 consecutive months will result in the PHA following its continued occupancy policy for over-income families. The PHA must afford the family an opportunity for a hearing if the family disputes within a reasonable time the PHA's determination that the family has exceeded the over-income limit. Exhibits 13-1 and 13-2 provide sample initial notices based on HUD's model notices.

HACN Policy

At annual or interim reexamination, if a family's income exceeds the applicable over-income limit, within 10 business days of the determination, the PHA will notify the family in writing of the determination. The notice will state that if the family continues to be over-income for 24 consecutive months, the family will be subject to the PHA's over-income policies. The notice will state that the family may request a hearing if the family disputes the PHA's determination in accordance with PHA policies in Chapter 14. The PHA will ensure that all notices and communications are provided in a manner that is effective for persons with hearing, visual, and other impairments.

Second Notice of Over-Income Status [24 CFR 960.507(c)(2); Notice PIH 2023-03; Notice PIH 2023-27]

The PHA must conduct an income examination 12 months after the initial over-income determination, even if the family is paying flat rent, unless the PHA determined the family's income fell below the over-income limit since the initial over-income determination. This includes when the PHA makes an initial determination that a family is over-income during an interim reexamination. In this case the PHA must conduct a second interim reexamination 12 months after the over-income determination, unless the family's income falls below the over-income limit during the 24-month period. See Chapter 9 for PHA policies on interims for over-income families.

If the PHA determines the family continues to exceed the over-income limit for 12 consecutive months, the PHA must provide written notification of this 12-month over-income determination no later than 30 days after the income examination. The notice must state that the family has exceeded the over-income limit for 12 consecutive months and continuing to do so for a total of 24 consecutive months will result in the PHA following its continued occupancy policy for over-income families. Additionally, if applicable under PHA policy, the notice must include an estimate (based on current data) of the alternative non-public housing rent for the family's unit. The PHA must afford the family an opportunity for a hearing if the family disputes within a reasonable time the PHA's determination that the family has exceeded the over-income limit. Exhibits 13-3 and 13-4 provide sample 12-month notices based on HUD's model notices.

HACN Policy

If a family's income continues to exceed the applicable over-income limit after 12 consecutive months, within 10 business days of the determination, the PHA will notify the family in writing of the determination. The notice will state that if the family continues to be over-income for 24 consecutive months, the family will be subject to the PHA's over-income policies. The notice will also state that the family may request a hearing if the family disputes the PHA's determination in accordance with PHA policies in Chapter 14. The PHA will ensure that all notices and communications are provided in a manner that is effective for persons with hearing, visual, and other impairments.

**Final Notice of Over-Income Status [24 CFR 960.507(c)(3) and 960.509;
Notice PIH 2023-03; Notice PIH 2023-27]**

Unless the PHA determined the family's income fell below the over-income limit since the second over-income determination, the PHA must conduct an income examination 24 months after the initial over income determination, even if the family is paying flat rent. When a PHA makes an initial determination that a family is over-income during an interim reexamination, the PHA must conduct an interim reexamination 12 months after the over-income determination, and then again 12 months after the second over-income determination, unless the family's income falls below the over-income limit during the 24-month period.

If the family continues to be over-income based on this determination, the PHA must provide written notification of this determination no later than 30 days after the income examination. The notice must state that the family has exceeded the over-income limit for 24 consecutive months and that the PHA will follow its continued occupancy policies for over-income families. The PHA must afford the family an opportunity for a hearing if the family disputes within a reasonable time the PHA's determination that the family has exceeded the over-income limit. Exhibits 13-5 and 13-6 provide sample 24-month notices based on HUD's model notices.

HACN Policy

For families whose income exceeds the over-income limit for 24 consecutive months, the PHA will terminate the tenancy of the family no more than six months after the final notification of the family's over-income status.

During the period before termination, the over-income family will continue to be a public housing program participant until their tenancy is terminated. The PHA will continue to charge the family rent in accordance with public housing regulations, will offer the family the choice between income-based and flat rent as required by the regulations, and will prorate rent for mixed families.

When an over income family is facing termination after exceeding the grace period of six months, the family may request an interim reexamination, but a decrease in income and the family's rent will not reset the period before termination or enable the family to avoid termination.

The PHA will give appropriate notice of lease tenancy termination (notice to vacate) in accordance with state and local laws.

The non-public housing over-income (NPHOI) lease will contain all required provisions listed at 24 CFR 960.509. The initial term of the lease will be for one year. Upon expiration of the initial lease term, the lease will not renew automatically, and subsequent leases will state renewal terms. At any time, the PHA may terminate tenancy in accordance with 24 CFR 960.509(b)(11) and in accordance with state and local law.

Upon execution of the lease, the tenant will be required pay the amount of monthly tenant rent (known as the alternative non-public housing rent) determined by the PHA in accordance with HUD regulations. The PHA will comply with state and local law in giving the tenant written notice stating any changes in the amount of tenant rent. Charges assessed under the lease will be due in accordance with state and local law.

If an NPHOI family subsequently experiences a decrease in income after signing the NPHOI lease, the family may only be readmitted to the public housing program if they once again become an eligible low-income family and reapply to the public housing program.

PART III: TERMINATION BY PHA – OTHER AUTHORIZED REASONS

13-III.A. OVERVIEW

Besides requiring PHAs to terminate the lease under the circumstances described in Part II, HUD requires the PHA to establish provisions in the lease for termination pertaining to certain criminal activity, alcohol abuse, and certain household obligations stated in the regulations. While these provisions for lease termination must be in the lease agreement, HUD does not require PHAs to terminate for such violations in all cases. The PHA has the discretion to consider circumstances surrounding the violation or, in applicable situations, whether the offending household member has entered or completed rehabilitation, and the PHA may, as an alternative to termination, require the exclusion of the culpable household member. The PHA must adopt policies concerning the use of these options.

In addition, HUD authorizes PHAs to terminate the lease for other grounds, but for only those grounds that constitute serious or repeated violations of material terms of the lease or for other good cause. The PHA must develop policies pertaining to what constitutes serious or repeated lease violations, and other good cause, based upon the content of the PHA lease. In the development of the terms of the lease, the PHA must consider the limitations imposed by state and local landlord-tenant law, as well as HUD regulations and federal statutes. Because of variations in state and local landlord-tenant law, and because HUD affords PHAs wide discretion in some areas, a broad range of policies could be acceptable.

The PHA also has the option to terminate the tenancies of certain over-income families.

The PHA may consider alternatives to termination and must establish policies describing the criteria the PHA will use when deciding what action to take, the types of evidence that will be acceptable, and the steps the PHA must take when terminating a family's lease.

13-III.B. MANDATORY LEASE PROVISIONS [24 CFR 966.4(l)(5)]

This section addresses provisions for lease termination that must be included in the lease agreement according to HUD regulations. Although the provisions are required, HUD does not require PHAs to terminate for such violations in all cases, therefore PHA policies are needed.

***Definitions* [24 CFR 5.100]**

The following definitions will be used for this and other parts of this chapter:

Affiliated individual is defined in section 16-VII.B.

Covered person means a tenant, any member of the tenant's household, a guest, or another person under the tenant's control.

Dating violence is defined in section 16-VII.B.

Domestic violence is defined in section 16-VII.B.

Drug means a controlled substance as defined in section 102 of the Controlled Substances Act [21 U.S.C. 802].

Drug-related criminal activity means the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with the intent to manufacture, sell, distribute, or use the drug.

Guest means a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant.

Household means the family and PHA-approved live-in aide. The term household also includes foster children and/or foster adults that have been approved to reside in the unit [HUD-50058, Instruction Booklet, p. 65].

Other person under the tenant's control means that the person, although not staying as a guest in the unit, is, or was at the time of the activity in question, on the premises because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not *under the tenant's control*.

Premises means the building or complex or development in which the public or assisted housing dwelling unit is located, including common areas and grounds.

Sexual assault is defined in section 16-VII.B.

Stalking is defined in section 16-VII.B.

Violent criminal activity means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

Drug Crime On or Off the Premises [24 CFR 966.4(l)(5)(i)(B)]

The lease must provide that drug-related criminal activity engaged in on or off the premises by the tenant, member of the tenant's household or guest, or any such activity engaged in on the premises by any other person under the tenant's control is grounds for termination.

HACN Policy

The PHA will terminate the lease for drug-related criminal activity engaged in on or off the premises by any tenant, member of the tenant's household or guest, and any such activity engaged in on the premises by any other person under the tenant's control.

The PHA will consider all credible evidence, including but not limited to, any record of arrests or convictions of covered persons related to the drug-related criminal activity.

A record or records of arrest will not be used as the sole basis for the termination or proof that the participant engaged in disqualifying criminal activity.

In making its decision to terminate the lease, the PHA will consider alternatives as described in Section 13-III.D and other factors as described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate the lease.

Illegal Use of a Drug [24 CFR 966.4(l)(5)(i)(B)]

The lease must provide that a PHA may evict a family when the PHA determines that a household member is illegally using a drug or that a pattern of illegal use of a drug interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

HACN Policy

The PHA will terminate the lease when the PHA determines that a household member is illegally using a drug or the PHA determines that a pattern of illegal use of a drug interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

A pattern of illegal drug use means more than one incident of any use of illegal drugs during the previous three months.

The PHA will consider all credible evidence, including but not limited to, any record of arrests or convictions of household members related to the use of illegal drugs.

A record or records of arrest will not be used as the sole basis for the termination or proof that the participant engaged in disqualifying criminal activity.

In making its decision to terminate the lease, the PHA will consider alternatives as described in Section 13-III.D and other factors as described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate the lease.

Threat to Other Residents [24 CFR 966.4(l)(5)(ii)(A)]

The lease must provide that any criminal activity by a covered person that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents (including PHA management staff residing on the premises) or by persons residing in the immediate vicinity of the premises is grounds for termination of tenancy.

HACN Policy

The may will terminate the lease when a covered person engages in any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents (including PHA management staff residing on the premises) or by persons residing in the immediate vicinity of the premises.

Immediate vicinity means within a three-block radius of the premises.

The PHA will consider all credible evidence, including but not limited to, any record of arrests or convictions of covered persons related to the criminal activity.

A record or records of arrest will not be used as the sole basis for the termination or proof that the participant engaged in disqualifying criminal activity.

In making its decision to terminate the lease, the PHA will consider alternatives as described in Section 13-III.D and other factors as described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate the lease.

Alcohol Abuse [24 CFR 966.4(l)(5)(vi)(A)]

PHAs must establish standards that allow termination of tenancy if the PHA determines that a household member has engaged in abuse or pattern of abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

HACN Policy

The PHA may terminate the lease if the PHA determines that a household member has engaged in abuse or a pattern of abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

A pattern of such alcohol abuse means more than one incident of any such abuse of alcohol during the previous three months.

The PHA will consider all credible evidence, including but not limited to, any record of arrests or convictions of household members related to the abuse of alcohol.

A record or records of arrest will not be used as the sole basis for the termination or proof that the participant engaged in disqualifying criminal activity.

In making its decision to terminate the lease, the PHA will consider alternatives as described in Section 13-III.D and other factors as described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate the lease.

Furnishing False or Misleading Information Concerning Illegal Drug Use or Alcohol Abuse or Rehabilitation [24 CFR 966.4(l)(5)(vi)(B)]

PHAs must establish standards that allow termination of tenancy if the PHA determines that a household member has furnished false or misleading information concerning illegal drug use, alcohol abuse, or rehabilitation of illegal drug users or alcohol abusers.

HACN Policy

The PHA may terminate the lease if the PHA determines that a household member has furnished false or misleading information concerning illegal drug use, alcohol abuse, or rehabilitation of illegal drug users or alcohol abusers.

The PHA will consider all credible evidence, including but not limited to, any record of arrests or convictions of household members related to the use of illegal drugs or the abuse of alcohol, and any records or other documentation (or lack of records or documentation) supporting claims of rehabilitation of illegal drug users or alcohol abusers.

In making its decision to terminate the lease, the PHA will consider alternatives as described in Section 13-III.D and other factors as described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate the lease.

Other Serious or Repeated Violations of Material Terms of the Lease – Mandatory Lease Provisions [24 CFR 966.4(l)(2)(i) and 24 CFR 966.4(f)]

HUD regulations require certain tenant obligations to be incorporated into the lease. Violations of such regulatory obligations are considered to be serious or repeated violations of the lease and grounds for termination. Incidents of actual or threatened domestic violence, dating violence, sexual assault, stalking, or human trafficking may not be construed as serious or repeated violations of the lease by the victim or threatened victim [24 CFR 5.2005(c)(1)].

HACN Policy

The PHA may terminate the lease for the following violations of tenant obligations under the lease:

Failure to make payments due under the lease, including nonpayment of rent (see Chapter 8 for details pertaining to lease requirements for payments due);

Repeated late payment of rent or other charges. Four late payments within a 12-month period shall constitute a repeated late payment.

Failure to fulfill the following household obligations:

Not to assign the lease or to sublease the dwelling unit. Subleasing includes receiving payment to cover rent and utility costs by a person living in the unit who is not listed as a family member.

Not to provide accommodations for boarders or lodgers

To use the dwelling unit solely as a private dwelling for the tenant and the tenant's household as identified in the lease, and not to use or permit its use for any other purpose

To abide by necessary and reasonable regulations promulgated by the PHA for the benefit and well-being of the housing project and the tenants which shall be posted in the project office and incorporated by reference in the lease

To comply with all obligations imposed upon tenants by applicable provisions of building and housing codes materially affecting health and safety

To keep the dwelling unit and such other areas as may be assigned to the tenant for the tenant's exclusive use in a clean and safe condition

To dispose of all ashes, garbage, rubbish, and other waste from the dwelling unit in a sanitary and safe manner

To use only in a reasonable manner all electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other facilities and appurtenances including elevators

To refrain from, and to cause the household and guests to refrain from destroying, defacing, damaging, or removing any part of the dwelling unit or project

To pay reasonable charges (other than for normal wear and tear) for the repair of damages to the dwelling unit, or to the project (including damages to project buildings, facilities or common areas) caused by the tenant, a member of the household or a guest

To act, and cause household members or guests to act, in a manner which will not disturb other residents' peaceful enjoyment of their accommodations and will be conducive to maintaining the project in a decent, safe and sanitary condition

In making its decision to terminate the lease, the PHA may consider alternatives as described in Section 13-III.D and other factors as described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate the lease.

13-III.C. OTHER AUTHORIZED REASONS FOR TERMINATION [24 CFR 966.4(l)(2) and (5)(ii)(B)]

HUD authorizes PHAs to terminate the lease for reasons other than those described in the previous sections. These reasons are referred to as “other good cause.”

Other Good Cause [24 CFR 966.4(l)(2)(ii)(B) and (C)]

HUD regulations state that the PHA may terminate tenancy for other good cause. The regulations provide a few examples of other good cause, but do not limit the PHA to only those examples. The Violence against Women Act prohibits PHAs from considering incidents of actual or threatened domestic violence, dating violence, sexual assault, stalking, or human trafficking as “other good cause” for terminating the assistance, tenancy, or occupancy rights of the victim or threatened victim of such violence [see 24 CFR 5.2005(c)(1)].

HACN Policy

The PHA may terminate the lease for the following reasons.

Fugitive Felon or Parole Violator. If a tenant is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor; or violating a condition of probation or parole imposed under federal or state law.

Persons subject to sex offender registration requirement. If any member of the household has, during their current public housing tenancy, become subject to a registration requirement under a state sex offender registration program.

Discovery of facts after admission to the program that would have made the tenant ineligible

Discovery of material false statements or fraud by the tenant in connection with an application for assistance or with a reexamination of income

Failure to furnish such information and certifications regarding family composition and income as may be necessary for the PHA to make determinations with respect to rent, eligibility, and the appropriateness of the dwelling unit size

Failure to transfer to an appropriate size dwelling unit based on family composition, upon appropriate notice by the PHA that such a dwelling unit is available

Failure to permit access to the unit by the PHA after proper advance notification for the purpose of performing routine inspections and maintenance, for making improvements or repairs, or to show the dwelling unit for re-leasing, or without advance notice if there is reasonable cause to believe that an emergency exists

Failure to promptly inform the PHA of the birth, adoption or court-awarded custody of a child. In such a case, promptly means within 10 business days of the event.

Failure to abide by the provisions of the PHA pet policy

If the family has breached the terms of a repayment agreement entered into with the PHA

If a family member has violated federal, state, or local law that imposes obligations in connection with the occupancy or use of the premises.

If a household member has engaged in or threatened violent or abusive behavior toward PHA personnel.

Abusive or violent behavior towards PHA personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.

Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

In making its decision to terminate the lease, the PHA will consider alternatives as described in Section 13-III.D and other factors described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate the lease.

Family Absence from Unit [24 CFR 982.551(i)]

It is reasonable that the family may be absent from the public housing unit for brief periods. However, the PHA needs a policy on how long the family may be absent from the unit. Absence in this context means that no member of the family is residing in the unit.

HACN Policy

The family must supply any information or certification requested by the PHA to verify that the family is living in the unit, or relating to family absence from the unit, including any PHA-requested information or certification on the purposes of family absences. The family must cooperate with the PHA for this purpose.

The family must promptly notify the PHA when all family members will be absent from the unit for an extended period. An extended period is defined as any period greater than 30 calendar days. In such a case promptly means within 10 business days of the start of the extended absence.

If a family is absent from the public housing unit for more than 180 consecutive days, and the family does not adequately verify that they are living in the unit, the PHA will terminate the lease for other good cause.

Abandonment of the unit. If the family appears to have vacated the unit without giving proper notice, the PHA will follow state and local landlord-tenant law pertaining to abandonment before taking possession of the unit. If necessary, the PHA will secure the unit immediately to prevent vandalism and other criminal activity.

13-III.D. ALTERNATIVES TO TERMINATION OF TENANCY

Exclusion of Culpable Household Member [24 CFR 966.4(l)(5)(vii)(C)]

As an alternative to termination of the lease for criminal activity or alcohol abuse HUD provides that the PHA may consider exclusion of the culpable household member. Such an alternative can be used for any other reason where such a solution appears viable in accordance with PHA policy.

Additionally, under the Violence against Women Act, the PHA may bifurcate a lease in order to terminate the tenancy of an individual who is a tenant or lawful occupant of a unit and engages in criminal activity directly related to domestic violence, dating violence, sexual assault, stalking, or human trafficking.

HACN Policy

The PHA may consider requiring the tenant to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

As a condition of the family's continued occupancy, the head of household must certify that the culpable household member has vacated the unit and will not be permitted to visit or to stay as a guest in the assisted unit. The family must present evidence of the former household member's current address upon PHA request.

Repayment of Family Debts

HACN Policy

If a family owes amounts to the PHA, as a condition of continued occupancy, the PHA will require the family to repay the full amount or to enter into a repayment agreement, within 30 days of receiving notice from the PHA of the amount owed. See Chapter 16 for policies on repayment agreements.

13-III.E. CRITERIA FOR DECIDING TO TERMINATE TENANCY

A PHA that has grounds to terminate a tenancy is not required to do so, except as explained in Part II of this chapter, and may consider all of the circumstances relevant to a particular case before making a decision.

Evidence [24 CFR 982.553(c)]

For criminal activity, HUD permits the PHA to terminate the lease if a *preponderance of the evidence* indicates that a household member has engaged in the activity, regardless of whether the household member has been arrested or convicted, and without satisfying the standard of proof used for a criminal conviction.

HACN Policy

The PHA will use the preponderance of the evidence as the standard for making all termination decisions.

Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not.

Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Consideration of Circumstances [24 CFR 966.4(l)(5)(vii)(B)]

Although it is required that certain lease provisions exist for criminal activity and alcohol abuse, HUD provides that the PHA may consider all circumstances relevant to a particular case in order to determine whether or not to terminate the lease.

Such relevant circumstances can also be considered when terminating the lease for any other reason.

HACN Policy

The PHA will consider the following facts and circumstances before deciding whether to terminate the lease for any of the HUD required lease provisions or for any other reasons:

The seriousness of the offending action, especially with respect to how it would affect other residents' safety or property

The extent of participation or culpability of the leaseholder, or other household members, in the offending action, including whether the culpable member is a minor, a person with disabilities, or (as discussed further in section 13-III.F) a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking

The effects that the eviction will have on other family members who were not involved in the action or failure to act

The effect on the community of the termination, or of the PHA's failure to terminate the tenancy

The effect of the PHA's decision on the integrity of the public housing program

The demand for housing by eligible families who will adhere to lease responsibilities

The extent to which the leaseholder has shown personal responsibility and whether they have taken all reasonable steps to prevent or mitigate the offending action

The length of time since the violation occurred, including the age of the individual at the time of the conduct, as well as the family's recent history, and the likelihood of favorable conduct in the future

While a record or records of arrest will not be used as the sole basis for termination, an arrest may, however, trigger an investigation to determine whether the participant actually engaged in disqualifying criminal activity. As part of its investigation, the PHA may obtain the police report associated with the arrest and consider the reported circumstances of the arrest. The PHA may also consider:

Any statements made by witnesses or the participant not included in the police report

Whether criminal charges were filed

Whether, if filed, criminal charges were abandoned, dismissed, not prosecuted, or ultimately resulted in an acquittal

Any other evidence relevant to determining whether or not the participant engaged in disqualifying activity

Evidence of criminal conduct will be considered if it indicates a demonstrable risk to safety and/or property.

In the case of program abuse, the dollar amount of the underpaid rent and whether or not a false certification was signed by the family

Consideration of Rehabilitation [24 CFR 966.4(l)(5)(vii)(D)]

HUD authorizes PHAs to take into consideration whether a household member who had used illegal drugs or abused alcohol and is no longer engaging in such use or abuse is participating in or has successfully completed a supervised drug or alcohol rehabilitation program.

HACN Policy

In determining whether to terminate the lease for illegal drug use or a pattern of illegal drug use, or for abuse or a pattern of abuse of alcohol, by a household member who is no longer engaging in such use or abuse, the PHA will consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully.

For this purpose the PHA will require the tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

Reasonable Accommodation [24 CFR 966.7]

If the family includes a person with disabilities, the PHA's decision to terminate the family's lease is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

HACN Policy

If a family indicates that the behavior of a family member with a disability is the reason for a proposed termination of lease, the PHA will determine whether the behavior is related to the disability. If so, upon the family's written request, the PHA will determine whether alternative measures are appropriate as a reasonable accommodation, at the discretion of the PHA. The PHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed lease termination. See Chapter 2 for a discussion of reasonable accommodation.

Nondiscrimination Limitation [24 CFR 966.4(l)(5)(vii)(F)]

The PHA's eviction actions must be consistent with fair housing and equal opportunity provisions of 24 CFR 5.105.

13-III.F. TERMINATIONS RELATED TO DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, STALKING, OR HUMAN TRAFFICKING

This section addresses the protections against termination of tenancy that the Violence against Women Act (VAWA) provides for public housing residents who are victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking. For general VAWA requirements and PHA policies pertaining to notification, documentation, and confidentiality, see section 16-VII of this ACOP, where definitions of key VAWA terms are also located.

VAWA Protections against Termination [24 CFR 5.2005(c)]

VAWA provides that no person may deny assistance, tenancy, or occupancy rights to public housing to a tenant on the basis or as a direct result of criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking that is engaged in by a member of the household of the tenant or any guest or other person under the control of the tenant, if the tenant or affiliated individual is the victim or threatened victim of such domestic violence, dating violence, sexual assault, or stalking [FR Notice 8/6/13].

VAWA further provides that incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking may not be construed either as serious or repeated violations of the lease by the victim or threatened victim of such violence or as good cause for terminating the tenancy or occupancy rights of the victim of such violence [24 CFR 5.2005(c)(1), FR Notice 8/6/13]

- Although the VAWA 2022 statute does not specifically include human trafficking in the list of victims protected under VAWA, in 2022 HUD began including human trafficking as part of the list of victims protected under VAWA (as seen in Notices PIH 2022-06, PIH 2022-22, and PIH 2022-24). In the absence of a final rule implementing VAWA 2022 and to mirror HUD's recent usage, this policy includes human trafficking in addition to domestic violence, dating violence, sexual assault, and stalking anywhere such a list appears.

PHAs and owners may not coerce, intimidate, threaten, interfere with, or retaliate against any person who exercises or assists or encourages a person to exercise any rights or protections under VAWA [FR Notice 1/4/23].

Limits on VAWA Protections [24 CFR 5.2005(d) and (e), FR Notice 8/6/13]

While VAWA prohibits a PHA from using domestic violence, dating violence, sexual assault, stalking, or human trafficking as the cause for a termination or eviction action against a public housing tenant who is the victim of the abuse, the protections it provides are not absolute.

Specifically:

- VAWA does not limit a PHA's otherwise available authority to terminate assistance to or evict a victim for lease violations not premised on an act of domestic violence, dating violence, sexual assault, stalking, or human trafficking providing that the PHA does not subject the victim to a more demanding standard than the standard to which it holds other tenants.
- VAWA does not limit a PHA's authority to terminate the tenancy of any public housing tenant if the PHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant's tenancy is not terminated.

HUD regulations define *actual and imminent threat* to mean words, gestures, actions, or other indicators of a physical threat that (a) is real, (b) would occur within an immediate time frame, and (c) could result in death or serious bodily harm [24 CFR 5.2005(d)(2) and (e)]. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include:

- The duration of the risk
- The nature and severity of the potential harm
- The likelihood that the potential harm will occur
- The length of time before the potential harm would occur [24 CFR 5.2005(e)]

In order to demonstrate an actual and imminent threat, the PHA must have objective evidence of words, gestures, actions, or other indicators. Even when a victim poses an actual and imminent threat, however, HUD regulations authorize a PHA to terminate the victim's assistance "only when there are no other actions that could be taken to reduce or eliminate the threat, including but not limited to transferring the victim to a different unit, barring the perpetrator from the property, contacting law enforcement to increase police presence or develop other plans to keep the property safe, or seeking other legal remedies to prevent the perpetrator from acting on a threat" [24 CFR 5.2005(d)(3)]. Additionally, HUD regulations state that restrictions "predicated on public safety cannot be based on stereotypes, but must be tailored to particularized concerns about individual residents" [24 CFR 5.2005(d)(3)].

HACN Policy

In determining whether a public housing tenant who is a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking is an actual and imminent threat to other tenants or those employed at or providing service to a property, the PHA will consider the following, and any other relevant, factors:

Whether the threat is toward an employee or tenant other than the victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking

Whether the threat is a physical danger beyond a speculative threat

Whether the threat is likely to happen within an immediate time frame

Whether the threat to other tenants or employees can be eliminated in some other way, such as by helping the victim relocate to a confidential location, transferring the victim to another unit, or seeking a legal remedy to prevent the perpetrator from acting on the threat

If the tenant wishes to contest the PHA's determination that they are an actual and imminent threat to other tenants or employees, the tenant may do so as part of the grievance hearing or in a court proceeding.

Documentation of Abuse [24 CFR 5.2007]

HACN Policy

When an individual facing termination of tenancy for reasons related to domestic violence, dating violence, sexual assault, stalking, or human trafficking claims protection under VAWA, the PHA will request in writing that the individual provide documentation supporting the claim in accordance with the policies in section 16-VII.D of this ACOP.

The PHA reserves the right to waive the documentation requirement if it determines that a statement or other corroborating evidence from the individual will suffice. In such cases the PHA will document the waiver in the individual's file.

Terminating or Evicting a Perpetrator of Domestic Violence

Although VAWA provides protection from termination for victims of domestic violence, it does not provide such protection for perpetrators. In fact, VAWA gives the PHA the explicit authority to bifurcate a lease, or remove a household member from a lease, “in order to evict, remove, or terminate assistance to any individual who is a tenant or lawful occupant of the housing and who engages in criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking against an affiliated individual or other individual, without evicting, removing, terminating assistance to, or otherwise penalizing a victim of such criminal activity who is also a tenant or lawful occupant of the housing” [FR Notice 8/6/13]. Moreover, HUD regulations impose on the PHA the obligation to consider lease bifurcation in any circumstances involving domestic violence, dating violence, stalking, or human trafficking [see 24 CFR 966.4(e)(9)].

Specific lease language affirming the PHA’s authority to bifurcate a lease is not necessary, and the authority supersedes any local, state, or federal law to the contrary. However, if the PHA chooses to exercise its authority to bifurcate a lease, it must follow any procedures prescribed by HUD or by applicable local, state, or federal law for eviction, lease termination, or termination of assistance. This means that the PHA must follow the same rules when terminating or evicting an individual as it would when terminating or evicting an entire family [FR Notice 3/16/07]. However, perpetrators should be given no more than 30 days’ notice of termination in most cases [Notice PIH 2017-08].

HACN Policy

The PHA will bifurcate a family’s lease and terminate the tenancy of a family member if the PHA determines that the family member has committed criminal acts of physical violence against other family members or others. This action will not affect the tenancy or program assistance of the remaining, nonculpable family members.

In making its decision, the PHA will consider all credible evidence, including, but not limited to, a signed certification (form HUD-5382) or other documentation of abuse submitted to the PHA by the victim in accordance with this section and section 16-VII.D. The PHA will also consider the factors in section 13.III.E. Upon such consideration, the PHA may, on a case-by-case basis, choose not to bifurcate the lease and terminate the tenancy of the culpable family member.

If the PHA does bifurcate the lease and terminate the tenancy of the culpable family member, it will do so in accordance with the lease, applicable law, and the policies in this ACOP. If the person removed from the lease was the only tenant eligible to receive assistance, the PHA must provide any remaining tenant a chance to establish eligibility for the unit. If the remaining tenant cannot do so, the PHA must provide the tenant reasonable time to find new housing or to establish eligibility for another housing program covered under VAWA.

PART IV: NOTIFICATION REQUIREMENTS, EVICTION PROCEDURES AND RECORD KEEPING

13-IV.A. OVERVIEW

HUD regulations specify the requirements for the notice that must be provided prior to lease termination. This part discusses those requirements and the specific requirements that precede and follow termination for certain criminal activities which are addressed in the regulations. This part also discusses specific requirements pertaining to the actual eviction of families and record keeping.

13-IV.B. CONDUCTING CRIMINAL RECORDS CHECKS [24 CFR 5.903(e)(ii) and 24 CFR 960.259]

HUD authorizes PHAs to conduct criminal records checks on public housing residents for lease enforcement and eviction. PHA policy determines when the PHA will conduct such checks.

HACN Policy

The PHA will conduct criminal records checks when it has come to the attention of the PHA, either from local law enforcement or by other means, that an individual has engaged in the destruction of property, engaged in violent activity against another person, or has interfered with the right to peaceful enjoyment of the premises of other residents. Such checks will also include sex offender registration information. In order to obtain such information, all adult household members must sign consent forms for release of criminal conviction and sex offender registration records on an annual basis.

The PHA will conduct criminal records checks on all adult household members on an annual basis, including sex offender registration information. In order to obtain such information, all adult household members must sign consent forms for release of criminal conviction and sex offender registration records on an annual basis.

The PHA may not pass along to the tenant the costs of a criminal records check.

13-IV.C. DISCLOSURE OF CRIMINAL RECORDS TO FAMILY [24 CFR 5.903(f), 24 CFR 5.905(d) and 24 CFR 966.4(l)(5)(iv)]

In conducting criminal records checks, if the PHA uses the authority of 24 CFR 5.903 and 5.905 to obtain such information, certain protections must be afforded the tenant before any adverse action is taken. In such cases if the PHA obtains criminal records information from a state or local agency showing that a household member has been convicted of a crime, or is subject to a sex offender registration requirement, relevant to lease enforcement or eviction, the PHA must notify the household of the proposed action and must provide the subject of the record and the tenant a copy of such information, and an opportunity to dispute the accuracy and relevance of the information before an eviction or lease enforcement action is taken.

HACN Policy

In all cases where criminal record or sex offender registration information would result in lease enforcement or eviction, the PHA will notify the household in writing of the proposed adverse action and will provide the subject of the record and the tenant a copy of such information, and an opportunity to dispute the accuracy and relevance of the information before an eviction or lease enforcement action is taken.

The family will be given 10 business days from the date of the PHA notice, to dispute the accuracy and relevance of the information. If the family does not contact the PHA to dispute the information within that 10 business day period, the PHA will proceed with the termination action.

Should the tenant not exercise their right to dispute prior to any adverse action, the tenant still has the right to dispute in the grievance hearing or court trial.

13-IV.D. LEASE TERMINATION NOTICE [24 CFR 966.4(l)(3); Notice PIH 2021-29]

Form, Delivery, and Content of the Notice

Notices of lease termination must be in writing. The notice must state the specific grounds for termination, the date the termination will take place, the resident's right to reply to the termination notice, and their right to examine PHA documents directly relevant to the termination or eviction. If the PHA does not make the documents available for examination upon request by the tenant, the PHA may not proceed with the eviction [24 CFR 996.4(m)].

HACN Policy

If the PHA offers remote hearings, the notice will also state that the resident may request a remote hearing.

If the hearing be conducted remotely, at the time the notice is sent to the resident informing them of the right to request a hearing, the resident will be notified that the hearing will be conducted remotely. The resident will be informed of the processes involved in a remote hearing and that the PHA will provide technical assistance, if needed, before the hearing.

Further, during the period of time for which HUD determines that a national emergency requires additional time for families to secure funding, all termination notifications for nonpayment of rent must include, at a minimum, the language provided in the Appendix of Notice PIH 2021-29.

When the PHA is required to offer the resident an opportunity for a grievance hearing, the notice must also inform the resident of their right to request a hearing in accordance with the PHA's grievance procedure. In these cases, the tenancy shall not terminate until the time for the tenant to request a grievance hearing has expired and the grievance procedure has been completed.

When the PHA is not required to offer the resident an opportunity for a grievance hearing because HUD has made a due process determination and the lease termination is for criminal activity that threatens health, safety or right to peaceful enjoyment or for drug-related criminal activity, the notice of lease termination must state that the tenant is not entitled to a grievance hearing on the termination. It must specify the judicial eviction procedure to be used by the PHA for eviction of the tenant, and state that HUD has determined that the eviction procedure provides the opportunity for a hearing in court that contains the basic elements of due process as defined in HUD regulations. The notice must also state whether the eviction is for a criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or employees of the PHA, or for a drug-related criminal activity on or off the premises.

HACN Policy

The PHA will attempt to deliver notices of lease termination directly to the tenant or an adult member of the household. If such attempt fails, the notice will be sent by first-class mail the same day.

All notices of lease termination will include a copy of the forms HUD-5382 and HUD-5380 to accompany the termination notice. Any tenant who claims that the cause for termination involves domestic violence, dating violence, sexual assault, stalking, or human trafficking of which the tenant or affiliated individual of the tenant is the victim will be given the opportunity to provide documentation in accordance with the policies in sections 13-III.F and 16-VII.D.

Timing of the Notice [24 CFR 966.4(l)(3)(i); 24 CFR 966.8; Notice PIH 2021-29]

The PHA must give written notice of lease termination of:

- During the period of time for which HUD determines that a national emergency requires additional time for families to secure federal funding that is available due to a Presidential declaration of a national emergency, at least 30 days from the date the tenant receives the notice in the case of failure to pay rent
- When such emergency is not present, 14 calendar days in the case of failure to pay rent
- A reasonable period of time considering the seriousness of the situation (but not to exceed 30 calendar days)

If the health or safety of other residents, PHA employees, or persons residing in the immediate vicinity of the premises is threatened

If any member of the household has engaged in any drug-related criminal activity or violent criminal activity

If any member of the household has been convicted of a felony

- 30 calendar days in any other case, except that if a state or local law allows a shorter notice period, such shorter period shall apply

HACN Policy

The PHA will give written notice of 30 calendar days from the date the tenant receives the notice for nonpayment of rent (during nationwide emergency orders) or 14 calendar days from the date the tenant receives the notice for nonpayment of rent (upon expiration of nationwide emergency orders). For all other lease terminations, the PHA will give 30 days written notice or, if state or local law allows less than 30 days, such shorter notice will be given.

The Notice to Vacate that may be required under state or local law may be combined with or run concurrently with the notice of lease termination.

HACN Policy

Any Notice to Vacate or Notice to Quit that is required by state or local law will be combined with the Notice of Lease Termination under this section.

Notice of Nonrenewal Due to Community Service Noncompliance [24 CFR 966.4(l)(2)(ii)(D), 24 CFR 960.603(b) and 24 CFR 960.607(b)]

When the PHA finds that a family is in noncompliance with the community service requirement, the tenant and any other noncompliant resident must be notified in writing of this determination. Notices of noncompliance will be issued in accordance with the requirements and policies in Section 11-I.E.

HACN Policy

If after receiving a notice of initial noncompliance the family does not request a grievance hearing, or does not take either corrective action required by the notice within the required timeframe, a termination notice will be issued in accordance with the policies above.

If a family agreed to cure initial noncompliance by signing an agreement and is still in noncompliance after being provided the 12-month opportunity to cure, the family will be issued a notice of continued noncompliance. The notice of continued noncompliance will be sent in accordance with the policies in Section 11-I.E. and will also serve as the notice of termination of tenancy.

Notice of Termination Based on Citizenship Status [24 CFR 5.514 (c) and (d)]

In cases where termination of tenancy is based on citizenship status, HUD requires the notice of termination to contain additional information. In addition to advising the family of the reasons their assistance is being terminated, the notice must also advise the family of any of the following that apply: the family's eligibility for proration of assistance, the criteria and procedures for obtaining relief under the provisions for preservation of families, the family's right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or a written explanation in support of the appeal, and the family's right to request an informal hearing with the PHA either upon completion of the USCIS appeal or in lieu of the USCIS appeal. Please see Chapter 14 for the PHA's informal hearing procedures.

13-IV.E. EVICTION [24 CFR 966.4(l)(4) and 966.4(m)]

Eviction notice means a notice to vacate, or a complaint or other initial pleading used under state or local law to commence an eviction action. The PHA may only evict the tenant from the unit by instituting a court action, unless the law of the jurisdiction permits eviction by administrative action, after a due process administrative hearing, and without a court determination of the rights and liabilities of the parties.

HACN Policy

When a family does not vacate the unit after receipt of a termination notice, by the deadline given in the notice, the PHA will follow state and local landlord-tenant law in filing an eviction action with the local court that has jurisdiction in such cases.

If the eviction action is finalized in court and the family remains in occupancy beyond the deadline to vacate given by the court, the PHA will seek the assistance of the court to remove the family from the premises as per state and local law.

The PHA may not proceed with an eviction action if the PHA has not made available the documents to be used in the case against the family, and has not afforded the family the opportunity to examine and copy such documents in accordance with the provisions of 24 CFR 966.4(l)(3) and (m).

13-IV.F. NOTIFICATION TO POST OFFICE [24CFR 966.4(l)(5)(iii)(B)]

When the PHA evicts an individual or family for criminal activity, including drug-related criminal activity, the PHA must notify the local post office serving the dwelling unit that the individual or family is no longer residing in the unit.

13-IV.G. RECORD KEEPING

For more information concerning general record keeping, see Chapter 16.

HACN Policy

A written record of every termination and/or eviction will be maintained by the PHA at the development where the family was residing, and will contain the following information:

Name of resident, number and identification of unit occupied

Date of the notice of lease termination and any other notices required by state or local law; these notices may be on the same form and will run concurrently

Specific reason(s) for the notices, citing the lease section or provision that was violated, and other facts pertinent to the issuing of the notices described in detail (other than any criminal history reports obtained solely through the authorization provided in 24 CFR 5.903 and 5.905)

Date and method of notifying the resident

Summaries of any conferences held with the resident including dates, names of conference participants, and conclusions

**EXHIBIT 13-1: SAMPLE NOTICE FOR OVER-INCOME FAMILIES –
INITIAL NOTIFICATION FOR NPHOI FAMILY OPTION¹**

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These Sample Notices include provisions required per 24 CFR 960.507(c). Anything included in brackets and italic is meant as instruction to the PHA in creating its own notices. Example: [This text is meant as instruction to the PHA.]

¹ This sample notice is presented verbatim from HUD’s sample forms used in the HOTMA Income and Assets Training Series, available at <https://www.hudexchange.info/resource/6849/hotma-sample-notices-for-overincome-families/>. Only the formatting has been changed to be consistent with the formatting used throughout this ACOP.

OVER-INCOME FAMILY INITIAL NOTIFICATION

[name of PHA]

Resident name:

Address:

Date:

Purpose

The purpose of this notice is to inform you that _____ *[name of PHA]* has determined that your family's income is above the income limit (over-income) according to federal rules for the public housing program. This is your **initial** (first) notice.

What happens next?

For now, your rent will continue to be calculated as usual, you will continue to be offered a choice between income-based and flat rent, and **you do not have to move**. If your family remains over-income for the following 24 consecutive months, you will no longer be eligible for assistance under the public housing program but may remain in a public housing unit paying an alternative non-public housing rent calculated under federal rules for non-public housing tenants.

If you think that we have made a mistake and your family should not be considered over-income, you may request a hearing by calling: XXX-XXX-XXXX or emailing *[address]* or requesting more information from PHA staff at: *[location]*. If you wish to request a hearing, please do so as soon as possible. If you do not wish to request a hearing, you do not need to do anything at this time.

What about changes to my income?

We will continue to reexamine your income every 12 months as usual. After each reexamination, you will receive a notification like this one if your family is still over-income.

If your family's income drops below the over-income limit before the end of the 24 consecutive-month grace period, you will no longer be considered over-income. If your family's income increases again to an amount that is over-income, you will receive another 24 consecutive month grace period.

If your income changes, contact us using the information provided below to learn the policy for requesting an interim reexamination.

[PHA: Please note that the following section is optional. The regulations only require this level of detail for the second notice.]

What if my family remains over-income in 24 consecutive months?

According to the Continued Occupancy Policy, your family may continue to reside in a public housing unit even if you remain over-income after 24 months. However, your unit will no longer receive assistance from the federal public housing program so your rent will be calculated differently.

If you choose to stay in your unit after remaining over-income for 24 consecutive months, you will:

- Pay an “alternative non-public housing rent” (currently estimated at \$_____)
 - > The alternative rent is adjusted annually and subject to change.
 - > You will receive a notification with more details on what to expect next if you decide to remain in a public housing unit after 24 consecutive months of being over-income.
- Need to sign a new lease for Non-Public Housing Over-Income (NPHOI) families.
 - > The NPHOI lease will need to be signed no later than 60 days after receiving notification of the end of the 24-month grace period or at the next lease renewal, whichever is sooner.

[INSERT PHA CONTACT INFORMATION]

**EXHIBIT 13-2: SAMPLE NOTICE FOR OVER-INCOME FAMILIES –
INITIAL NOTIFICATION FOR TERMINATE ONLY OPTION²**

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² This sample notice is presented verbatim from HUD’s sample forms used in the HOTMA Income and Assets Training Series, available at <https://www.hudexchange.info/resource/6849/hotma-sample-notices-for-overincome-families/>. Only the formatting has been changed to be consistent with the formatting used throughout this ACOP.

OVER-INCOME FAMILY INITIAL NOTIFICATION

[name of PHA]

Resident name:

Address:

Date:

Purpose

The purpose of this notice is to inform you that _____ *[name of PHA]* has determined that your family's income is above the income limit (over-income) according to federal rules for the public housing program. This is your **initial** (first) notice.

What happens next?

For now, your rent will continue to be calculated as usual, you will continue to be offered a choice between income-based and flat rent, and **you do not have to move**. If your family remains over-income for the following 24 consecutive months, you will no longer be eligible for assistance under the public housing program.

If you think that we have made a mistake and your family should not be considered over-income, you may request a hearing by calling: XXX-XXX-XXXX or emailing *[address]* or requesting more information from PHA staff at: *[location]*. If you wish to request a hearing, please do so as soon as possible. If you do not wish to request a hearing, you do not need to do anything at this time.

What about changes to my income?

We will continue to reexamine your income every 12 months as usual. After each reexamination, you will receive a notification like this one if your family is still over-income.

If your family’s income drops below the over-income limit before the end of the 24 consecutive-month grace period, you will no longer be considered over-income. If your family’s income increases again to an amount that is over-income, you will receive another 24 consecutive month grace period.

If your income changes, contact us using the information provided below to learn the policy for requesting an interim reexamination.

[PHA: Please note that the following section is optional. The regulations only require this level of detail for the second notice.]

What if my family remains over-income for 24 consecutive months?

Within 30 days of the recertification, you will receive a notice like this one informing you that your family has remained over-income for 24 consecutive months. According to the Continued Occupancy Policy, families that remain over-income for 24 consecutive months must leave their units and find other housing in no more than ___ *[up to 6 depending on PHA policy]* months after receiving notification.

If your family continues to reside in the unit after ___ *[restate date]*, the PHA will begin eviction proceedings by issuing a notice to vacate.

Until the time of lease termination, you will continue to be a public housing program participant and will continue to be charged your choice of income-based or flat rent.

[INSERT PHA CONTACT INFORMATION]

**EXHIBIT 13-3: SAMPLE NOTICE FOR OVER-INCOME FAMILIES –
12-MONTH NOTIFICATION FOR NPHOI FAMILY OPTION³**

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³ This sample notice is presented verbatim from HUD’s sample forms used in the HOTMA Income and Assets Training Series, available at <https://www.hudexchange.info/resource/6849/hotma-sample-notices-for-overincome-families/>. Only the formatting has been changed to be consistent with the formatting used throughout this ACOP.

OVER-INCOME FAMILY 12 MONTH NOTIFICATION

[name of PHA]

Resident name:

Address:

Date:

Purpose

The purpose of this notice is to inform you that _____ *[name of PHA]* has determined that your family's income is above the income limit (over-income) according to federal rules for public housing. This is your **12-month** (second) notice.

What happens next?

For now, your rent will continue to be calculated as usual, you will continue to be offered a choice between income-based and flat rent, and **you do not have to move**. If your family remains over-income for the following 12 consecutive months, you will no longer be eligible for assistance under the public housing program but may remain in a public housing unit paying an alternative non-public housing rent calculated under federal rules for non-public housing tenants.

If you think that we have made a mistake and your family should not be considered over-income, you may request a hearing by calling: XXX-XXX-XXXX or emailing *[address]* or requesting more information from PHA staff at: *[location]*. If you wish to request a hearing, please do so as soon as possible. If you do not wish to request a hearing, you do not need to do anything at this time.

What about changes to my income?

We will need to re-examine your income in 12 months. After the reexamination, you will receive a notification like this one if your family is still over-income.

If your family's income drops below the over-income limit before the end of the 24 consecutive-month grace period, you will no longer be considered over-income. If your family's income increases again to an amount that is over-income, you will receive another 24 consecutive month grace period.

If your income changes, contact us using the information provided below to learn the policy for requesting an interim reexamination.

What if my family remains over-income in consecutive 12 months?

According to the Continued Occupancy Policy, your family may continue your tenancy even if you remain over-income for another 12 months (24 consecutive months total). However, your unit will no longer receive assistance from the federal public housing program so your rent will be calculated differently.

If you choose to remain in a public housing unit after the 24 month grace period, you will:

- No longer be a public housing program participant and will therefore not be eligible to participate in the resident council or programs specifically for public housing residents.
- Pay an "alternative non-public housing rent" (currently estimated at \$_____)
- Need to sign a new lease

[INSERT PHA CONTACT INFORMATION]

**EXHIBIT 13-4: SAMPLE NOTICE FOR OVER-INCOME FAMILIES –
12-MONTH NOTIFICATION FOR TERMINATE ONLY OPTION⁴**

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⁴ This sample notice is presented verbatim from HUD’s sample forms used in the HOTMA Income and Assets Training Series, available at <https://www.hudexchange.info/resource/6849/hotma-sample-notices-for-overincome-families/>. Only the formatting has been changed to be consistent with the formatting used throughout this ACOP.

OVER-INCOME FAMILY 12 MONTH NOTIFICATION

[name of PHA]

Resident name:

Address:

Date:

Purpose

The purpose of this notice is to inform you that _____ *[name of PHA]* has determined that your family's income is above the income limit (over-income) according to federal rules for public housing. This is your **12-month** (second) notice.

What happens next?

For now, your rent will continue to be calculated as usual, you will continue to be offered a choice between income-based and flat rent, and **you do not have to move**. If your family remains over-income for the following 12 consecutive months, you will no longer be eligible for assistance under the public housing program.

If you think that we have made a mistake and your family should not be considered over-income, you may request a hearing by calling: XXX-XXX-XXXX or emailing *[address]* or requesting more information from PHA staff at: *[location]*. If you wish to request a hearing, please do so as soon as possible. If you do not wish to request a hearing, you do not need to do anything at this time.

What about changes to my income?

We will need to re-examine your income in 12 months. After the reexamination, you will receive a notification like this one if your family is still over-income.

If your family’s income drops below the over-income limit before the end of the 24 consecutive-month grace period, you will no longer be considered over-income. If your family’s income increases again to an amount that is over-income, you will receive another 24 consecutive month grace period.

If your income changes, contact us using the information provided below to learn the policy for requesting an interim reexamination.

What if my family remains over-income in consecutive 12 months?

Within 30 days of the recertification, you will receive a notice like this one informing you that your family has remained over-income for 24 consecutive months. According to the Continued Occupancy Policy, families that remain over-income for 24 consecutive months must leave their units and find other housing in no more than ___ *[up to 6 depending on PHA policy]* months after receiving notification.

If your family continues to reside in the unit after ___ *[restate date]*, ___ *[name of PHA]* will begin eviction proceedings by issuing a notice to vacate.

Until the time of lease termination, you will continue to be a public housing program participant and will continue to be charged your choice of income-based or flat rent.

[INSERT PHA CONTACT INFORMATION]

**EXHIBIT 13-5: SAMPLE NOTICE FOR OVER-INCOME FAMILIES –
24-MONTH NOTIFICATION FOR NPHOI FAMILY OPTION⁵**

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OVER-INCOME FAMILY 24 MONTH NOTIFICATION

[name of PHA]

Resident name:

Address:

Date:

Purpose

The purpose of this notice is to inform you that _____ *[name of PHA]* has determined that your family's income is above the income limit (over-income) according to federal rules for public housing.

This is your **24-month** (third) notice.

You are no longer eligible for assistance under the public housing program. However, you do not have to move – see below for details.

What if I disagree that my family is over-income?

If you think that we have made a mistake and your family should not be considered over-income, you may request a hearing by calling: XXX-XXX-XXXX or emailing *[address]* or requesting more information from PHA staff at: *[location]*. If you wish to request a hearing, please do so as soon as possible.

What about changes to my income?

Changes to your income after you receive this notice will not change our determination. Because your family has been over-income for 24 months, you are no longer eligible for assistance under the public housing program.

What do I need to do now?

According to the Continued Occupancy Policy, your family may continue your tenancy. However, because you will not receive assistance from the federal public housing program, your rent will be calculated differently.

If you choose to remain in a public housing unit, you will:

- Pay an “alternative non-public housing rent” (currently \$____)
- Need to sign a new lease within 60 days or at your next lease renewal (whichever is sooner)

If the lease is not signed within this time period, the PHA must terminate your tenancy by ____ *[no more than 6 months after this notification]*. However, per policy, ____ *[name of PHA]* may permit an over-income family to execute the lease after this period (up to 60 days), but before termination of the tenancy. In this case, the family must pay the total difference between the alternative non-public housing rent and your public housing rent dating back to the date when you were required to execute the lease.

If you choose to leave your unit, please inform us as soon as possible according to your existing lease.

To inform the PHA if you do not plan to remain in a public housing unit: *[Use this space to detail when and how and family can inform the PHA if they decline to stay in the unit.]*

[INSERT PHA CONTACT INFORMATION]

**EXHIBIT 13-6: SAMPLE NOTICE FOR OVER-INCOME FAMILIES –
24-MONTH NOTIFICATION FOR TERMINATION ONLY OPTION⁶**

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These Sample Notices include provisions required per 24 CFR 960.507(c). Anything included in brackets and italic is meant as instruction to the PHA in creating its own notices. Example: [This text is meant as instruction to the PHA.]

⁶ This sample notice is presented verbatim from HUD’s sample forms used in the HOTMA Income and Assets Training Series, available at <https://www.hudexchange.info/resource/6849/hotma-sample-notices-for-overincome-families/>. Only the formatting has been changed to be consistent with the formatting used throughout this ACOP.

OVER-INCOME FAMILY 24 MONTH NOTIFICATION

[name of PHA]

Resident name:

Address:

Date:

Purpose

The purpose of this notice is to inform you that _____ *[name of PHA]* has determined that your family's income is above the income limit (over-income) according to federal rules for public housing. This is your **24-month** (third) notice.

You are no longer eligible for assistance under the public housing program.

What if I disagree that my family is over-income?

If you think that we have made a mistake and your family should not be considered over-income, you may request a hearing by calling: XXX-XXX-XXXX or emailing *[address]* or requesting more information from PHA staff at: *[location]*. If you wish to request a hearing, please do so as soon as possible.

What about changes to my income?

Changes to your income after you receive this notice will not change our determination. If necessary, you may request an interim reexamination, but a decrease in income or rent will not make you eligible to remain. Because your family has been over-income for 24 consecutive months, you are no longer eligible for assistance under the public housing program.

What do I need to do now?

According to the Continued Occupancy Policy, your family cannot continue your tenancy. You must find other housing as soon as possible. Our policy is to allow families up to ____ *[up to 6 depending on PHA policy]* months to find other housing.

If your family continues to reside in the unit after ____ *[restate date]*, the PHA will begin eviction proceedings by issuing a notice to vacate.

Until the time of lease termination, you will continue to be a public housing program participant and will continue to be charged your choice of income-based or flat rent.

[The following is an optional section where the PHA may include referral services to support a family in finding new housing.]

The following services are available to assist you:

[INSERT PHA CONTACT INFORMATION]

Chapter 14

GRIEVANCES AND APPEALS

INTRODUCTION

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

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

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

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

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

PART I: INFORMAL HEARINGS FOR PUBLIC HOUSING APPLICANTS

14-I.A. OVERVIEW

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

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

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

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

Use of Informal Hearing Process

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

HACN Policy

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

Notice of Denial [24 CFR 960.208(a)]

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

HACN Policy

As applicable, the PHA's notice of denial will include information about required or requested remote informal hearings.

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

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

Scheduling an Informal Hearing

HACN Policy

A request for an informal hearing must be made in writing and delivered to the PHA either in person or by first class mail, by the close of the business day, no later than 10 business days from the date of the PHA's notification of denial of admission.

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

If the PHA informal hearing will be conducted remotely, at the time the notice is sent to the family, the family will be informed:

Regarding the processes involved in a remote informal hearing;

Remote hearings will be conducted via telephone.

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

HACN Policy

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

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

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

Remote Informal Hearings [Notice PIH 2020-32]

There is no requirement that informal hearings be conducted in-person, and as such, HUD allows PHAs to conduct all or a portion of their informal hearings remotely either over the phone, via video conferencing, or through other virtual platforms. If the PHA chooses to conduct remote informal hearings, applicants may still request an in-person informal hearing, as applicable.

HACN Policy

The PHA has the sole discretion to require that informal hearings be conducted remotely in case of local, state, or national physical distancing orders, and in cases of inclement weather or natural disaster.

In addition, the PHA will conduct an informal hearing remotely upon request of the applicant as a reasonable accommodation for a person with a disability, if an applicant does not have child care or transportation that would enable them to attend the informal hearing, or if the applicant believes an in-person informal hearing would create an undue health risk. The PHA will consider other reasonable requests for a remote informal hearing on a case-by-case basis.

Ensuring Accessibility for Persons with Disabilities and LEP Individuals

As with in-person informal hearings, the platform for conducting remote informal hearings must be accessible to persons with disabilities and the informal hearing must be conducted in accordance with Section 504 and accessibility requirements. This includes ensuring any information, websites, emails, digital notifications, and other virtual platforms are accessible for persons with vision, hearing, and other disabilities. Further, providing effective communication in a digital context may require the use of individualized auxiliary aids or services, such as audio description, captioning, sign language and other types of interpreters, keyboard accessibility, accessible documents, screen reader support, and transcripts. Auxiliary aids or services must be provided in accessible formats, in a timely manner, and in such a way to protect the privacy and independence of the individual. PHAs may never request or require that individuals with disabilities provide their own auxiliary aids or services, including for remote informal hearings.

If no method of conducting a remote informal hearing is available that appropriately accommodates an individual's disability, the PHA may not hold against the individual their inability to participate in the remote informal review, and the PHA should consider whether postponing the remote informal hearing to a later date is appropriate or whether there is a suitable alternative.

Due to the individualized nature of disability, the appropriate auxiliary aid or service necessary, or reasonable accommodation, will depend on the specific circumstances and requirements.

As with in-person hearings, Limited English Proficiency (LEP) requirements also apply to remote informal hearings, including the use of interpretation services and document translation. See Chapter 2 for a more thorough discussion of accessibility and LEP requirements, all of which apply in the context of remote informal hearings.

Conducting Remote Informal Hearings [Notice PIH 2020-32]

The PHA must ensure that the lack of technology or inability to use technology for remote informal hearings does not pose a disadvantage to families that may not be apparent to the PHA. The PHA should determine through a survey or other means if these barriers exist prior to conducting the remote informal hearing and, if the family does not have the proper technology to fully participate, either postpone the informal hearing or provide an alternative means of access.

As with in-person informal hearings, the PHA must provide all materials presented, whether paper or electronic, to the family prior to the remote informal hearing. The family must also be provided with an accessible means by which to transmit their own evidence.

The PHA must ensure that the applicant has the right to hear and be heard. All PHA policies and processes for remote informal hearings will be conducted in accordance with due process requirements and will be in compliance with HUD regulations at 24 CFR 966.56 and the guidance for conducting remote hearings specified in Notice PIH 2020-32.

HACN Policy

The PHA will conduct remote informal hearings via telephone.

If the informal hearing is to be conducted remotely, the PHA will require the family to provide any documents directly relevant to the informal hearing at least 24 hours before the scheduled hearing through the mail or via email. The PHA will scan and email copies of these documents to the PHA representative and to the person conducting the informal hearing the same day.

Documents will be shared electronically whenever possible.

The PHA will follow up the email with a phone call and/or email to the applicant at least one business day prior to the remote informal hearing to ensure that the applicant received all information.

The PHA will ensure that all electronic information stored or transmitted with respect to the informal hearing is secure, including protecting personally identifiable information (PII), and meets the requirements for accessibility for persons with disabilities and persons with LEP.

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

HACN Policy

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

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

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

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

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

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

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

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

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

Reasonable Accommodation for Persons with Disabilities [24 CFR 966.7]

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

PART II: INFORMAL HEARINGS WITH REGARD TO NONCITIZENS

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

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

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

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

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

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

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

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

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

HACN Policy

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

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

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

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

HACN Policy

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

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

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

The informal hearing procedures for applicant families are described below.

Informal Hearing Officer

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

Evidence

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

HACN Policy

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

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

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

Representation and Interpretive Services

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

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

Recording of the Hearing

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

HACN Policy

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

Hearing Decision

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

Retention of Documents [24 CFR 5.514(h)]

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

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

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

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

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

PART III: GRIEVANCE PROCEDURES FOR PUBLIC HOUSING RESIDENTS

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

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

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

HACN Policy

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

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

HACN Policy

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

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

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

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

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

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

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

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

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

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

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

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

HACN Policy

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

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

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

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

HACN Policy

The PHA will accept requests for an informal settlement of a grievance either orally or in writing (including emailed requests), to the PHA office within 10 business days of the grievable event. Within 10 business days of receipt of the request the PHA will arrange a meeting with the tenant at a mutually agreeable time and confirm such meeting in writing to the tenant. The informal settlement may be conducted remotely as required by the PHA or may be conducted remotely upon consideration of the request of the tenant. See 14-III.G for information on how and under what circumstances remote informal settlements may be conducted.

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

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

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

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

HACN Policy

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

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

14-III.E. PROCEDURES TO OBTAIN A HEARING

Requests for Hearing and Failure to Request

HACN Policy

The resident must submit a written request (including emailed requests) for a grievance hearing to the PHA within five business days of the tenant's receipt of the summary of the informal settlement.

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

Scheduling of Hearings [24 CFR 966.56(a)]

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

HACN Policy

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

If the PHA hearing will be conducted remotely, at the time the notice is sent to the family, the family will be notified:

Regarding the processes involved in a remote grievance hearing;

Remote hearings will be held via telephone.

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

HACN Policy

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

Expedited Grievance Procedure [24 CFR 966.52(a)]

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

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

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

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

HACN Policy

The PHA will not offer expedited grievance procedures.

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

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

HACN Policy

PHA grievance hearings will be conducted by a single hearing officer and not a panel.

The PHA will appoint a staff member who was not involved in the decision under appeal. If a designated staff member (such as the program manager) was involved in the decision, or is a subordinate of such person, an alternate hearing officer will be selected.

The PHA may select designated staff members who were not involved in the decision under appeal in certain circumstances, such as appeals involving discrimination claims or denials of requests for reasonable accommodations.

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

14-III.G. REMOTE HEARINGS [Notice PIH 2020-32]

There is no requirement that grievance hearings be conducted in-person, and as such, HUD allows PHAs to conduct all or a portion of their grievance hearings remotely either over the phone, via video conferencing, or through other virtual platforms. If the PHA chooses to conduct remote grievance hearings, applicants may still request an in-person hearing, as applicable.

HACN Policy

The PHA has the sole discretion to require that hearings be conducted remotely in case of local, state, or national physical distancing orders, and in cases of inclement weather or natural disaster.

In addition, the PHA will conduct a hearing remotely upon request as a reasonable accommodation for a person with a disability, if a tenant does not have child care or transportation that would enable them to attend the hearing, or if the tenant believes an in-person hearing would create an undue health risk. The PHA will consider other reasonable requests for a remote hearing on a case-by-case basis.

Discovery of Documents Before the Remote Hearing

HACN Policy

If the hearing will be conducted remotely, the PHA will compile a hearing packet, consisting of all documents the PHA intends to produce at the hearing. The PHA will mail copies of the hearing packet to the tenant, the tenant's representatives, if any, and the hearing officer at least three days before the scheduled remote hearing. The original hearing packet will be in the possession of the PHA representative and retained by the PHA.

If the hearing is to be conducted remotely, the PHA will require the resident to provide any documents directly relevant to the hearing at least 24 hours before the scheduled hearing through the mail, via email, or text. The PHA will scan and email copies of these documents to the hearing officer and the PHA representative the same day they are received.

Documents will be shared electronically whenever possible.

Ensuring Accessibility for Persons with Disabilities ad LEP Individuals

As with in-person grievance hearings, the platform for conducting remote grievance hearings must be accessible to persons with disabilities and the grievance hearings must be conducted in accordance with Section 504 and accessibility requirements. This includes ensuring any information, websites, emails, digital notifications, and other virtual platforms are accessible for persons with vision, hearing, and other disabilities. Further, providing effective communication in a digital context may require the use of individualized auxiliary aids or services, such as audio description, captioning, sign language and other types of interpreters, keyboard accessibility, accessible documents, screen reader support, and transcripts. Auxiliary aids or services must be provided in accessible formats, in a timely manner, and in such a way to protect the privacy and independence of the individual. PHAs may never request or require that individuals with disabilities provide their own auxiliary aids or services, including for remote grievance hearings.

If no method of conducting a remote grievance hearing is available that appropriately accommodates an individual's disability, the PHA may not hold against the individual their inability to participate in the remote grievance hearing, and the PHA should consider whether postponing the remote hearing to a later date is appropriate or whether there is a suitable alternative.

Due to the individualized nature of disability, the appropriate auxiliary aid or service necessary, or reasonable accommodation will depend on the specific circumstances and requirements.

As with in-person reviews, Limited English Proficiency (LEP) requirements also apply to remote grievance hearings, including the use of interpretation services and document translation. See Chapter 2 for a more thorough discussion of accessibility and LEP requirements, all of which apply in the context of remote grievance hearings.

Conducting Hearings Remotely

The PHA must ensure that the lack of technology or inability to use technology for remote grievance hearings does not pose a disadvantage to families that may not be apparent to the PHA. The PHA should determine through a survey or other means if these barriers exist prior to conducting the remote grievance hearing and, if the family does not have the proper technology to fully participate, either postpone the hearing or provide an alternative means of access.

As with in-person grievance hearings, the PHA must provide all materials presented, whether paper or electronic, to the family prior to the remote grievance hearing. The family must also be provided with an accessible means by which to transmit their own evidence.

The PHA's essential responsibility is to ensure grievance hearings meet the requirements of due process and comply with HUD regulations. Therefore, all PHA policies and processes for remote grievance hearings will be conducted in accordance with due process requirements and will be in compliance with HUD regulations at 24 CFR 966.56 and the guidance for conducting remote hearings specified in Notice PIH 2020-32.

HACN Policy

The PHA will conduct remote grievance hearings via telephone.

At least five business days prior to scheduling the remote hearing, the PHA will provide the family an electronic copy of all materials being presented via first class mail and/or email. The notice will advise the family of technological requirements for the hearing and request the family notify the PHA of any known barriers. The PHA will resolve any barriers using the guidance in Section 6 of Notice PIH 2020-32, including offering the family the opportunity to attend an in-person hearing.

The PHA will follow up with a phone call and/or email to the family at least one business day prior to the remote grievance hearing to ensure that the family received all information.

The PHA will ensure that all electronic information stored or transmitted with respect to the grievance hearing is secure, including protecting personally identifiable information (PII), and meets the requirements for accessibility for persons with disabilities and persons with LEP.

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

Rights of Complainant [24 CFR 966.56(b)]

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

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

HACN Policy

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

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

HACN Policy

Hearings may be attended by the following applicable persons:

The PHA representatives and any witnesses for the PHA

The tenant and any witnesses for the tenant

The tenant's counsel or other representative

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

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

Failure to Appear [24 CFR 966.56(c)]

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

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

HACN Policy

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

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

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

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

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

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

HACN Policy

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

Oral evidence: the testimony of witnesses

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

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

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

Hearsay Evidence is evidence based not on a witness' personal knowledge. In and of itself, hearsay evidence carries no weight when making a finding of fact. The hearing officer may include hearsay evidence when considering their decision if it is corroborated by other evidence. Even though hearsay evidence is generally admissible in a hearing, the hearing officer will not base a hearing decision on hearsay alone unless there is clear probative value and credibility of the evidence, and the party seeking the change has met the burden of proof.

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

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

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

HACN Policy

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

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

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

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

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

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

Limited English Proficiency (24 CFR 966.56(g))

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

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

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

HACN Policy

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

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

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

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

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

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

Hearing information:

Name of the complainant

Date, time and place of the hearing

Name of the hearing officer

Name of the PHA representatives

Name of family representative (if any)

Names of witnesses (if any)

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

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

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

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

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

Procedures for Further Hearing

HACN Policy

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

Final Decision [24 CFR 966.57(b)]

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

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

HACN Policy

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

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

EXHIBIT 14-1: GRIEVANCE PROCEDURE

The sample procedure provided below is a sample only and is designed to match up with the default policies in the model ACOP. If your PHA has made further policy decisions after NMA has provided you with this chapter, you would need Definitions applicable to the grievance procedure [24 CFR 966.53].

I. Introduction

Public housing tenants have the right to request a grievance hearing for any PHA action or failure to act in accordance with the tenant's lease.

Grievance procedures do not apply in the following circumstances:

- A. Disputes between tenants not involving the PHA or class grievances [24 CFR 966.51(b)].
- B. The grievance procedure is not intended as a forum for initiating or negotiating policy changes between a group or groups of tenants and the PHA's Board of Commissioners [24 CFR 966.51(b)].
- C. When the PHA is in a HUD-declared due process state, HUD allows the PHA to exclude from the PHA grievance procedure any grievance concerning a termination of tenancy or eviction that involves:
 - i. Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises of other residents or employees of the PHA;
 - ii. Any violent or drug-related criminal activity on or off such premises; or
 - iii. Any criminal activity that resulted in felony conviction of a household member [24 CFR 966.51(a)(2)].

II. Definitions [24 CFR 966.53]

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

III. This grievance procedure [24 CFR 966.51]

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

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

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

Any grievance request must be personally presented, either orally or in writing (including email), to the PHA’s central office or the management office of the development in which the tenant resides within 10 days after the violation.

As soon as the grievance request is received, it will be reviewed by the PHA to ensure it meets the requirements for a grievance hearing. If the tenant is not entitled to a grievance, the PHA will notify the tenant that they may instead seek judicial review and the procedures for requesting such a review [24 CFR 966.4(l)(3)(i)(C)(v)(B)].

Otherwise, within 10 business days, the tenant will be contacted to arrange a mutually convenient time to meet so the grievance may be discussed and settled without a hearing. At the informal settlement, the tenant will present their grievance.

Within five business days following the informal settlement, the PHA will prepare and either hand deliver, mail, or email to the tenant a summary of the discussion. The summary will specify the names of the participants; the date of the meeting; the nature of the proposed resolution of the complaint, with specific reason(s); and will specify the procedures by which a formal hearing under this procedure may be obtained if the tenant is not satisfied [24 CFR 966.54]. A copy of this summary will also be placed in the tenant’s file.

V. Requesting a formal grievance hearing

If the tenant is not satisfied with the outcome of the informal settlement, the tenant must submit a written request for a hearing to the management office of the development where the tenant lives no later than five business days after receiving the summary of the informal settlement.

The written request must specify the reasons for the request and the action or relief sought from the PHA.

VI. Selecting the hearing officer

A grievance hearing will be conducted by an impartial person appointed by the PHA as described below:

- A. The hearing officer will be appointed directly by the executive director.
- B. The hearing officer will be someone who did not make or approve the decision under review and who is not a subordinate of such persons [24 CFR 066.54(e)].
- C. The PHA’s method for selecting a hearing officer will be included in the lease [24 CFR 966.54(e)].

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

When a tenant submits a timely request for a grievance hearing, the PHA will immediately appoint an impartial hearing officer.

Once the hearing has been scheduled, the tenant will receive written notice of the hearing, sent by mail or email, return receipt requested.

Within 10 days of receiving the written request, the hearing will be scheduled. The tenant, PHA, and hearing officer will be notified in writing of the date, time and location of the hearing. If the hearing will be held remotely, the PHA will also include information on the remote hearing process.

The tenant may request to reschedule a hearing once. Should the tenant need to reschedule a second time, they may only do so for good cause, or if needed as a reasonable accommodation for a person with disabilities. *Good cause* is defined as an unavoidable conflict which seriously affects the health, safety, or welfare of the family. Requests to reschedule a hearing must be made orally or in writing at least one day prior to the hearing date.

VIII. Procedures governing the hearing [24 CFR 966.56]

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

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

The tenant must request to view and copy PHA documents relevant to the hearing by noon of the day before the hearing. The tenant is allowed to copy any such document at no cost to the tenant.

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

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

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

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

The tenant or the PHA may arrange in advance for a transcript or recording of the hearing at the expense of the party making the arrangement.

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

The PHA must comply with HUD's requirements regarding limited English proficiency (LEP). The tenant has the right to request competent oral interpretation, free of charge. LEP requirements can be found at:

https://www.hud.gov/program_offices/fair_housing_equal_opp/promotingfh/lep-faq

IX. Remote Hearings

The PHA has the authority to require that hearings be conducted remotely in certain situations.

X. Failure to appear at the hearing

If the tenant does not arrive within 15 minutes of the scheduled time, it will be considered a failure to appear, which means they have given up their right to a hearing.

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

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

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

The PHA will retain a copy of the decision in the tenant’s file.

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

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

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

When the PHA considers the decision of the hearing officer to be invalid for either of the reasons stated above, it will present the matter to the PHA Board of Commissioners within 10 business days of the date of the hearing officer’s decision. The Board will have 30 calendar days to consider the decision. If the Board decides to reverse the hearing officer’s decision, it must notify the tenant within 10 business days of this decision.

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

Chapter 15

PROGRAM INTEGRITY

INTRODUCTION

The PHA is committed to ensuring that funds made available to the PHA are spent in accordance with HUD requirements.

This chapter covers HUD and PHA policies designed to prevent, detect, investigate and resolve instances of program abuse or fraud. It also describes the actions that will be taken in the case of unintentional errors and omissions.

Part I: Preventing, Detecting, and Investigating Errors and Program Abuse. This part presents PHA policies related to preventing, detecting, and investigating errors and program abuse.

Part II: Corrective Measures and Penalties. This part describes the corrective measures the PHA must and may take when errors or program abuses are found.

PART I: PREVENTING, DETECTING, AND INVESTIGATING ERRORS AND PROGRAM ABUSE

15-I.A. PREVENTING ERRORS AND PROGRAM ABUSE

HUD created the Enterprise Income Verification (EIV) system to provide PHAs with a powerful tool for preventing errors and program abuse. PHAs are required to use the EIV system at annual reexamination in accordance with HUD administrative guidance [24 CFR 5.233]. PHAs are further required to:

- Provide applicants and residents with form HUD-52675, “Debts Owed to PHAs and Terminations”
- Require all adult members of an applicant or participant family to acknowledge receipt of form HUD-52675 by signing a copy of the form for retention in the family file

HACN Policy

The PHA anticipates that the vast majority of families and PHA employees intend to and will comply with program requirements and make reasonable efforts to avoid errors.

To ensure that the PHA’s program is administered effectively and according to the highest ethical and legal standards, the PHA will employ a variety of techniques to ensure that both errors and intentional program abuse are rare.

The PHA will provide each applicant and resident with a copy of “Is Fraud Worth It?” (form HUD-1141-OIG), which explains the types of actions a family must avoid and the penalties for program abuse.

The PHA will provide each applicant and resident with a copy of “What You Should Know about EIV,” a guide to the Enterprise Income Verification (EIV) system published by HUD as an attachment to Notice PIH 2017-12. In addition, the PHA will require the head of each household to acknowledge receipt of the guide by signing a copy for retention in the family file.

The PHA will require mandatory orientation sessions for all prospective residents either prior to or upon execution of the lease. The PHA will discuss program compliance and integrity issues. At the conclusion of all program orientation sessions, the family representative will be required to sign a program briefing certificate to confirm that all rules and pertinent regulations were explained to them.

The PHA will routinely provide resident counseling as part of every reexamination interview in order to clarify any confusion pertaining to program rules and requirements.

PHA staff will be required to review and explain the contents of all HUD- and PHA-required forms prior to requesting family member signatures.

The PHA will place a warning statement about the penalties for fraud (as described in 18 U.S.C. 1001 and 1010) on key PHA forms and form letters that request information from a family member.

The PHA will provide each PHA employee with the necessary training on program rules and the organization's standards of conduct and ethics.

At every regular reexamination the PHA staff will explain any changes in HUD regulations or PHA policy that affect residents.

For purposes of this chapter the term *error* refers to an unintentional error or omission. *Program abuse or fraud* refers to a single act or pattern of actions that constitute a false statement, omission, or concealment of a substantial fact, made with the intent to deceive or mislead.

15-I.B. DETECTING ERRORS AND PROGRAM ABUSE

In addition to taking steps to prevent errors and program abuse, the PHA will use a variety of activities to detect errors and program abuse.

Quality Control and Analysis of Data

HACN Policy

The PHA will employ a variety of methods to detect errors and program abuse, including:

The PHA routinely will use EIV.

At each annual reexamination, current information provided by the family will be compared to information provided at the last annual reexamination to identify inconsistencies and incomplete information.

The PHA will compare family-reported income and expenditures to detect possible unreported income.

Independent Audits and HUD Monitoring

Notice PIH 2015-16 requires all PHAs that expend \$750,000 or more in federal awards annually to have an independent audit (IPA). In addition, HUD conducts periodic on-site and automated monitoring of PHA activities and notifies the PHA of errors and potential cases of program abuse.

HACN Policy

The PHA will use the results reported in any HUD monitoring reports to identify potential program abuses as well as to assess the effectiveness of the PHA's error detection and abuse prevention efforts.

Individual Reporting of Possible Errors and Program Abuse

HACN Policy

The PHA will encourage staff, residents, and the public to report possible program abuse.

15-I.C. INVESTIGATING ERRORS AND PROGRAM ABUSE

When the PHA Will Investigate

HACN Policy

The PHA will review all referrals, specific allegations, complaints, and tips from any source including other agencies, companies, and individuals, to determine if they warrant investigation. In order for the PHA to investigate, the allegation must contain at least one independently-verifiable item of information, such as the name of an employer or the name of an unauthorized household member.

The PHA will investigate when inconsistent or contradictory information is detected through file reviews and the verification process.

Consent to Release of Information [24 CFR 960.259]

The PHA may investigate possible instances of error or abuse using all available PHA and public records. If necessary, the PHA will require families to sign consent forms for the release of additional information.

Analysis and Findings

HACN Policy

The PHA will base its evaluation on a preponderance of the evidence collected during its investigation.

Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence that as a whole shows that the fact sought to be proved is more probable than not. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

For each investigation the PHA will determine (1) whether an error or program abuse has occurred, (2) whether any amount of money is owed the PHA, and (3) what corrective measures or penalties will be assessed.

Consideration of Remedies

All errors and instances of program abuse must be corrected prospectively. Whether the PHA will enforce other corrective actions and penalties depends upon the nature of the error or program abuse.

HACN Policy

In the case of family-caused errors or program abuse, the PHA will take into consideration (1) the seriousness of the offense and the extent of participation or culpability of individual family members, (2) any special circumstances surrounding the case, (3) any mitigating circumstances related to the disability of a family member, (4) the effects of a particular remedy on family members who were not involved in the offense.

Notice and Appeals

HACN Policy

The PHA will inform the relevant party in writing of its findings and remedies within 10 business days of the conclusion of the investigation. The notice will include (1) a description of the error or program abuse, (2) the basis on which the PHA determined the error or program abuses, (3) the remedies to be employed, and (4) the family's right to appeal the results through an informal hearing or grievance hearing (see Chapter 14).

PART II: CORRECTIVE MEASURES AND PENALTIES

15-II.A. UNDER- OR OVERPAYMENT

An under- or overpayment includes an incorrect tenant rent payment by the family, or an incorrect utility reimbursement to a family.

Corrections

Whether the incorrect rental determination is an overpayment or underpayment, the PHA must promptly correct the tenant rent and any utility reimbursement prospectively.

HACN Policy

Increases in the tenant rent will be implemented retroactively

Any decreases in tenant rent will become effective the first of the month following the discovery of the error.

Reimbursement

Whether the family is required to reimburse the PHA or the PHA is required to reimburse the family depends upon which party is responsible for the incorrect payment and whether the action taken was an error or program abuse. Policies regarding reimbursement are discussed in the three sections that follow.

15-II.B. FAMILY-CAUSED ERRORS AND PROGRAM ABUSE

General administrative requirements for participating in the program are discussed throughout the ACOP. This section deals specifically with errors and program abuse by family members.

An incorrect rent determination caused by a family generally would be the result of incorrect reporting of family composition, income, assets, or expenses, but also would include instances in which the family knowingly allows the PHA to use incorrect information provided by a third party.

Family Reimbursement to PHA

HACN Policy

In the case of family-caused errors or program abuse, the family will be required to repay any amounts of rent underpaid. The PHA may, but is not required to, offer the family a repayment agreement in accordance with Chapter 16. If the family fails to repay the amount owed, the PHA will terminate the family's lease in accordance with the policies in Chapter 13.

PHA Reimbursement to Family

HACN Policy

The PHA will not reimburse the family for any overpayment of rent when the overpayment clearly is caused by the family.

Prohibited Actions

An applicant or resident in the public housing program must not knowingly:

- Make a false statement to the PHA [Title 18 U.S.C. Section 1001].
- Provide incomplete or false information to the PHA [24 CFR 960.259(a)(4)].
- Commit fraud, or make false statements in connection with an application for assistance or with reexamination of income [24 CFR 966.4(l)(2)(iii)(C)].

HACN Policy

Any of the following will be considered evidence of family program abuse:

Offering bribes or illegal gratuities to the PHA Board of Commissioners, employees, contractors, or other PHA representatives

Offering payments or other incentives to a third party as an inducement for the third party to make false or misleading statements to the PHA on the family's behalf

Use of a false name or the use of falsified, forged, or altered documents

Intentional misreporting of family information or circumstances (e.g., misreporting of income or family composition)

Omitted facts that were obviously known by a family member (e.g., not reporting employment income)

Admission of program abuse by an adult family member

The PHA may determine other actions to be program abuse based upon a preponderance of the evidence, as defined earlier in this chapter.

Penalties for Program Abuse

In the case of program abuse caused by a family the PHA may, at its discretion, impose any of the following remedies.

- The PHA may require the family to repay any amounts owed to the program (see 15-II.B., Family Reimbursement to PHA).
- The PHA may require, as a condition of receiving or continuing assistance, that a culpable family member not reside in the unit. See policies in Chapter 3 (for applicants) and Chapter 13 (for residents).
- The PHA may deny admission or terminate the family's lease following the policies set forth in Chapter 3 and Chapter 13 respectively.
- The PHA may refer the family for state or federal criminal prosecution as described in section 15-II.D.

15-II.C. PHA-CAUSED ERRORS OR PROGRAM ABUSE

The responsibilities and expectations of PHA staff with respect to normal program administration are discussed throughout the ACOP. This section specifically addresses actions of a PHA staff member that are considered errors or program abuse related to the public housing program. Additional standards of conduct may be provided in the PHA personnel policy.

PHA-caused incorrect rental determinations include (1) failing to correctly apply public housing rules regarding family composition, income, assets, and expenses, and (2) errors in calculation.

De Minimis Errors [24 CFR 5.609(c)(4); Notice PIH 2023-27]

The PHA will not be considered out of compliance when making annual income determinations solely due to de minimis errors in calculating family income. A de minimis error is an error where the PHA determination of family income deviates from the correct income determination by no more than \$30 per month in monthly adjusted income (\$360 in annual adjusted income) per family.

PHAs must take corrective action to credit or repay a family if the family was overcharged rent, including when PHAs make de minimis errors in the income determination. Families will not be required to repay the PHA in instances where the PHA miscalculated income resulting in a family being undercharged for rent. PHAs state in their policies how they will repay or credit a family the amount they were overcharged as a result of the PHA's de minimis error in income determination.

HACN Policy

The PHA will reimburse a family for any family overpayment of rent, regardless of whether the overpayment was the result of staff-caused error, staff program abuse, or a de minimis error.

Prohibited Activities

HACN Policy

Any of the following will be considered evidence of program abuse by PHA staff:

Failing to comply with any public housing program requirements for personal gain

Failing to comply with any public housing program requirements as a result of a conflict of interest relationship with any applicant or resident

Seeking or accepting anything of material value from applicants, residents, vendors, contractors, or other persons who provide services or materials to the PHA

Disclosing confidential or proprietary information to outside parties

Gaining profit as a result of insider knowledge of PHA activities, policies, or practices

Misappropriating or misusing public housing funds

Destroying, concealing, removing, or inappropriately using any records related to the public housing program

Committing any other corrupt or criminal act in connection with any federal housing program

Committing sexual harassment or other harassment based on race, color, religion, national origin, familial status, disability, sexual orientation, or gender identity, either quid pro quo (supervisory harassment) or hostile environment

Allowing sexual harassment or other harassment based on race, color, religion, national origin, familial status, disability, sexual orientation, or gender identity, either quid pro quo (supervisory harassment) or hostile environment, where the PHA knew or should have known such harassment was occurring

Retaliating against any applicant, resident, or staff reporting sexual harassment or other harassment based on race, color, religion, national origin, familial status, disability, sexual orientation, or gender identity, either quid pro quo (supervisory harassment) or hostile environment

15-II.D. CRIMINAL PROSECUTION

HACN Policy

When the PHA determines that program abuse by a family or PHA staff member has occurred and the amount of underpaid rent meets or exceeds the threshold for prosecution under local or state law, the PHA will refer the matter to the appropriate entity for prosecution. When the amount of underpaid rent meets or exceeds the federal threshold, the case will also be referred to the HUD Office of Inspector General (OIG).

Other criminal violations related to the public housing program will be referred to the appropriate local, state, or federal entity.

15-II.E. FRAUD AND PROGRAM ABUSE RECOVERIES

PHAs who enter into a repayment agreement with a family to collect rent owed, initiate litigation against the family to recover rent owed, or begin eviction proceedings against a family may retain 100 percent of program funds that the PHA recovers [Notice PIH 2007-27 (HA)].

If the PHA does none of the above, all amounts that constitute an underpayment of rent must be returned to HUD.

The family must be afforded the opportunity for a hearing through the PHA's grievance process.

Chapter 16

PROGRAM ADMINISTRATION

INTRODUCTION

This chapter discusses administrative policies and practices that are relevant to the activities covered in this ACOP. The policies are discussed in seven parts as described below:

Part I: Setting Utility Allowances. This part describes how utility allowances are established and revised. Also discussed are the requirements to establish surcharges for excess consumption of PHA-furnished utilities.

Part II: Establishing Flat Rents. This part describes the requirements and policies related to establishing and updating flat rent amounts.

Part III: Repayment of Family Debts. This part contains policies for recovery of monies that have been underpaid by families and describes the circumstances under which the PHA will offer repayment agreements to families. Also discussed are the consequences for failure to make payments in accordance with a repayment agreement.

Part IV: Public Housing Assessment System (PHAS). This part describes the PHAS indicators, how PHAs are scored under PHAS, and how those scores affect a PHA.

Part V: Record Keeping. All aspects of the program involve certain types of record-keeping. This part outlines the privacy rights of applicants and participants and record retention policies the PHA will follow.

Part VI: Reporting and Record Keeping for Children with Elevated Blood Lead Level. This part describes the PHA's reporting responsibilities related to children with elevated blood lead levels that are living in public housing.

Part VII: Violence against Women Act (VAWA): Notification, Documentation, and Confidentiality. This part contains key terms used in VAWA and describes requirements related to notifying families about their rights and responsibilities under VAWA; requesting documentation from victims of domestic violence, dating violence, sexual assault, stalking, and human trafficking; and maintaining the confidentiality of information obtained from victims.

PART I: SETTING UTILITY ALLOWANCES

24 CFR 965 Subpart E

16-I.A. OVERVIEW

PHAs must establish allowances for PHA-furnished utilities for all check metered utilities and for resident-purchased utilities for all utilities purchased directly by residents from a utility supplier [24 CFR 965.502(a)].

PHAs must also establish surcharges for excess consumption of PHA-furnished utilities [24 CFR 965.506].

The PHA must maintain a record that documents the basis on which utility allowances and scheduled surcharges are established and revised, and the record must be made available for inspection by residents [24 CFR 965.502(b)].

16-I.B. UTILITY ALLOWANCES

The PHA must establish separate allowances for each utility and for each category of dwelling units the PHA determines to be reasonably comparable as to factors affecting utility usage [24 CFR 965.503].

The objective of a PHA in establishing utility allowances for each dwelling unit category and unit size is to approximate a reasonable consumption of utilities by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment [24 CFR 965.505].

Utilities include gas, electricity, fuel for heating, water, sewerage, and solid waste disposal for a dwelling unit. In addition, if the PHA does not furnish a range and refrigerator, the family must be granted a utility allowance for the range and refrigerator they provide [24 CFR 965.505].

Costs for telephone, cable/satellite TV, and internet services are not considered utilities [PH Occ GB, p. 138].

Utility allowance amounts will vary by the rates in effect, size and type of unit, climatic location and sitting of the unit, type of construction, energy efficiency of the dwelling unit, and other factors related to the physical condition of the unit. Utility allowance amounts will also vary by residential demographic characteristics affecting home energy usage [PH Occ GB, p. 138].

Chapter 14 of the *PH Occupancy Guidebook* provides detailed guidance to the PHA about establishing utility allowances.

Air-Conditioning

“If a PHA installs air conditioning, it shall provide, to the maximum extent economically feasible, systems that give residents the option of choosing to use air conditioning in their units. The design of systems that offer each resident the option to choose air conditioning shall include retail meters or check meters, and residents shall pay for the energy used in its operation. For systems that offer residents the option to choose air conditioning but cannot be check metered, residents are to be surcharged in accordance with 965.506. If an air conditioning system does not provide for resident option, residents are not to be charged, and these systems should be avoided whenever possible.” [24 CFR 965.505(e)]

HACN Policy

The PHA [has installed air-conditioning.

Utility Allowance Revisions [24 CFR 965.507]

The PHA must review at least annually the basis on which utility allowances have been established and must revise the allowances if necessary in order to adhere to the standards for establishing utility allowances that are contained in 24 CFR 965.505. The review must include all changes in circumstances (including completion of modernization and/or other energy conservation measures implemented by the PHA) indicating probability of a significant change in reasonable requirements and changes in utility rates [24 CFR 965.507(a)].

The PHA must revise its allowances for resident-purchased utilities if there is a rate change, and is required to do so if such change, by itself or together with prior rate changes not adjusted for, results in a change of 10 percent or more from the rate on which the allowance was based.

Adjustments to resident payments as a result of such changes must be retroactive to the first day of the month following the month in which the last rate change taken into account became effective. Such rate changes are not subject to the 60-day notice [24 CFR 965.507(b)].

HACN Policy

Between annual reviews of utility allowances, the PHA will only revise its utility allowances due to a rate change, when required to by the regulation.

16-I.C. SURCHARGES FOR PHA-FURNISHED UTILITIES [24 CFR 965.506]

For dwelling units subject to allowances for PHA-furnished utilities where check meters have been installed, the PHA must establish surcharges for utility consumption in excess of the allowances. Surcharges may be computed on a straight per unit of purchase basis or for stated blocks of excess consumption, and must be based on the PHA's average utility rate. The basis for calculating the surcharges must be described in the PHA's schedule of allowances. Changes in the amount of surcharges based directly on changes in the PHA's average utility rate are not subject to the advance notice requirements discussed under 16-I.D.

For dwelling units served by PHA-furnished utilities where check meters have not been installed, the PHA must establish schedules of surcharges indicating additional dollar amounts residents will be required to pay by reason of estimated utility consumption attributable to resident-owned major appliances or to optional functions of PHA-furnished equipment. The surcharge schedule must state the resident-owned equipment (or functions of PHA-furnished equipment) for which surcharges will be made and the amounts of such charges. Surcharges must be based on the cost to the PHA of the utility consumption estimated to be attributable to reasonable usage of such equipment.

HACN Policy

The PHA will furnish sewer and trash services. The PHA will provide for the basic service charge of water and will bill tenants for water usage.

16-I.D. NOTICE REQUIREMENTS [965.502]

The PHA must give notice to all residents of proposed allowances and scheduled surcharges, and revisions thereof. The notice must be given in the manner provided in the lease and must:

- Be provided at least 60 days before the proposed effective date of the allowances, scheduled surcharges, or revisions.
- Describe the basis for determination of the allowances, scheduled surcharges, or revisions, including a statement of the specific items of equipment and function whose utility consumption requirements were included in determining the amounts of the allowances and schedule of surcharges.
- Notify residents of the place where the PHA's documentation on which allowances and surcharges are based is available for inspection.
- Provide all residents an opportunity to submit written comments during a period expiring not less than 30 days before the proposed effective date of the allowances, scheduled surcharges, or revisions.

**16-I.E. REASONABLE ACCOMMODATION AND INDIVIDUAL RELIEF
[24 CFR 965.508]**

On request from a family, PHAs must approve a utility allowance that is higher than the applicable amount for the dwelling unit if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family with a disability [24 CFR 8 and 100, PH Occ GB, p. 172].

Likewise, residents with disabilities may not be charged for the use of certain resident-supplied appliances if there is a verified need for special equipment because of the disability [24 CFR 8 and 100, PH Occ GB, p. 172].

See Chapter 2 for policies regarding the request and approval of reasonable accommodations.

Further, the PHA may grant requests for relief from charges in excess of the utility allowance on reasonable grounds, such as special needs of the elderly, ill, or residents with disabilities, or special factors not within control of the resident, as the PHA deems appropriate. The family must request the higher allowance and provide the PHA with information about the additional allowance required.

PHAs should develop criteria for granting individual relief and to notify residents about the availability of individual relief, and also to notify participants about the availability of individual relief programs (sometimes referred to as “Medical Baseline discounts”) offered by the local utility company [Utility Allowance GB, p. 19, 24 CFR 965.508].

PART II: ESTABLISHING FLAT RENTS

16-II.A. OVERVIEW

Flat rents are designed to encourage self-sufficiency and to avoid creating disincentives for continued residency by families who are attempting to become economically self-sufficient.

Flat rents are also used to prorate assistance for a mixed family. A mixed family is one whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigrations status [24 CFR 5.504].

This part discusses how the PHA establishes and updates flat rents. Policies related to the use of flat rents, family choice of rent, flat rent hardships, and proration of rent for a mixed family are discussed in Chapter 6.

16-II.B. FLAT RENTS [24 CFR 960.253(b) and Notice PIH 2022-33]

Establishing Flat Rents

The 2015 Appropriations Act requires that flat rents must be set at no less than 80 percent of the applicable fair market rent (FMR). Alternatively, the PHA may set flat rents at no less than 80 percent of the applicable small area FMR(SAFMR) for metropolitan areas, or 80 percent of the applicable unadjusted rents for nonmetropolitan areas.

For areas where HUD has not determined a SAFMR or an unadjusted rent, PHAs must set flat rents at no less than 80 percent of the FMR or apply for an exception flat rent.

The 2015 Appropriations Act permits PHAs to apply for an exception flat rent that is lower than either 80 percent of the FMR or SAFMR/unadjusted rent if the PHA can demonstrate, through the submission of a market analysis, that these FMRs do not reflect the market value of a particular property or unit and HUD agrees with the PHA's analysis. The market analysis must be submitted using form HUD-5880, "Flat Rent Market Analysis Summary."

PHAs must receive written HUD approval before implementing exception flat rents. PHAs with a previously approved flat rent exception request may submit a written request to extend the approved flat rents for up to two additional years, provided local market conditions remain unchanged. Detailed information on how to request exception flat rents can be found in Notice PIH 2022-33.

PHAs are now required to apply a utility allowance to flat rents as necessary. Flat rents set at 80 percent of the FMR must be reduced by the amount of the unit's utility allowance, if any.

Review of Flat Rents

No later than 90 days after the effective date of the new annual FMRs/SAFMRs/unadjusted rent, PHAs must implement new flat rents as necessary based changes to the FMR/SAFMR/unadjusted rent or request an exception.

If the FMR falls from year to year, the PHA may, but is not required to, lower the flat rent to 80 percent of the current FMR/SAFMR/unadjusted rent.

HACN Policy

If the FMR/SAFMR is lower than the previous year, flat rents will not be affected.

Applying Flat Rents

HACN Policy

The PHA will apply updated flat rents at each family's next annual reexamination or flat rent update after implementation of the new flat rents.

Posting of Flat Rents

HACN Policy

The PHA will publicly post the schedule of flat rents in a conspicuous manner in the applicable PHA or project office.

Documentation of Flat Rents [24 CFR 960.253(b)(5)]

The PHA must maintain records that document the method used to determine flat rents, and that show how flat rents were determined by the PHA in accordance with this method.

PART III: FAMILY DEBTS TO THE PHA

16-III.A. OVERVIEW

Families are required to reimburse the PHA if they were charged less rent than required because the family either underreported or failed to report income. PHAs are required to determine retroactive rent amounts as far back as the PHA has documentation of family unreported income [Notice PIH 2018-18].

This part describes the PHA's policies for recovery of monies owed to the PHA by families.

HACN Policy

When an action or inaction of a resident family results in the underpayment of rent or other amounts, the PHA holds the family liable to return any underpayments to the PHA.

The PHA will enter into repayment agreements in accordance with the policies contained in this part as a means to recover underpayments.

16-III.B. REPAYMENT POLICY

Family Debts to the PHA

HACN Policy

Any amount owed to the PHA by a public housing family must be repaid. If the family is unable to repay the debt within 30 days, the PHA will offer to enter into a repayment agreement in accordance with the policies below.

Refusal to Enter into An Agreement

If the family refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, the PHA will terminate the family's tenancy.

HACN Policy

When a family refuses to repay monies owed to the PHA, in addition to termination of program assistance, the PHA will utilize other available collection alternatives including, but not limited to, the following:

- Collection agencies
- Small claims court
- Civil lawsuit
- State income tax set-off program

Repayment Agreement [24 CFR 792.103]

The term *repayment agreement* refers to a formal written document signed by a tenant or owner and provided to the PHA in which a tenant or owner acknowledges a debt in a specific amount and agrees to repay the amount due at specific time periods.

General Repayment Agreement Guidelines

Down Payment Requirement

HACN Policy

Before executing a repayment agreement with a family, the PHA will generally require a down payment of 10 percent of the total amount owed. If the family can provide evidence satisfactory to the PHA that a down payment of 10 percent would impose an undue hardship, the PHA may, in its sole discretion, require a lesser percentage or waive the requirement.

Payment Thresholds

Notice PIH 2018-18 recommends that the total amount that a family must pay each month—the family’s monthly share of rent plus the monthly debt repayment amount—should not exceed 40 percent of the family’s monthly adjusted income, which is considered “affordable.” Moreover, Notice PIH 2018-18 acknowledges that PHAs have the discretion to establish “thresholds and policies” for repayment agreements with families [24 CFR 982.552(c)(1)(vii)].

HACN Policy

If a family is paying less than 40 percent of its monthly adjusted income (MAI) in rent, the minimum monthly payment amount will be the greater of the following two amounts:

The difference between 40 percent of the family’s MAI and the TTP at the time the agreement is executed

\$25

If a family can provide evidence satisfactory to the PHA that a monthly payment amount of \$25 would impose an undue hardship, the PHA may, in its sole discretion, require a lower monthly payment amount.

If the family’s income increases or decreases during the term of a repayment agreement, either the PHA or the family may request that the monthly payment amount be adjusted accordingly.

Execution of the Agreement

All repayment agreements must be in writing, dated, and signed by both the family and the PHA [Notice PIH 2018-18].

HACN Policy

Any repayment agreement between the PHA and a family must be signed and dated by the PHA and by all adults.

Due Dates

HACN Policy

All payments are due by the close of business on the 15th day of the month. If the 15th does not fall on a business day, the due date is the close of business on the first business day after the 15th.

Late or Missed Payments

HACN Policy

If a payment is not received by the end of the business day on the date due, and prior approval for the missed payment has not been given by the PHA, the PHA will send the family a delinquency notice giving the family 14 business days to make the late payment. If the payment is not received by the due date of the delinquency notice, it will be considered a breach of the agreement and the PHA will terminate tenancy in accordance with the policies in Chapter 13.

If a family receives three delinquency notices for unexcused late payments in a 12-month period, the repayment agreement will be considered in default, and the PHA will terminate tenancy in accordance with the policies in Chapter 13.

No Offer of Repayment Agreement

PHA Policy

The PHA generally will not enter into a repayment agreement with a family under any of the following conditions:

The family is already under an existing repayment agreement with the PHA.

The PHA determines that the family's debt is a result of program abuse or fraud (as defined in Chapter 15 of the ACOP).

The amount owed by the family exceeds the federal or state threshold for criminal prosecution.

Repayment Agreement Terms

All repayment agreements must be in writing, dated, signed by both the family and the PHA, include the total retroactive rent amount owed, amount of lump sum payment made at time of execution, if applicable, and the monthly repayment amount. Notice PIH 2018-18 requires certain provisions to be included in any repayment agreement involving amounts owed by a family because it underreported or failed to report income:

- A reference to the items in the public housing lease that state the family's obligation to provide true and complete information at every reexamination and the grounds on which the PHA may terminate assistance because of a family's action or failure to act
- A statement clarifying that each month the family not only must pay to the PHA the monthly payment amount specified in the agreement but must also pay to the PHA the monthly tenant rent
- A statement that the terms of the repayment agreement may be renegotiated if the family's income decreases or increases
- A statement that late or missed payments constitute default of the repayment agreement and may result in termination of tenancy

PART IV: PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS)

16-IV.A. OVERVIEW

The purpose of the Public Housing Assessment System (PHAS) is to improve the delivery of services in public housing and enhance trust in the public housing system among PHAs, public housing residents, HUD and the general public by providing a management tool for effectively and fairly measuring the performance of a public housing agency in essential housing operations.

16-IV.B. PHAS INDICATORS [24 CFR 902 Subparts A, B, C, D, and E]

The table below lists each of the PHAS indicators, the points possible under each indicator, and a brief description of each indicator. A PHA's performance is based on a combination of all four indicators.

Indicator 1: Physical condition of the PHA's projects

Maximum Score: 40

- The objective of this indicator is to determine the level to which a PHA is maintaining its public housing in accordance with the standard of safe, habitable dwelling units.
- To determine the physical condition of a PHA's projects, inspections are performed using the National Standards for the Inspection of Real Estate (NSPIRE). The inspections are performed by an independent inspector arranged by HUD and include a statistically valid sample of the units in each project in the PHA's public housing portfolio.

Indicator 2: Financial condition of the PHA's projects

Maximum Score: 25

- The objective of this indicator is to measure the financial condition of the PHA's public housing projects for the purpose of evaluating whether the PHA has sufficient financial resources and is capable of managing those financial resources effectively to support the provision of housing that is decent, safe, sanitary, and in good repair.
- A PHA's financial condition is determined by measuring each public housing project's performance in each of the following subindicators: quick ratio, months expendable net assets ratio, and debt service coverage ratio.

Indicator 3: Management operations of the PHA’s projects

Maximum Score: 25

- The objective of this indicator is to measure certain key management operations and responsibilities of a PHA’s projects for the purpose of assessing the PHA’s management operations capabilities.
- Each project’s management operations are assessed based on the following sub-indicators: occupancy, tenant accounts receivable, and accounts payable.
- An on-site management review may be conducted as a diagnostic and feedback tool for problem performance areas, and for compliance. Management reviews are not scored.

Indicator 4: Capital Fund

Maximum Score: 10

- The objective of this indicator is to measure how long it takes the PHA to obligate capital funds and to occupy units.
- The PHA’s score for this indicator is measured at the PHA level and is based on the following subindicators: timeliness of fund obligation and occupancy rate.

16-IV.C. PHAS SCORING [24 CFR 902 Subpart F]

HUD's Real Estate Assessment Center (REAC) issues overall PHAS scores, which are based on the scores of the four PHAS indicators, and the subindicators under each indicator. The PHA's indicator scores are based on a weighted average of the PHA's public housing projects' scores. PHAS scores translate into a designation for each PHA as high performing, standard, substandard, or troubled.

A high performer is a PHA that achieves an overall PHAS score of 90 or greater, and achieves a score of at least 60 percent of the points available under the physical, financial, and management indicators and at least 50 percent of the points available under the capital fund indicator.

A standard performer is a PHA that has an overall PHAS score between 60 and 89, and achieves a score of at least 60 percent of the points available under the physical, financial, and management indicators and at least 50 percent of the points available under the capital fund indicator.

A substandard performer is a PHA that has an overall PHAS score of at least 60 percent and achieves a score of less than 60 percent under one or more of the physical, financial, or management indicators.

A troubled performer is a PHA that achieves an overall PHAS score of less than 60, or achieves less than 50 percent of the total points available under the capital fund indicator.

These designations can affect a PHA in several ways:

- High-performing PHAs are eligible for incentives including relief from specific HUD requirements and bonus points in funding competitions [24 CFR 902.71].
- PHAs that are standard performers may be required to submit and operate under a corrective action plan to eliminate deficiencies in the PHA's performance [24 CFR 902.73(a)(1)].
- PHAs that are substandard performers will be required to submit and operate under a corrective action plan to eliminate deficiencies in the PHA's performance [24 CFR 902.73(a)(2)].
- PHAs with an overall rating of "troubled" are subject to additional HUD oversight, and are required to enter into a memorandum of agreement (MOA) with HUD to improve PHA performance [24 CFR 902.75].
- PHAs that fail to execute or meet MOA requirements may be referred to the Assistant Secretary to determine remedial actions, including, but not limited to, remedies available for substantial default [24 CFR 902.75(g) and 24 CFR Part 907].

PHAs must post a notice of its final PHAS score and status in appropriate conspicuous and accessible locations in its offices within two weeks of receipt of its final score and designation [24 CFR 902.64(b)(2)].

PART V: RECORD KEEPING

16-V.A. OVERVIEW

The PHA must maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a speedy and effective audit. All such records must be made available to HUD or the Comptroller General of the United States upon request.

In addition, the PHA must ensure that all applicant and participant files are maintained in a way that protects an individual's privacy rights, and that comply with VAWA confidentiality requirements.

16-V.B. RECORD RETENTION

The PHA must keep the last three years of the Form HUD-50058 and supporting documentation during the term of each assisted lease, and for a period of at least three years from the end of participation (EOP) date [24 CFR 908.101].

The PHA must maintain Enterprise Income Verification (EIV) system Income Reports in the tenant file for the duration of the tenancy but for a period not to exceed three years from the EOP date [Notice PIH 2018-18].

Notice PIH 2014-20 requires the PHA to keep records of all complaints, investigations, notices, and corrective actions related to violations of the Fair Housing Act or the equal access final rule.

The PHA must keep confidential records of all emergency transfer requested under the PHA's Emergency Transfer Plan, and the outcomes of such requests, and retain the records for a period of three years, or for a period of time as specific in program regulations [24 CFR 5.2002(e)(12)].

HACN Policy

The PHA will keep the last three years of the Form HUD-50058 and supporting documentation, and for at least three years after end of participation all documents related to a family's eligibility, tenancy, and termination.

The PHA will keep Enterprise Income Verification (EIV) system Income Reports in the tenant file for the duration of the tenancy and for three years from the end of participation date.

In addition, the PHA will keep the following records for at least three years:

An application from each ineligible family and notice that the applicant is not eligible

Lead-based paint records as required by 24 CFR 35, Subpart B

Documentation supporting the establishment of flat rents

Documentation supporting the establishment of utility allowances and surcharges

Documentation related to PHAS

Accounts and other records supporting PHA budget and financial statements for the program

Complaints, investigations, notices, and corrective actions related to violations of the Fair Housing Act, the equal access final rule, or VAWA

Confidential records of all emergency transfers related to VAWA requested under the PHA's Emergency Transfer Plan and the outcomes of such requests

Other records as determined by the PHA or as required by HUD

If a hearing to establish a family's citizenship status is held, longer retention requirements apply for some types of documents. For specific requirements, see Section 14-II.A.

16-V.C. RECORDS MANAGEMENT

PHAs must maintain applicant and participant files and information in accordance with the regulatory requirements described below.

HACN Policy

All applicant and participant information will be kept in a secure location and access will be limited to authorized PHA staff.

PHA staff will not discuss personal family information unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

Privacy Act Requirements [24 CFR 5.212 and Form-9886]

The collection, maintenance, use, and dissemination of social security numbers (SSN), employer identification numbers (EIN), any information derived from these numbers, and income information of applicants and participants must be conducted, to the extent applicable, in compliance with the Privacy Act of 1974, and all other provisions of Federal, State, and local law.

Applicants and participants, including all adults in the household, are required to sign a consent form, HUD-9886, Authorization for Release of Information. This form incorporates the Federal Privacy Act Statement and describes how the information collected using the form may be used, and under what conditions HUD or the PHA may release the information collected.

Upfront Income Verification (UIV) Records

PHAs that access UIV data through HUD's Enterprise Income Verification (EIV) system are required to adopt and follow specific security procedures to ensure that all EIV data is protected in accordance with federal laws, regardless of the media on which the data is recorded (e.g. electronic, paper). These requirements are contained in the HUD-issued document, *Enterprise Income Verification (EIV) System, Security Procedures for Upfront Income Verification (UIV) Data*.

HACN Policy

Prior to utilizing HUD's EIV system, the PHA will adopt and implement EIV security procedures required by HUD.

Criminal Records

The PHA may only disclose the criminal conviction records which the PHA receives from a law enforcement agency to officers or employees of the PHA, or to authorized representatives of the PHA who have a job-related need to have access to the information [24 CFR 5.903(e)].

The PHA must establish and implement a system of records management that ensures that any criminal record received by the PHA from a law enforcement agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the PHA action without institution of a challenge or final disposition of any such litigation [24 CFR 5.903(g)].

The PHA must establish and implement a system of records management that ensures that any sex offender registration information received by the PHA from a State or local agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the PHA action without institution of a challenge or final disposition of any such litigation. However, a record of the screening, including the type of screening and the date performed must be retained [Notice PIH 2012-28]. This requirement does not apply to information that is public information, or is obtained by a PHA other than under 24 CFR 5.905.

Medical/Disability Records

PHAs are not permitted to inquire about the nature or extent of a person's disability. The PHA may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If the PHA receives a verification document that provides such information, the PHA should not place this information in the tenant file. The PHA should destroy the document.

Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking Records

For requirements and PHA policies related to management of documentation obtained from victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking, see section 16-VII.E.

**PART VI: REPORTING REQUIREMENTS FOR CHILDREN WITH
ELEVATED BLOOD LEAD LEVEL**

16-VI.A. REPORTING REQUIREMENTS [24 CFR 35.1130(e); Notice PIH 2017-13]

The PHA has certain responsibilities relative to children with elevated blood lead levels that are living in public housing.

The PHA must report the name and address of a child identified as having an elevated blood lead level (EBLL) to the public health department within five business days of being so notified by any other medical health care professional. The PHA must also report each known case of a child with an EBLL to the HUD field office.

HACN Policy

The PHA will provide the public health department written notice of the name and address of any child identified as having an elevated blood lead level.

The PHA will provide written notice of each known case of a child with an EBLL to the HUD field office, and to HUD's Office of Lead Hazard Control (OLHCHH), within five business days of receiving the information.

PART VII: VIOLENCE AGAINST WOMEN ACT (VAWA): NOTIFICATION, DOCUMENTATION, AND CONFIDENTIALITY

16-VII.A. OVERVIEW

The Violence against Women Act (VAWA) provides special protections for victims of domestic violence, dating violence, sexual assault, stalking, and human trafficking who are applying for or receiving assistance under the public housing program. If your state or local laws provide greater protection for such victims, those apply in conjunction with VAWA.

- Although the VAWA 2022 statute does not specifically include human trafficking in the list of victims protected under VAWA, in 2022 HUD began including human trafficking as part of the list of victims protected under VAWA (as seen in Notices PIH 2022-06, PIH 2022-22, and PIH 2022-24). In the absence of a final rule implementing VAWA 2022 and to mirror HUD’s recent usage, this policy includes human trafficking in addition to domestic violence, dating violence, sexual assault, and stalking anywhere such a list appears.

In addition to definitions of key terms used in VAWA, this part contains general VAWA requirements and PHA policies in three areas: notification, documentation, and confidentiality. Specific VAWA requirements and PHA policies are located in Chapter 3, “Eligibility” (sections 3-I.C and 3-III.F); Chapter 5, “Occupancy Standards and Unit Offers” (section 5-II.D); Chapter 8, “Leasing and Inspections” (section 8-I.B); Chapter 12, “Transfer Policy” (sections 12-III.C, 12-III.F, and 12-IV.D); and Chapter 13, “Lease Terminations” (sections 13-III.F and 13-IV.D).

16-VII.B. DEFINITIONS [24 CFR 5.2003, FR Notice 8/6/13]

As used in VAWA:

- The term *affiliated individual* means, with respect to a person:
 - A spouse, parent, brother or sister, or child of that individual, or an individual to whom that person stands in the position or place of a parent; or
 - Any individual, tenant or lawful occupant living in the household of the victim of domestic violence, dating violence, sexual assault, or stalking.
- The term *bifurcate* means, with respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members’ lease and occupancy rights are allowed to remain intact.
- The term *dating violence* means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:
 - The length of the relationship
 - The type of relationship
 - The frequency of interaction between the persons involved in the relationship

- The term *domestic violence* includes felony or misdemeanor crimes committed by a current or former spouse or intimate partner of the victim under the family or domestic violence laws of the jurisdiction receiving grant funding, and in the case of victim services, includes the user or attempted use of physical abuse or sexual abuse, or a pattern of any other coercive behavior committed, enabled, or solicited to gain or maintain power and control over a victim, including verbal, psychological, economic, or technological abuse that may or may not constitute criminal behavior, by a person who is:
 - The current or former spouse or intimate partner of the victim, or person similarly situated to a spouse or intimate partner of the victim
 - A person who is cohabitating or has cohabitated with the victim as a spouse or intimate partner
 - A person with whom the victim shares a child in common
 - A person who commits acts against an youth or adult victim who is protected from those acts under the domestic or family violence laws of the jurisdiction
- The term *economic abuse* means behavior that is coercive, deceptive, or unreasonably controls or restrains a person’s ability to acquire, use, or maintain economic resources to which they are entitled, including using coercion, fraud, and manipulation to:
 - Restrict a person’s access to money, assets, credit, or financial information
 - Unfairly use a person’s personal economic resources, including money, assets, and credit, for one’s own advantage
 - Exert undue influence over a person’s financial and economic behavior or decisions, including forcing default on joint or other financial obligations, exploiting powers of attorney, guardianship, or conservatorship, or to whom one has a fiduciary duty
- The term *sexual assault* means:
 - Any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks the capacity to consent
- The term *stalking* means:
 - To engage in a course of conduct directed at a specific person that would cause a reasonable person to fear for their safety or the safety of others, or suffer substantial emotional distress.

- The term *technological abuse* means an act or pattern of behavior that occurs within domestic violence, dating violence, sexual assault, or stalking and is intended to harm, threaten, intimidate, control, stalk, harass, impersonate, exploit, extort, or monitor another person, except as otherwise permitted by law, that occurs using any form of technology, including but not limited to:
 - Internet enabled devices
 - Online spaces and platforms
 - Computers
 - Mobile devices
 - Cameras and imaging programs
 - Apps
 - Location tracking devices
 - Communication technologies
 - Any other emergency technologies

16-VII.C. NOTIFICATION [24 CFR 5.2005(a)]

Notification to Public

The PHA adopts the following policy to help ensure that all actual and potential beneficiaries of its public housing program are aware of their rights under VAWA.

HACN Policy

The PHA will post the following information regarding VAWA in its offices and on its website. It will also make the information readily available to anyone who requests it.

A notice of occupancy rights under VAWA to public housing program applicants and participants who are or have been victims of domestic violence, dating violence, sexual assault, or stalking (Form HUD-5380, see Exhibit 16-1)

A copy of form HUD-5382, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking and Alternate Documentation (see Exhibit 16-2)

A copy of the PHA's emergency transfer plan (Exhibit 16-3)

A copy of HUD's Emergency Transfer Request for Certain Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking, Form HUD-5383 (Exhibit 16-4)

The National Domestic Violence Hot Line: 1-800-799-SAFE (7233) or 1-800-787-3224 (TTY) (included in Exhibit 16-1)

Contact information for local victim advocacy groups or service providers

Notification to Applicants and Tenants [24 CFR 5.2005(a)(1)]

PHAs are required to inform public housing applicants and tenants of their rights under VAWA, including their right to confidentiality and the limits thereof, when they are denied assistance, when they are admitted to the program, and when they are notified of an eviction or termination of housing benefits.

The PHA must distribute a notice of VAWA rights, along with the VAWA self-certification form (HUD-5382) at each of these three junctures.

HACN Policy

The VAWA information provided to applicants and participants will consist of the notices in Exhibit 16-1 and 16-2.

The PHA will provide all applicants with information about VAWA at the time they request an application for housing assistance. The PHA will also include such information in all notices of denial of assistance (see section 3-III.F).

The PHA will provide all tenants with information about VAWA at the time of admission (see section 8-I.B) and at annual reexamination. The PHA will also include such information in all lease termination notices (see section 13-IV.D).

The PHA is not limited to providing VAWA information at the times specified in the above policy. If the PHA decides to provide VAWA information to a tenant following an incident of domestic violence, Notice PIH 2017-08 cautions against sending the information by mail, since the abuser may be monitoring the mail. The notice recommends that in such cases the PHA make alternative delivery arrangements that will not put the victim at risk.

HACN Policy

Whenever the PHA has reason to suspect that providing information about VAWA to a public housing tenant might place a victim of domestic violence at risk, it will attempt to deliver the information by hand directly to the victim or by having the victim come to an office or other space that may be safer for the individual, making reasonable accommodations as necessary. For example, the PHA may decide not to send mail regarding VAWA protections to the victim's unit if the PHA believes the perpetrator may have access to the victim's mail, unless requested by the victim.

When discussing VAWA with the victim, the PHA will take reasonable precautions to ensure that no one can overhear the conversation such as having conversations in a private room.

The victim may, but is not required to, designate an attorney, advocate, or other secure contact for communications regarding VAWA protections.

16-VII.D. DOCUMENTATION [24 CFR 5.2007]

A PHA presented with a claim for initial or continued assistance based on status as a victim of domestic violence, dating violence, sexual assault, stalking, human trafficking, or criminal activity related to any of these forms of abuse may—but is not required to—request that the individual making the claim document the abuse. Any request for documentation must be in writing, and the individual must be allowed at least 14 business days after receipt of the request to submit the documentation. The PHA may extend this time period at its discretion. [24 CFR 5.2007(a)]

The individual may satisfy the PHA’s request by providing any one of the following three forms of documentation [24 CFR 5.2007(b)]:

- (1) A completed and signed HUD-approved certification form (HUD-5382, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), which must include the name of the perpetrator only if the name of the perpetrator is safe to provide and is known to the victim. The form may be filled out and submitted on behalf of the victim.
- (2) A federal, state, tribal, territorial, or local police report or court record, or an administrative record
- (3) Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, sexual assault, stalking, or human trafficking, or the effects of such abuse. This person may be an employee, agent, or volunteer of a victim service provider; an attorney; a mental health professional; or a medical professional. The person signing the documentation must attest under penalty of perjury to the person’s belief that the incidents in question are bona fide incidents of abuse. The victim must also sign the documentation.

The PHA may not require third-party documentation (forms 2 and 3) in addition to certification (form 1), except as specified below under “Conflicting Documentation,” nor may it require certification in addition to third-party documentation [FR Notice 11/16/16].

HACN Policy

Any request for documentation of domestic violence, dating violence, sexual assault, stalking, or human trafficking will be in writing, will specify a deadline of 14 business days following receipt of the request, will describe the three forms of acceptable documentation, will provide explicit instructions on where and to whom the documentation must be submitted, and will state the consequences for failure to submit the documentation or request an extension in writing by the deadline.

The PHA may, in its discretion, extend the deadline for 10 business days. In determining whether to extend the deadline, the PHA will consider factors that may contribute to the victim’s inability to provide documentation in a timely manner, including cognitive limitations, disabilities, limited English proficiency, absence from the unit, administrative delays, the danger of further violence, and the victim’s need to address health or safety issues. Any extension granted by the PHA will be in writing.

Once the victim provides documentation, the PHA will acknowledge receipt of the documentation within 10 business days.

Conflicting Documentation [24 CFR 5.2007(e)]

In cases where the PHA receives conflicting certification documents from two or more members of a household, each claiming to be a victim and naming one or more of the other petitioning household members as the perpetrator, the PHA may determine which is the true victim by requiring each to provide acceptable third-party documentation, as described above (forms 2 and 3). The PHA may also request third-party documentation when submitted documentation contains information that conflicts with existing information already available to the PHA. The PHA must honor any court orders issued to protect the victim or to address the distribution of property. Individuals have 30 calendar days to return third-party verification to the PHA. If the PHA does not receive third-party documentation, and the PHA will deny or terminate assistance as a result, the PHA must hold separate hearings for the tenants [Notice PIH 2017-08].

HACN Policy

If presented with conflicting certification documents from members of the same household, the PHA will attempt to determine which is the true victim by requiring each of them to provide third-party documentation in accordance with 24 CFR 5.2007(e) and by following any HUD guidance on how such determinations should be made. When requesting third-party documents, the PHA will provide contact information for local domestic violence and legal aid offices. In such cases, applicants or tenants will be given 30 calendar days from the date of the request to provide such documentation.

If the PHA does not receive third-party documentation within the required timeframe (and any extensions) the PHA will deny VAWA protections and will notify the applicant or tenant in writing of the denial. If, as a result, the applicant or tenant is denied or terminated from the program, the PHA will hold separate hearings for the applicants or tenants.

Discretion to Require No Formal Documentation [24 CFR 5.2007(d)]

The PHA has the discretion to provide benefits to an individual based solely on the individual's statement or other corroborating evidence—i.e., without requiring formal documentation of abuse in accordance with 24 CFR 5.2007(b). HUD recommends documentation in a confidential manner when a verbal statement or other evidence is accepted.

HACN Policy

If the PHA accepts an individual's statement or other corroborating evidence (as determined by the victim) of domestic violence, dating violence, sexual assault, stalking, or human trafficking, the PHA will document acceptance of the statement or evidence in the individual's file.

Failure to Provide Documentation [24 CFR 5.2007(c)]

In order to deny relief for protection under VAWA, a PHA must provide the individual requesting relief with a written request for documentation of abuse. If the individual fails to provide the documentation within 14 business days from the date of receipt, or such longer time as the PHA may allow, the PHA may deny relief for protection under VAWA.

16-VII.E. CONFIDENTIALITY [24 CFR 5.2007(b)(4)]

All information provided to the PHA regarding domestic violence, dating violence, sexual assault, stalking, or human trafficking, including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking, must be retained in confidence. This means that the PHA (1) may not enter the information into any shared database, (2) may not allow employees or others to access the information unless they are explicitly authorized to do so and have a need to know the information for purposes of their work, and (3) may not provide the information to any other entity or individual, except to the extent that the disclosure is (a) requested or consented to by the individual in writing, (b) required for use in an eviction proceeding, or (c) otherwise required by applicable law.

HACN Policy

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, the PHA will inform the victim before disclosure occurs so that safety risks can be identified and addressed.

**EXHIBIT 16-1: SAMPLE NOTICE OF OCCUPANCY RIGHTS UNDER THE
VIOLENCE AGAINST WOMEN ACT, FORM HUD-5380**

Housing Authority of the City of Needles

Notice of Occupancy Rights under the Violence Against Women Act¹

To all Tenants and Applicants

The Violence Against Women Act (VAWA) provides protections for victims of domestic violence, dating violence, sexual assault, or stalking. VAWA protections are not only available to women, but are available equally to all individuals regardless of sex, gender identity, or sexual orientation.² The U.S. Department of Housing and Urban Development (HUD) is the Federal agency that oversees that public housing is in compliance with VAWA. This notice explains your rights under VAWA. A HUD-approved certification form is attached to this notice. You can fill out this form to show that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking, and that you wish to use your rights under VAWA.”

Protections for Applicants

If you otherwise qualify for assistance under public housing, you cannot be denied admission or denied assistance because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

Protections for Tenants

If you are receiving assistance under public housing, you may not be denied assistance, terminated from participation, or be evicted from your rental housing because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

Also, if you or an affiliated individual of yours is or has been the victim of domestic violence, dating violence, sexual assault, or stalking by a member of your household or any guest, you may not be denied rental assistance or occupancy rights under public housing solely on the basis of criminal activity directly relating to that domestic violence, dating violence, sexual assault, or stalking.

Affiliated individual means your spouse, parent, brother, sister, or child, or a person to whom you stand in the place of a parent or guardian (for example, the affiliated individual is in your care, custody, or control); or any individual, tenant, or lawful occupant living in your household.

¹ Despite the name of this law, VAWA protection is available regardless of sex, gender identity, or sexual orientation.

² Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

Removing the Abuser or Perpetrator from the Household

The PHA may divide (bifurcate) your lease in order to evict the individual or terminate the assistance of the individual who has engaged in criminal activity (the abuser or perpetrator) directly relating to domestic violence, dating violence, sexual assault, or stalking.

If the PHA chooses to remove the abuser or perpetrator, the PHA may not take away the rights of eligible tenants to the unit or otherwise punish the remaining tenants. If the evicted abuser or perpetrator was the sole tenant to have established eligibility for assistance under the program, the PHA must allow the tenant who is or has been a victim and other household members to remain in the unit for 30 days, in order to establish eligibility under the program or under another HUD housing program covered by VAWA, or, find alternative housing.

In removing the abuser or perpetrator from the household, the PHA must follow Federal, State, and local eviction procedures. In order to divide a lease, the PHA may, but is not required to, ask you for documentation or certification of the incidences of domestic violence, dating violence, sexual assault, or stalking.

Moving to Another Unit

Upon your request, the PHA may permit you to move to another unit, subject to the availability of other units, and still keep your assistance. In order to approve a request, the PHA may ask you to provide documentation that you are requesting to move because of an incidence of domestic violence, dating violence, sexual assault, or stalking. If the request is a request for emergency transfer, the PHA may ask you to submit a written request or fill out a form where you certify that you meet the criteria for an emergency transfer under VAWA. The criteria are:

1. You are a victim of domestic violence, dating violence, sexual assault, or stalking.

If your PHA does not already have documentation that you are a victim of domestic violence, dating violence, sexual assault, or stalking, your housing provider may ask you for such documentation, as described in the documentation section below.

2. You expressly request the emergency transfer. Your PHA may choose to require that you submit a form, or may accept another written or oral request.

3. You reasonably believe you are threatened with imminent harm from further violence if you remain in your current unit. This means you have a reason to fear that if you do not receive a transfer you would suffer violence in the very near future.

OR

You are a victim of sexual assault and the assault occurred on the premises during the 90-calendar-day period before you request a transfer. If you are a victim of sexual assault, then in addition to qualifying for an emergency transfer because you reasonably believe you are threatened with imminent harm from further violence if you remain in your unit, you may qualify for an emergency transfer if the sexual assault occurred on the premises of the property from which you are seeking your transfer, and that assault happened within the 90-calendar-day period before you expressly request the transfer.

The PHA will keep confidential requests for emergency transfers by victims of domestic violence, dating violence, sexual assault, or stalking, and the location of any move by such victims and their families.

The PHA's emergency transfer plan provides further information on emergency transfers, and the PHA must make a copy of its emergency transfer plan available to you if you ask to see it.

Documenting You Are or Have Been a Victim of Domestic Violence, Dating Violence, Sexual Assault or Stalking

The PHA can, but is not required to, ask you to provide documentation to "certify" that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking. Such request from the PHA must be in writing, and the PHA must give you at least 14 business days (Saturdays, Sundays, and federal holidays do not count) from the day you receive the request to provide the documentation. The PHA may, but does not have to, extend the deadline for the submission of documentation upon your request.

You can provide one of the following to the PHA as documentation. It is your choice which of the following to submit if HP asks you to provide documentation that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

- A complete HUD-approved certification form given to you by the PHA with this notice, that documents an incident of domestic violence, dating violence, sexual assault, or stalking. The form will ask for your name, the date, time, and location of the incident of domestic violence, dating violence, sexual assault, or stalking, and a description of the incident. The certification form provides for including the name of the abuser or perpetrator if the name of the abuser or perpetrator is known and is safe to provide.
- A record of a Federal, State, tribal, territorial, or local law enforcement agency, court, or administrative agency that documents the incident of domestic violence, dating violence, sexual assault, or stalking. Examples of such records include police reports, protective orders, and restraining orders, among others.
- A statement, which you must sign, along with the signature of an employee, agent, or volunteer of a victim service provider, an attorney, a medical professional or a mental health professional (collectively, "professional") from whom you sought assistance in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse, and with the professional selected by you attesting under penalty of perjury that they believe that the incident or incidents of domestic violence, dating violence, sexual assault, or stalking are grounds for protection.
- Any other statement or evidence that the PHA has agreed to accept.

If you fail or refuse to provide one of these documents within the 14 business days, the PHA does not have to provide you with the protections contained in this notice.

If the PHA receives conflicting evidence that an incident of domestic violence, dating violence, sexual assault, or stalking has been committed (such as certification forms from two or more members of a household each claiming to be a victim and naming one or more of the other petitioning household members as the abuser or perpetrator), the PHA has the right to request that you provide third-party documentation within thirty 30 calendar days in order to resolve the conflict. If you fail or refuse to provide third-party documentation where there is conflicting evidence, the PHA does not have to provide you with the protections contained in this notice.

Confidentiality

The PHA must keep confidential any information you provide related to the exercise of your rights under VAWA, including the fact that you are exercising your rights under VAWA.

The PHA must not allow any individual administering assistance or other services on behalf of the PHA (for example, employees and contractors) to have access to confidential information unless for reasons that specifically call for these individuals to have access to this information under applicable federal, state, or local law.

The PHA must not enter your information into any shared database or disclose your information to any other entity or individual. The PHA, however, may disclose the information provided if:

- You give written permission to the PHA to release the information on a time limited basis.
- The PHA needs to use the information in an eviction or termination proceeding, such as to evict your abuser or perpetrator or terminate your abuser or perpetrator from assistance under this program.
- A law requires the PHA to release the information.

VAWA does not limit the PHA's duty to honor court orders about access to or control of the property. This includes orders issued to protect a victim and orders dividing property among household members in cases where a family breaks up.

Reasons a Tenant Eligible for Occupancy Rights under VAWA May Be Evicted or Assistance May Be Terminated

You can be evicted and your assistance can be terminated for serious or repeated lease violations that are not related to domestic violence, dating violence, sexual assault, or stalking committed against you. However, the PHA cannot hold tenants who have been victims of domestic violence, dating violence, sexual assault, or stalking to a more demanding set of rules than it applies to tenants who have not been victims of domestic violence, dating violence, sexual assault, or stalking.

The protections described in this notice might not apply, and you could be evicted and your assistance terminated, if the PHA can demonstrate that not evicting you or terminating your assistance would present a real physical danger that:

1. Would occur within an immediate time frame, and
2. Could result in death or serious bodily harm to other tenants or those who work on the property.

If the PHA can demonstrate the above, the PHA should only terminate your assistance or evict you if there are no other actions that could be taken to reduce or eliminate the threat.

Other Laws

VAWA does not replace any Federal, State, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault, or stalking. You may be entitled to additional housing protections for victims of domestic violence, dating violence, sexual assault, or stalking under other Federal laws, as well as under State and local laws.

Non-Compliance with The Requirements of This Notice

You may report your PHA for violations of these rights and seek additional assistance, if needed, by contacting or filing a complaint with **[insert contact information for any intermediary, if applicable]** or **[insert HUD field office]**.

For Additional Information

You may view a copy of HUD's final VAWA rule at: <https://www.gpo.gov/fdsys/pkg/FR-2016-11-16/pdf/2016-25888.pdf>.

Additionally, the PHA must make a copy of HUD's VAWA regulations available to you if you ask to see them.

For questions regarding VAWA, please contact **[insert name of program or rental assistance contact information able to answer questions on VAWA]**.

For help regarding an abusive relationship, you may call the National Domestic Violence Hotline at 1-800-799-7233 or, for persons with hearing impairments, 1-800-787-3224 (TTY). You may also contact **[Insert contact information for relevant local organizations]**.

For tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

For help regarding sexual assault, you may contact **[Insert contact information for relevant organizations]**

Victims of stalking seeking help may contact **[Insert contact information for relevant organizations]**.

Attachment: Certification form HUD-5382 **[form approved for this program to be included]**

**EXHIBIT 16-2: CERTIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE,
SEXUAL ASSAULT, OR STALKING AND ALTERNATE DOCUMENTATION,
FORM HUD-5382**

**CERTIFICATION OF
DOMESTIC VIOLENCE,
DATING VIOLENCE,
SEXUAL ASSAULT, OR STALKING,
AND ALTERNATE DOCUMENTATION**

**U.S. Department of Housing
and Urban Development**

OMB Approval No. 2577-0286
Exp. 06/30/2017

Purpose of Form: The Violence Against Women Act (“VAWA”) protects applicants, tenants, and program participants in certain HUD programs from being evicted, denied housing assistance, or terminated from housing assistance based on acts of domestic violence, dating violence, sexual assault, or stalking against them. Despite the name of this law, VAWA protection is available to victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

Use of This Optional Form: If you are seeking VAWA protections from your housing provider, your housing provider may give you a written request that asks you to submit documentation about the incident or incidents of domestic violence, dating violence, sexual assault, or stalking.

In response to this request, you or someone on your behalf may complete this optional form and submit it to your housing provider, or you may submit one of the following types of third-party documentation:

- (1) A document signed by you and an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional (collectively, “professional”) from whom you have sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse. The document must specify, under penalty of perjury, that the professional believes the incident or incidents of domestic violence, dating violence, sexual assault, or stalking occurred and meet the definition of “domestic violence,” “dating violence,” “sexual assault,” or “stalking” in HUD’s regulations at 24 CFR 5.2003.
- (2) A record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency; or
- (3) At the discretion of the housing provider, a statement or other evidence provided by the applicant or tenant.

Submission of Documentation: The time period to submit documentation is 14 business days from the date that you receive a written request from your housing provider asking that you provide documentation of the occurrence of domestic violence, dating violence, sexual assault, or stalking. Your housing provider may, but is not required to, extend the time period to submit the documentation, if you request an extension of the time period. If the requested information is not received within 14 business days of when you received the request for the documentation, or any extension of the date provided by your housing provider, your housing provider does not need to grant you any of the VAWA protections. Distribution or issuance of this form does not serve as a written request for certification.

Confidentiality: All information provided to your housing provider concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking shall be kept confidential and such details shall not be entered into any shared database. Employees of your housing provider are not to have access to these details unless to grant or deny VAWA protections to you, and such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release; (ii) required for use in an eviction proceeding or hearing regarding termination of assistance; or (iii) otherwise required by applicable law.

**TO BE COMPLETED BY OR ON BEHALF OF THE VICTIM OF DOMESTIC VIOLENCE,
DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING**

1. Date the written request is received by victim: _____

2. Name of victim: _____

3. Your name (if different from victim's): _____

4. Name(s) of other family member(s) listed on the lease: _____

5. Residence of victim: _____

6. Name of the accused perpetrator (if known and can be safely disclosed): _____

7. Relationship of the accused perpetrator to the victim: _____

8. Date(s) and times(s) of incident(s) (if known): _____

10. Location of incident(s): _____

In your own words, briefly describe the incident(s):

This is to certify that the information provided on this form is true and correct to the best of my knowledge and recollection, and that the individual named above in Item 2 is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature _____ Signed on (Date) _____

Public Reporting Burden: The public reporting burden for this collection of information is estimated to average 1 hour per response. This includes the time for collecting, reviewing, and reporting the data. The information provided is to be used by the housing provider to request certification that the applicant or tenant is a victim of domestic violence, dating violence, sexual assault, or stalking. The information is subject to the confidentiality requirements of VAWA. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget control number.

EXHIBIT 16-3: EMERGENCY TRANSFER PLAN FOR VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING

Attachment: Certification form HUD-5382

[Insert name of covered housing provider]

**Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking
Public Housing Program**

Emergency Transfers

The PHA is concerned about the safety of its tenants, and such concern extends to tenants who are victims of domestic violence, dating violence, sexual assault, or stalking. In accordance with the Violence Against Women Act (VAWA),³ the PHA allows tenants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant’s current unit to another unit. The ability to request a transfer is available regardless of sex, gender identity, or sexual orientation.⁴ The ability of the PHA to honor such request for tenants currently receiving assistance, however, may depend upon a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and on whether the PHA has another dwelling unit that is available and is safe to offer the tenant for temporary or more permanent occupancy.

This plan identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security. This plan is based on a model emergency transfer plan published by the U.S. Department of Housing and Urban Development (HUD), the federal agency that oversees that the public housing and housing choice voucher (HCV) programs are in compliance with VAWA.

Eligibility for Emergency Transfers

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD’s regulations at 24 CFR part 5, subpart L, is eligible for an emergency transfer, if the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault, the tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar- day period preceding a request for an emergency transfer.

³Despite the name of this law, VAWA protection is available to all victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

⁴Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan.

Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

Emergency Transfer Request Documentation

To request an emergency transfer, the tenant shall notify the PHA's management office and submit a written request for a transfer to **any PHA office**. The PHA will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:

1. A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under the PHA's program; OR
2. A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.

Confidentiality

The PHA will keep confidential any information that the tenant submits in requesting an emergency transfer, and information about the emergency transfer, unless the tenant gives the PHA written permission to release the information on a time-limited basis, or disclosure of the information is required by law or required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program. This includes keeping confidential the new location of the dwelling unit of the tenant, if one is provided, from the person or persons that committed an act of domestic violence, dating violence, sexual assault, or stalking against the tenant. See the Notice of Occupancy Rights under the Violence against Women Act for All Tenants for more information about the PHA's responsibility to maintain the confidentiality of information related to incidents of domestic violence, dating violence, sexual assault, or stalking.

Emergency Transfer Timing and Availability

The PHA cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. The PHA will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. The PHA may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

If the PHA has no safe and available units for which a tenant who needs an emergency transfer is eligible, the PHA will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move. At the tenant's request, the PHA will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

Emergency Transfers: Public Housing (PH) Program

If you are a public housing resident and request an emergency transfer as described in this plan, the PHA will attempt to assist you in moving to a safe unit quickly. The PHA will make exceptions as required to policies restricting moves.

Emergency transfers for which you are not required to apply for assistance include the following:

- Public housing unit in a different development
- Public housing unit in the same development, if you determine that the unit is safe

At your request, the PHA will refer you to organizations that may be able to further assist you.

You may also request an emergency transfer to the following programs for which you are required to apply for assistance:

- HCV tenant-based program
- HCV project-based assistance
- Other programs administered by the PHA (such as state housing programs)

Emergency transfers will not take priority over waiting list admissions for these types of assistance. At your request, the PHA will refer you to organizations that may be able to further assist you.

Safety and Security of Tenants

Pending processing of the transfer and the actual transfer, if it is approved and occurs, the tenant is urged to take all reasonable precautions to be safe.

Tenants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY).

Tenants who have been victims of sexual assault may call the Rape, Abuse, and Incest National Network's National Sexual Assault Hotline at 1-800-656-HOPE, or visit the online hotline at <https://ohl.rainn.org/online/>.

Tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

Attachment: Local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking.

EXHIBIT 16-4: EMERGENCY TRANSFER REQUEST FOR CERTAIN VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING, FORM HUD-5383

**EMERGENCY TRANSFER
REQUEST FOR CERTAIN
VICTIMS OF DOMESTIC
VIOLENCE, DATING VIOLENCE,
SEXUAL ASSAULT, OR STALKING**

**U.S. Department of Housing
and Urban Development**

OMB Approval No. 2577-0286
Exp. 06/30/2017

Purpose of Form: If you are a victim of domestic violence, dating violence, sexual assault, or stalking, and you are seeking an emergency transfer, you may use this form to request an emergency transfer and certify that you meet the requirements of eligibility for an emergency transfer under the Violence Against Women Act (VAWA). Although the statutory name references women, VAWA rights and protections apply to all victims of domestic violence, dating violence, sexual assault or stalking. Using this form does not necessarily mean that you will receive an emergency transfer. See your housing provider's emergency transfer plan for more information about the availability of emergency transfers.

The requirements you must meet are:

(1) You are a victim of domestic violence, dating violence, sexual assault, or stalking.

If your housing provider does not already have documentation that you are a victim of domestic violence, dating violence, sexual assault, or stalking, your housing provider may ask you for such documentation. In response, you may submit Form HUD-5382, or any one of the other types of documentation listed on that Form.

(2) You expressly request the emergency transfer. Submission of this form confirms that you have expressly requested a transfer. Your housing provider may choose to require that you submit this form, or may accept another written or oral request. Please see your housing provider's emergency transfer plan for more details.

(3) You reasonably believe you are threatened with imminent harm from further violence if you remain in your current unit. This means you have a reason to fear that if you do not receive a transfer you would suffer violence in the very near future.

OR

You are a victim of sexual assault and the assault occurred on the premises during the 90-calendar-day period before you request a transfer. If you are a victim of sexual assault, then in addition to qualifying for an emergency transfer because you reasonably believe you are threatened with imminent harm from further violence if you remain in your unit, you may qualify for an emergency transfer if the sexual assault occurred on the premises of the property from which you are seeking your transfer, and that assault happened within the 90-calendar-day period before you submit this form or otherwise expressly request the transfer.

Submission of Documentation: If you have third-party documentation that demonstrates why you are eligible for an emergency transfer, you should submit that documentation to your housing provider if it is safe for you to do so. Examples of third party documentation include, but are not limited to: a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom you have sought assistance; a current restraining order; a recent court order or other court records; a law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts.

Confidentiality: All information provided to your housing provider concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking, and concerning your request for an emergency transfer shall be kept confidential. Such details shall not be entered into any shared database. Employees of your housing provider are not to have access to these details unless to grant or deny VAWA protections or an emergency transfer to you. Such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release; (ii) required for use in an eviction proceeding or hearing regarding termination of assistance; or (iii) otherwise required by applicable law.

TO BE COMPLETED BY OR ON BEHALF OF THE PERSON REQUESTING A TRANSFER

1. Name of victim requesting an emergency transfer: _____

2. Your name (if different from victim's) _____

3. Name(s) of other family member(s) listed on the lease: _____

4. Name(s) of other family member(s) who would transfer with the victim: _____

5. Address of location from which the victim seeks to transfer: _____

6. Address or phone number for contacting the victim: _____

7. Name of the accused perpetrator (if known and can be safely disclosed): _____

8. Relationship of the accused perpetrator to the victim: _____

9. Date(s), Time(s) and location(s) of incident(s): _____

10. Is the person requesting the transfer a victim of a sexual assault that occurred in the past 90 days on the premises of the property from which the victim is seeking a transfer? If yes, skip question 11. If no, fill out question 11. _____

11. Describe why the victim believes they are threatened with imminent harm from further violence if they remain in their current unit.

12. If voluntarily provided, list any third-party documentation you are providing along with this notice: _____

This is to certify that the information provided on this form is true and correct to the best of my knowledge, and that the individual named above in Item 1 meets the requirement laid out on this form for an emergency transfer. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature _____ Signed on (Date) _____



Housing Authority Of the City of Needles

This agreement is attached and hereby incorporated with the Lease dated _____, between the Housing authority of the City of Needles and _____.

Lease addendum effective on _____.

Tenant desires to keep the following described pet in the dwelling unit:

Type:
Breed:
Approximate Current Height and Weight
Approximate expected (adult) Height and Weight
Name:

Tenant must provide the Housing Authority with proof of Spay or Neuter as well providing current Inoculation (vaccination) records, City of Needles licensing records, and color photograph of pet on an annual basis, in conjunction with Tenant's Reexamination.

Inoculation records received on:
City of Needles Licensing record received on:
Date of Spay or Neuter:
Photo received on:

The pet owner will be required to designate an alternate responsible party for the care of the pet if the health or safety of the pet is threatened by the death or incapacity of the pet owner, or by other factors that render the pet owner unable to care for the pet

Name of Alternate Responsible Party:
Alternate Party Contact Information:

Attach Photo Here



*Housing Authority
Of the
City of Needles*

SECTION I: DESCRIPTION OF THE PARTIES AND UNIT

This agreement is executed between the Housing Authority of the City of Needle (herein referred to as “HACN” or “HA” and _____ herein referred to as the “tenant” and becomes effective as of _____

This agreement is executed in accordance with HACN’s approved Admissions and Continued Occupancy Policy (herein referred to as “ACOP”).

(A) Unit: HACN, relying on the representations of Tenant as to Tenant’s income, household composition, and need, leases to Tenant (upon Terms and Conditions set forth in Section I of this lease agreement) the dwelling located at _____ Needles, CA 92363 (hereinafter referred to as “Unit” or Residence”) to be occupied exclusively as a private residence by tenant and household. The HACN unit number is 0

(B) Household composition: The tenant’s household is composed of the individuals listed below. All members of the Household over age 18 shall execute the lease.

<u>Name</u>	<u>Relationship</u>	<u>Name</u>	<u>Relationship</u>	<u>Name</u>	<u>Relationship</u>

Any additional occupants to the Unit must be pre-approved by HACN and set forth by Amendment to this Lease, signed and dated by both parties. All non- approved persons are considered unauthorized occupants and may be subject to Lease termination. HACN approval of additional occupants shall be based upon such factors as appropriate dwelling size and suitability including without limitation criminal background information and/or any other applicable standards.

Tenant Initials [_____] [_____] [_____] [_____] HACN Representative Initials [_____]

(C) Term: The term of this lease shall be from _____ to _____. Unless otherwise modified or terminated in accordance with Section XII, this lease shall automatically be renewed for successive terms of one calendar year, upon completion each annual reexamination.

SECTION II: PAYMENT OF RENT DUE UNDER THE LEASE

(A) Rent Monthly rent is payable on or before the first day of each calendar month and must be paid by Check or Money Order. For security reasons, no cash will be accepted at any time. Payment of rent may be made to Housing Authority of the City or Needles, or HACN, at 908 Sycamore Drive Needles, CA 92363. Rent payments can be made in person at the above address during regular business hours Monday-Thursday between the hours of 9:00am-4:00pm, excluding holidays. After hours payments may be deposited to the rent slot in the office door or mail slot located to the right of the office door

(A)1 If rent is not paid in full by the end of business on the 5th day of each calendar month, Tenant shall incur a late fee charge of \$25.00. Tenants who fail to pay monthly rent by the 5th of each calendar month are delinquent. Being delinquent in rent payment more than 3 times during a 12-month period shall be a material breach of this lease.

(A)2 HACN shall collect a fee in the amount charged to the HA by the bank anytime a check is not honored for payment. In such cases HACN will no longer accept checks from Tenant for rent payment and tenant will be required by money order each month thereafter.

The initial rent (prorated for partial month), if applicable, shall be \$ _____, for the period of _____ to _____ and is due at the time of execution of this lease.

Thereafter rent shall be \$ _____ beginning _____.

In cases of hardship, a plan to temporarily pay monthly rent in two installments, or to temporarily extend the payment due date may be made with prior written approval of HACN.

(B) Security Deposit: At the time that Tenant signs this lease is executed, he/she will also pay to the H.A. a Security Deposit of \$200.00. After this dwelling lease is "terminated", the H.A. has the right to apply such amounts from the Security Deposit as are reasonably necessary to remedy any damages suffered or incurred by the H.A. due to any of the following: Tenant's nonpayment of rent, or any Other Charges or Excess or Additional Utilities Charges hereunder; damage to the Unit or the Complex caused by Tenant, Tenant's household members or guests or visitors, and which exceeds normal wear and tear; and the H.A.'s expenses in cleaning the Unit which exceeds normal wear and tear after Tenant vacates the Unit. The Security Deposit may not be used to pay rent or other charges while Tenant occupies the dwelling unit. After Tenant vacates the Unit, the refundable amount (if any) of the Security Deposit will be returned and (unless the entire Security Deposit is returned) a written itemization of costs, charges or expenses or damages incurred, and the disposition of the Security Deposit will be mailed to Tenant's forwarding address upon completion of any repairs or renovations required. If such costs, charges or expenses or damages exceed the amount of the Security Deposit, Tenant will immediately pay the difference and shall remain obligated for such excess charges, expenses or damages after any termination of the Rental Agreement. If tenant vacates the unit and owes a balance for any of the above reasons, he/she will not be eligible for re-admission to this, or any other housing program administered by HACN until all outstanding charges have been paid in full. Tenants must return all keys to HA by close of business on the date they vacate the unit.

Tenant Initials [] [] [] [] HACN Representative Initials []

SECTION III: UTILITIES AND APPLIANCES

(A) The following utility service(s), when applicable, and appliances will be furnished by HACN without additional costs to tenant:

Water (Basic service charge only)	Sewer	Trash	Stove	Refrigerator
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(B) Tenant will pay for the water usage charges, billed to the tenant on a monthly basis. It is the responsibility of the Tenant to obtain services for all other utilities in his/her own name with local utility suppliers within 10 business days of execution of lease. Failure to obtain and maintain utility service is a material breach of this Lease.

(C) An allowance for utilities shall be established, appropriate for the size and type of dwelling unit, for utilities Tenant pays directly to the utility supplier. This allowance is revised annually and will be posted at the HA site office and incorporated into this lease by reference.

(C)1 If the Utility Allowance exceeds the Total Tenant Portion, HACN will pay the Tenant a Utility Reimbursement, which will be applied as a credit to the Tenant account monthly.

SECTION III: OTHER CHARGES

(A) Tenant shall pay the reasonable charges ("Other Charges") for maintenance related repairs beyond normal wear and tear for repair or damage to the Unit or for unauthorized alteration to the Unit or common areas caused by Tenant, other household members or guests. Tenant shall also reimburse HACN for any utility related services incurred while the Tenant is in possession of the Unit ("Utility Charges"). Other Charges shall be billed to Tenant and will specify damaged items, corrective action taken and cost of labor and/or materials to correct damages. The cost of repairs will be based upon the Schedule of Other Charges provided to each Unit and which is posted in the H.A. Site Office and incorporated into this Lease by reference. Other Charges and Utility Charges will be due within 14 business days of receiving an invoice. The failure of Tenant to pay Other Charges and Utility Charges when due will constitute a material breach of the Lease.

(B) The H.A. will accept payment of Other Charges separately or included in payments of rent owed by Tenant. All Other Charges will be considered additional rent and the failure of Tenant to pay Other Charges when due will constitute a breach of the rental agreement.

SECTION V: REDETERMINATION OF RENT

(A) Once a year, or more frequently from time to time as requested by the H.A., Tenant must provide the H.A. with a true and complete written certification of all family income, including anticipated income from all sources, family composition, and any other information deemed pertinent by the H.A., which will be reviewed by the H.A., and used to make determination whether the rent being paid should be changed and/or if Tenant is still eligible for continued occupancy. If family composition changes require a change in unit size, Tenant agrees to transfer to an appropriate size dwelling unit based on family composition. If Tenant refuses or fails to transfer to an appropriate size dwelling unit based on family composition (except for good cause refusal as set forth in the ACOP), such refusal shall be a material breach and H.A. may terminate the Lease.

Each review and redetermination of rent and occupancy (reexamination) will be made in accordance with the ACOP. The failure of Tenant to provide the aforementioned information and not complete a reexamination when due will constitute a material breach of the Lease.

(A)1 Reexamination will occur Annually on or about the same date of program admission during Tenant's occupancy. If Tenant or Tenant's household does not provide HACN the written verification as to all items requested as described above, or execute authorization to release such items, within ten (10) business days of H.A's request, or if Tenant or Tenant's household misrepresents any material fact or omits or fails to state any material fact therein, then Tenant will have materially breached this Lease.

(A)2 H.A may begin processing the Annual Reexamination prior to making a determination of whether or not to renew Tenant's Lease. H.A's action to begin the Reexamination shall not be deemed a waiver by HACN of its right to either terminate or refuse renewal of a Tenant's Lease in accordance with Section XII herein.

(A)3 Any rent adjustment required as a result of the Reexamination will be effective thirty (30) days after service of a Notice of Lease Amendment. The Tenant may ask for an explanation stating the specific grounds of H.A.'s determination. The tenant shall have the right to request a hearing under HACN's grievance procedure if the Tenant does not agree with the determination.

(B) INTERIM REEXAMINATIONS

(B)1 The monthly rent described Section II of this Lease as adjusted pursuant to the latest Reexamination described in subparagraph (A) above, will remain constant for the period between Reexaminations, unless during such a period any of the following "Changes in Circumstance" occur:

(B)1.a There is a loss of head of household (Tenant) due to death, abandonment, separation, divorce or other continuing circumstances. In such event the Lease shall terminate, and a new Lease shall be executed by a responsible, residual adult family member deemed legally eligible by the ACOP.

(B)2.b There is a loss of any person(s) other than head of household, whose name is listed in whose name is listed in Section II (B) as a household member.

(B)1.c There is an addition of a member of the household who is 18 years of age or older, by marriage, remarriage, cohabitation or otherwise, and the additional member is added to the Lease in accordance with H.A. policy.

(B).1.d Tenant can show a change in his/her family circumstances (such as change in income) or other similar circumstances

A TRUE AND COMPLETE STATEMENT OF ALL CHANGES MUST BE REPORTED TO MANAGEMENT
WITHIN 10 BUSINESS DAYS OF THEIR OCCURRENCE.
ANY FAILURE BY TENANT TO DO SO OR ANY MISREPRESENTATION OF ANY SUCH CHANGES WILL
BE A MATERIAL BREACH OF THE LEASE.

(B)2 If, upon verification of a Change in Circumstances, HACN determines that Tenant's monthly rent does not conform to regulatory requirements, an adjustment in the monthly rent will be made. Interim adjustments in the monthly rent will be effective as follows:

(B)2.a Any decrease in rent will be effective on the first day of the calendar month following the month in which a Change in Circumstances was reported.

(B)2.b Any increase in rent will be effective on the first day of the second calendar month following the month in which the Change in Circumstance occurred.

(B)2.c No interim increase or decrease in rent will be made until all the information for making the determination has been verified by H.A.

(C) Retroactive Rent and Failure to Disclose Income

The Tenant has an obligation to report if there is an additional source of income for any eligible family member, and/or income or the addition of a family member to the household within 10 business days. Failure to disclose the aforementioned information is a material breach of the Lease. If the Tenant or a member of his/her household misrepresents facts, omits any pertinent information, or fails to inform the H.A. of information it required for an annual reexamination or interim rent adjustment and these failures result in a lower rent than should have been charged, HACN, in its sole discretion, may terminate the Lease for a material breach and/or may make the rent increase retroactive to the date it would have been effective. Any resulting retroactive rent must be paid by the Tenant according to the terms of the Repayment Agreement. In addition to collecting the retroactive rent and/or terminating Lease Agreement, HACN may pursue any additional actions allowable under Federal, State or local law.

(D) Notice

The H.A. will mail or deliver a "Lease Amendment Notice" to Tenant at the Unit in accordance with Section XI of this Lease in the event the monthly rent payment is increased or decreased pursuant to this Section V.

Section VI: TENANT'S OBLIGATIONS

Violation of this section may result in termination of this Lease Agreement. Tenant agrees:

(A) To refrain from, and to assure that household members and guests refrain from the following behavior and criminal activity:

(A)1 creating or maintaining a threat to the health and safety of other residents and their guests, HACN's employees and affiliates, or the public, or engaging in illegal or offensive behavior.

(A)2 To refrain from and to assure household members and guests refrain from engaging in drug-related criminal activity on or off the Housing Development premises.

(A)3. To refrain from and to assure household members and guests refrain from illegal or other activity which impairs the physical or social environment of the Housing Development

Tenant understands and acknowledges that committing any of the acts described in this subparagraph (A) is a material breach of this Lease and that HACN may proceed with termination of the Lease for any such violation on three (3) days' notice.

Tenant Initials [] [] [] [] HACN Representative Initials []

(B) To immediately notify the H.A. of any changes to household circumstances, including but not limited to change of household composition, income, assets, criminal history, and any other changes that may affect eligibility. Tenant must report such changes in writing, within 10 business days of their occurrence. In the event a household member is no longer residing in the unit, Tenant shall continue to be responsible for the actions of said household member until the H.A. has been notified in writing of the change and the household member is removed from the Lease.

(C) To promptly report to the H.A., and obtain H.A.'s approval for, the presence of any guest or visitor, not identified in Section I as a member of Tenant's household, when overnight guests will be staying for more than 3

days. Guest approval is subject to a 'soft' background check to ensure the safety of HACN residents. This 'soft' check will include search of all available Sex Offender data bases. Approval will be at the sole discretion of the HA. A guest can remain in the unit no longer than 14 consecutive days or a total of 30 cumulative calendar days during any 12-month period. Former Tenants who have been evicted are not permitted as overnight guests.

(C)1 The use of the unit address for any purpose by a non-household member is not permitted

(D) To refrain from and to assure household members or guests refrain from interfering with the job responsibilities of authorized vendors, service personnel, HACN personnel or other representatives or affiliates of HACN.

(E) To use the Unit solely as a private dwelling for Tenant and Tenant's household members and not to use, or permit use, for any other purpose, except for a home occupation if authorized in writing by the H.A. Authorization for a home occupation shall be in the sole discretion of the H.A. pursuant to the standards set forth in the ACOP. Tenant may provide reasonable accommodations for Tenant's guests, foster children or live-in caretaker for a member of Tenant's household, except that Tenant must obtain written permission of the H.A. prior to giving accommodations to foster children or live-in caretaker. Tenant is responsible for foster children and/live-in caretakers who shall refrain from drug-related criminal activity and/or violent criminal activity or other activity which impairs the physical or social environment of the Housing Development, or which disturbs other Residents' peaceful enjoyment of their Residence or the Housing Development.

(F) To physically occupy the dwelling unit as the Tenant's primary place of Residence. Although a Tenant continues to pay rent and utilities, a Tenant may not be absent from the Unit for longer than 30 consecutive days, or 180 days if the absence is due to verified medical reasons without losing his/her rights to tenancy to the Unit. A Tenant who plans to be or is absent from his/her unit for longer than 30 days must inform the H.A. to avoid lease termination. Tenant may request in writing to have a longer absence approved.

(G) Not to assign any interest in this Lease or to sublet or transfer possession of all or any portion of the Unit.

(H) Not to provide accommodations to paid boarders or lodgers.

(I) To refrain from and to assure household members and guests refrain from harassing other residents, authorized vendors, service personnel or representatives of the H.A.

(J) To conduct himself/herself and to assure household members and guests conduct themselves in a manner that will not disturb his/her neighbor's peaceful enjoyment of their residences and the common areas of the Housing Development, and will be conducive to maintaining the Housing Development in a decent, safe and sanitary condition

(J)1 That upon receiving written notice of a banned individual from the H.A., Tenant and/or household members shall not permit a banned individual on Housing Development premises and/or the Tenant's Unit.

Tenant Initials [] [] [] [] HACN Representative Initials []

(K) To abide by all necessary and reasonable rules and regulations established the benefit and well-being of the Housing Complex in which the Unit is located, and the other tenants, which rules, and regulations will be posted in the H.A.'s site office and are incorporated into this Lease by this reference. Such rules and regulations may be modified from time to time.

(L) To comply with all obligations imposed upon Tenants by applicable provisions of local, state, and federal building and housing codes which materially affect health and safety

(L)1 Any Tenant owned Fire Extinguisher are the personal property of the Tenant and is the responsibility of the Tenant. HACN shall not be responsible if it is damaged or if the certification has expired.

(M) To observe and to cause Tenant's household and guests to observe the speed limit on the project streets

(N) To refrain from and to assure household members and guests refrain from defacing, painting, damaging, destroying or removing any part of the Unit or Housing Development and pay reasonable charges (other than normal wear and tear) for the repair of damages to the unit, Housing Project buildings, facilities, or common areas, which

are caused by Tenant, his/her household members or guests, according to the Schedule of Other Charges referred to in Section III(A).

(N)1 Tenant acknowledges, and HACN certifies that the unit is equipped with one or more smoke alarms and one carbon monoxide alarm and that the smoke alarm, and carbon monoxide alarm if applicable, has been tested and are operable at this time. It is the Tenant's responsibility to test the smoke alarm(s), and carbon monoxide alarm if applicable, at least every six (6) months, contact the Housing Authority immediately upon discovery of dead or weak batteries, and notify the Housing Authority in writing of operating deficiencies. Because a disabled smoke or carbon monoxide alarm represents a very serious threat to the lives of the household and neighbors, Tenant, occupants, and guests may not remove or tamper with functioning smoke and/or carbon monoxide alarm(s), including but not limited to, disabling it by removing working batteries and housing authority may charge a fee of \$150.00 upon discovery of such conduct and terminate this Agreement.

(O) To refrain from permitting his/her children, children of household members and guests from playing on fences, roofs, trees and shrubbery in the public housing project

(P) To make no major repairs, alterations, or additions without the prior written consent of the H.A. which consent the H.A. may withhold in its sole discretion and to make no repairs at the cost of the H.A., as permitted by California Civil Code Section 1942, without first giving the H.A. notice and a reasonable time to commence repairs as provided by California Civil Code Section 1942. Any repairs made by Tenant will be in accordance with California Civil Code Section 1942.

(Q) To keep the Unit, yards, patios, and such other areas as may be assigned to the Tenant for his/her exclusive use, in clean and safe condition, and to promptly notify the H.A. whenever repairs to his/her Unit are required

(Q)1 To use only in a reasonable manner all electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other facilities and appurtenances.

(Q)2 To dispose of all garbage, rubbish, ashes, and other waste from the dwelling unit in a sanitary and safe manner.

(Q)3 To maintain the Unit in a clean and sanitary manner and immediately notify the HA of the presence of bed bugs, roaches, or similar pest and abide by HACN pest control policies as specified in the Pest Control Lease Addendum.

(R) Not to keep any pets inside or outside the Unit without the prior written authorization of the H.A., in which case the H.A. and Tenant shall sign a Pet Agreement as an Addendum to this Lease.

(R)1 Pets not owned by a tenant are not allowed on the premises.

(R)2 Any animals on the premises not approved by HACN will be presumed to be stray and will be treated as such. Should an unapproved animal be found to reside in Tenant's unit, HACN will require immediate removal of the animal and may be considered a material breach of this Lease.

(R)3 Tenants are prohibited from feeding or harboring stray animals/birds.

Tenant Initials [] [] [] [] HACN Representative Initials []

(S) To park only in areas designated for Tenant's parking and to ensure that guests and visitors do not park in parking areas of other Tenants of the housing complex.

(S)1 To refrain from keeping trailers and non-operating vehicles and/or parts on the premises

(S)2 To refrain from and to cause household members and guests to refrain from using project lawns, sidewalks, and parking areas for the washing, servicing or repair of vehicles.

(T) Not to display on or about the Unit or Housing Complex any advertisement for goods or services without the prior written consent of the H.A., which approval may be withheld at the H.A.'s sole discretion

(U) To pay promptly any utility bills for utilities supplied to Tenant by a direct connection to the utility company, and to avoid disconnection of such utilities.

(V) Abide by the following lease addendums and policies hereby incorporated this lease:

Pest Control [___] Mold and Mildew [___]]Non-Smoking [___]

Community Service [___] Occupancy Rules and Regulations [___]

Pet agreement (if applicable) [___] Live-in aid (if applicable) [___]

SECTION VII: Housing Authority Obligations

Subject to the obligations of Tenant hereunder, including, without limitation, the obligation to pay rent and to maintain the Unit in clean and sanitary manner, the H.A. agrees:

- (A) To maintain the Unit and the complex in a decent, safe, and sanitary condition.
- (B) To comply with requirements of applicable building and housing codes and U.S. Department of Housing and Urban Development regulations materially affecting health and safety.
- (C) To make necessary repairs to the Unit.
- (D) To keep Housing Development buildings, facilities and common areas not reserved for the exclusive use of the Tenant in a clean and safe condition.
- (E) To maintain in good and safe working order and condition electrical, plumbing, sanitary, heating, ventilating and other facilities and appliances supplied or required to be supplied by the H.A.
- (F) To provide and maintain appropriate receptacles and facilities (except containers for the exclusive use of Tenant and his/her household) for the deposit of garbage, rubbish and other waste which must be removed from the Residence by Tenant as provided in subsection 6(I).
- (G) To supply running water and reasonable amounts of hot water as required.
- (H) To publicly post in a conspicuous manner in the H.A. site office, all rules and regulations and schedules incorporated by reference in this Lease, and to furnish copies thereof to Tenant on request, at a reasonable charge per each page.
- (I) To offer Tenant a choice to select an income-based rent or a flat rent.

IT IS EXPRESSLY UNDERSTOOD THAT NEITHER THE H.A. NOR ANY OF ITS REPRESENTATIVES SHALL BE LIABLE FOR DAMAGE OR LOSS FROM THEFT OR FROM ANY OTHER CAUSE WHATSOEVER.

SECTION VIII: HAZARDESS DEFECTS

Tenant agrees to take every precaution to prevent fires, to not store gasoline, solvent, paper, cardboard or other flammable or combustible materials or substances in the Unit and to supervise his/her children to ensure that they do not play with incendiary devices, and agrees to promptly notify the H.A. of the existence of any of the foregoing conditions in the Unit, and upon Tenant's knowledge thereof, in the surrounding Units and common areas of the housing complex. In the event the Unit is damaged such that conditions are created which are hazardous to the life, health, or safety of the occupants of the Unit.

Tenant Initials [] [] [] [] HACN Representative Initials []

(A) Tenant shall immediately notify the H.A. of the damage

(B) The H.A. shall be responsible for repair of the Unit within a reasonable time, provided that if the damage was caused by Tenant, a member(s) of his/her household or Tenant's guest(s), the reasonable cost of the repairs will be charged to Tenant and the H.A. may terminate the rental agreement as provided in Paragraph 11(E).

(C) The H.A. will offer standard alternative living accommodations, if available, when necessary repairs cannot be made within a reasonable time; provided, however, that if it is determined that the damage was caused by Tenant, a member(s) of his/her household or Tenant's guest(s) and the H.A. elects to terminate the rental agreement, the H.A. shall not be required to offer alternative accommodations; and

(D) Rent will be reduced in proportion to the seriousness of the damage and loss in value of the Unit as a dwelling in the event repairs are not made by the H.A. within a reasonable time or alternative accommodations are not provided when required (except that rent will not be reduced if Tenant rejects the alternative living accommodations or if the damage was caused by Tenant, a member of Tenant's household or a guest).

(E) Any insurance or self-insurance maintained by landlord is solely for the benefit of landlord and not for the benefit of tenant.

SECTION VIII: INSPECTIONS

(A) Prior to the time the Tenant begins to live in the Unit, and prior to the time Tenant vacates the Unit, a representative of the H.A. and Tenant (or his/her representative) will inspect the Unit, unless Tenant has vacated the Unit without notice to the H.A., in which case the H.A. may perform an inspection without prior notice to Tenant. Tenant has the right to request an amendment to the inspection statement within seven (7) days after taking possession of the Unit if defects are discovered which existed prior to occupancy and were not noted during the original inspection and which did not occur as a result of any fault of Tenant, a member of his/her household or guest. With respect to the Pre-Termination Inspection: Tenant will be given a statement of the condition of the Unit and the appliances and/or furniture and any other charges to be paid by Tenant pursuant to Section 4.

(B) The HACN shall give the Tenant at least 48 hours written notice of inspection

SECTION X: ENTRY OF PREMISES DURING TENANCY

Tenant agrees the H.A. is entitled to enter the Unit as follows:

(A) At any time without advance notification to Tenant when there is reasonable cause to believe that an emergency exists.

(B) Tenant agrees that the duly authorized agent, employee, or contractor of the HACN shall be permitted to enter the Unit during reasonable hours for the purpose of performing routine maintenance, making improvements or repairs, inspecting the unit, or showing the unit for re-leasing. Tenant also agrees that the HACN, or its duly authorized agent, employee, or contractor may take photographs inside the Unit while conducting official HACN business.

(C) Pets must be accompanied by Tenant or responsible person designated by Tenant for performance of repairs or inspections, unless alternative arrangements have been made with HACN.

(D) The HA will enter the unit to change the HVAC filter on the 3rd Tuesday of each month, known as 'Filter Day'. The HA will enter the unit in the event the Tenant is not present. HACN will bill to recoup the price of filters to each tenant monthly.

Tenant Initials [] [] [] [] HACN Representative Initials []

(B) HACN Obligations:

(B)1 HACN shall enter only at a reasonable time.

(B)2 HACN may enter the Unit at any time without advance notification when there is reasonable cause to believe that an emergency exists

(B)3 In the event the Tenant and all adult (i.e., over age 18) members of his/her household are absent from the Unit at the time of entry, the H.A. will leave at the Residence a written statement specifying the date, time and purpose of the entry into the Unit prior to leaving the Residence.

SECTION XI: LEGAL NOTICES

(A) Any notice required or desired to be given by the H.A. to Tenant will be sufficient if:

(A)1 Delivered in writing to Tenant personally; or

(A)2 Delivered in writing personally to an adult member of his/her family living in the Unite; or

(A)3 Sent by first-class mail, postage prepaid, properly addressed to Tenant at the Unit; or

(A)4 In the case of notice of proposed changes in rules, regulations, procedures or schedules referred to in Section 14, the H.A. may, as an alternative to any of the notice provided in (1), (2) or (3) above, post such notice in at least three (3) conspicuous places within the structure or building in which the Residence is located, as well as in a conspicuous place in the H.A. office.

(B) Any notice to the H.A. from Tenant must be in writing and must either be delivered or sent by first class, postage prepaid mail which is properly addressed to the H.A.'s on-site office at 908 Sycamore Drive, Needles, CA 92363.

(C) Notices given as provided above shall be deemed effective on the date personally delivered or posted or mailed.

(D) Notices to perform covenant or quit shall be given a 3 day time frame to remedy violations

SECTION XII: TERINATION OF LEASE/NONRENEWAL OF LEASE

(A) This lease may be terminated by Tenant at any time by giving thirty (30) days written notice to the H.A. in the manner specified in Section 11. Tenant agrees to leave Unit in clean and good condition, reasonable wear and tear excepted, and to return the keys to HACN when Tenant vacates the Unit. If Tenant fails to give

proper notice, Tenant will be responsible for payment of thirty (30) days rent from the date notice is given, or keys are returned, or the date the vacant unit is discovered by the H.A. If Tenant transfers to another HACN operated dwelling unit, unpaid rent balance and/or other charges under this Lease must be paid prior to effective date of new Lease. Exceptions may be made at the sole discretion of the H.A.

- (B)** This Lease shall terminate upon the death of the Tenant.
- (C)** This Lease shall terminate upon abandonment of the Unit by Tenant.
- (D)** Tenant understands that failure to comply with the terms of this lease may result in the termination of this Agreement. This lease may be terminated by the Landlord at any time for serious or repeated violations of material terms of the lease, or for other good cause.

Examples of serious or repeated violations of terms shall include but not be limited to:

(D)1 Payment failures such as:

(D)1.a Failure to pay rent or other payments due under the Lease.

(D)1.b Repeated late payment, which shall be defined as failure to pay the amount of rent or other charges due by the fifth of the month. Three (3) such late payments within a 12-month period shall constitute repeated late payments.

(D)1.c Failure to pay utility bills when Tenant is responsible for paying such bills directly to the supplier of utilities

(D)2 Violation of Tenant's obligations as described in Section V and VI of the Lease

(D)3 Other good cause (such as repeated violation of any terms, material, or non-material, of this Lease).

(E) If the H.A. desires to terminate the Lease, the H.A. shall give Tenant written notice of termination, which will require that Tenant vacate the premises in the time shown as follows:

(E)1 Fourteen (14) days in the case of failure to pay rent:

(E)2 Three (3) days or less, if necessary, if Tenant, a member of his/her household or a visitor or guest creates or maintains a clear and immediate threat to the health or safety of other tenants, employees or the public, or if Tenant, a member of his/her household or a visitor or guest engages in any illegal criminal activity, drug activity in or near the public housing project; and

(E)3 Thirty (30) days in all other cases.

(F) HACN may terminate this Lease prior to its expiration or at any time only for good cause which includes, but not limited to

(F)1 Failure to comply with the Community Service Requirement,

(F)2 Tenant's violation of any material term of the Lease,

(F)3 Violation of Tenant's obligations as described in Section 6 of this Lease,

(F)4 Repeated or and/ or continuous violation of any terms, material or non- material, of this Lease.

(F)5 Termination due to the creation or maintenance of a threat to the health or safety of other tenant's, H.A.'s employees or the public

(F)6 Illegal drug activity, or criminal activity

(G) A Tenant shall not be entitled to utilize the grievance procedure in case of termination of this Lease or eviction of Tenant under the Unlawful Detailed laws of the State of California due to the creation or maintenance of a threat to the health or safety of other tenants, H.A.'s employees or the public, or involvement in any illegal criminal or drug activity, by Tenant, a member of his/her household, visitors or guests under the tenant's control.

(H) This Lease shall terminate if no remaining family member in the household is a U.S. Citizen or an eligible immigrant.

(I) This Lease shall terminate if a household has an income that is over 120 percent of the Area Median Income (AMI) for the most recent two (2) consecutive years; the LACDA shall terminate the family's tenancy within 6 months after the two (2) consecutive years.

Tenant Initials [] [] [] [] H.A. Representative Initials []

SECTION III: TENANT RIGHTS UNDER VIOENCE AGAINST WOMEN'S ACT (VAWA)

(A) Being a victim of domestic violence, dating violence, sexual assault or stalking, engaged in by a member of the Tenant's household or any guest or other person under the Tenant's control is not by itself a cause for termination under Paragraph 6 of this Lease Agreement.

(B) Criminal activity directly relating to domestic violence, dating violence, sexual assault or stalking that is engaged in by a member of the Tenant's household or any guest or other person under the tenant's control, shall not be cause for termination of the tenancy, if the Tenant, or affiliated individual of the Tenant is a victim of that domestic violence, dating violence, sexual assault or stalking.

(C) HACN may remove a member of the household from the lease, without regard to whether the member is a signatory to the lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or authorized member and who engages in criminal acts of physical violence against the Tenant or other authorized members or against others, without evicting, removing, terminating assistance to or otherwise penalizing the victim of such violence who is also a tenant or authorized member.

(D) HACN maintains the right to evict Tenant or authorized member of the Tenant's household, including a victim of domestic violence, for any violation of this Lease not premised on the act or acts of domestic violence in question.

(E)HACN maintains the authority to terminate if it can demonstrate that the Tenant, authorized members of the Tenant's household, any guest or other person under the Tenant's control, are causing an actual and imminent threat to other Residents, HACN employees and affiliates, or persons residing in the immediate vicinity of the Premises.

(F) Once HACN is notified, H.A. retains authority to honor court orders relating to the rights of access to or control of the property, including civil protection orders (i) issued to protect the victim and (ii) issued to address the distribution or possession of property among the family members in cases where a family breaks up.

SECTION XIII: ATTORNEY FEES

Tenant agrees to pay Attorney's fees in the event court action is required to enforce any terms and condition of the Rental Agreement by the H.A., provided Tenant does not prevail in said court action.

SECTION XV: GRIEVANCE

Except as provided in Section 11 (F) and (G), all grievances or appeals arising under this Lease, shall be processed and attempted to be resolved pursuant to the grievance procedure which is in effect at the time of such grievance or appeal, prior to the H.A. commencing any eviction action. This grievance procedure shall be posted in the H.A. Office, and a copy provided to each Tenant, and is incorporated herein by this reference.

SECTION XVI: MODIFICATIONS OR CHANGES

Modification of this Lease shall be by written rider executed by both parties, except for changes in rent made pursuant to Section V or changes or amendments set forth below. HACN may, from time to time, make changes or amendments in the Utility Allowance, Schedule of Other Charges, and any and all other rules, regulations, schedules or procedures (including grievance procedures) herein or affecting the Lease and any and all such changes and amendments (subject to compliance with the notice procedure specified below) shall become part of this Lease. Prior to any change or amendment becoming effective HACN shall provide at least thirty (30) days written notice to Tenant setting forth the proposed change or amendment, the reasons therefore, and providing Tenant an opportunity to make written comments. This notice shall be served on Tenant as set forth in Section 11

SECTION XVII: NO WAIVER

Notwithstanding any conduct or custom on the part of the H.A., the failure of the H.A. to enforce any of the H.A.'s rights under this Lease shall not be construed as having created a custom in any way contrary to the specified terms of this Rental Agreement or as having in any way modified this Rental Agreement or as having constituted a waiver of any of the H.A.'s rights or obligations under this Rental Agreement.

SECTION XVIII: REGISTERED SEX OFFENDER NOTICE

Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides



City of Needles, California Request for City Council Action

CITY COUNCIL NPUA Regular Special

Meeting Date: October 8, 2024

Title: Authorize the City Manager to execute the California Colorado River Contractors Forbearance Agreement for 2024-2026 with Coachella Valley Water District, Imperial Irrigation District, Palo Verde Irrigation District and the Metropolitan Water District of Southern California to allow water to be conserved under the U.S. Bureau of Reclamation's conservation program to be added to Lake Mead

Background: Staff seeks authorization for the City Manager to enter into an agreement to allow water to be added to Lake Mead according to funding provided by the U.S. Bureau of Reclamation's (Reclamation) Lower Colorado Conservation Program (LC Conservation Program).

This agreement demonstrates how multi-agency partnerships can benefit the Colorado River. Staff specifically seek authorization to enter the following agreements: A forbearance agreement among Metropolitan, Palo Verde Irrigation District (PVID), Imperial Irrigation District (IID), Coachella Valley Water District (CVWD), and the Metropolitan Water District of Southern California that will cover conservation actions taken by CVWD and IID under the LC Conservation Program in 2024, 2025, and 2026.

The LC Conservation Program

The 2021 Bipartisan Infrastructure Law and the 2022 Inflation Reduction Act both seek to fund water management and conservation efforts to relieve drought conditions in the Western United States, with a focus on the Colorado River. The Department of the Interior, through Reclamation, created the LC Conservation Program to increase system conservation and efficiency opportunities to address the drought in the Lower Colorado River Basin. Similar conservation programs are being developed in the Upper Colorado River Basin. The LC Conservation Program provides funding opportunities for voluntary participation to increase system conservation.

A total of six conservation agreements have been or are being developed in California under Bucket 1 of the LC Conservation Program to help California conserve 400,000 AF of water annually from 2023–2026.

A forbearance agreement among Metropolitan, PVID, IID, CVWD, and the City of Needles is needed to cover conservation from all six conservation agreements from 2024-2026. Forbearance is necessary for these actions because, under the California priority system, Colorado River water conserved by a higher-priority user is available to the next lower-priority user. Thus, as part of a program to fund the conservation of Colorado River water, contractors need to agree to forbear exercising their rights to ensure that the conserved water remains in the Colorado River system rather than becoming available to the next lower-priority user. Before entering into any forbearance agreement, City and Legal staff will review the underlying agreements between Reclamation and the contractors to ensure that City of Needles's rights as the senior priority in California are protected.

First, forbearance is needed for an agreement between Reclamation and CVWD to fund a reduction in groundwater replenishment by up to 35,000 acre-feet per year in 2024 and 2025 at \$400 per acre-foot.

Second, forbearance is needed for an agreement between Reclamation and CVWD to fund agricultural conservation from 2024–2026 at \$400 per acre-foot. Under the agreement with CVWD, up to 10,000 acre-feet of conserved water from a new agricultural conservation program will be left in Lake Mead as system water each year. The new conservation program currently covers full-season fallowing and retirement of permanent crops.

Third, forbearance is needed for an agreement being developed between Reclamation and IID to fund agricultural conservation from 2024-2026 at a rate that is based on the rate paid by SDCWA to IID for SDCWA's transfer supplies. Under the proposed agreement, IID would conserve and leave in Lake Mead as system water, up to 300,000 acre-feet per year with a three-year cumulative maximum of 700,000 acre-feet. This conserved water could come from IID's existing on-farm conservation program, a new deficit irrigation program, or an updated farm-unit fallowing program. IID's board approved a supplemental payment to their existing On-Farm Efficiency Conservation Program to incentivize increased conservation savings from the existing on-farm program. IID's board also approved the implementation of a new deficit irrigation program where farmers would cease irrigation on alfalfa, bermuda, or klein grass for a period of 45–60 days. The Board of Public Utilities approved the recommended action on October 1, 2024.

Fiscal Impact: The proposed forbearance agreement has no impact on the City of Needles

Environmental Impact: With the forbearance of these three additional conservation programs, over 800,000 AF of water will be added to Lake Mead over three years, increasing elevation by approximately 10 feet. All parties benefit from increased Lake Mead elevation, power generation, and reliability of Colorado River water supplies.

Recommended Action: Authorize the City Manager to execute the California Colorado River Contractors Forbearance Agreement for 2024-2026 with Coachella Valley Water District, Imperial Irrigation District, Palo Verde Irrigation District and the Metropolitan Water District of Southern California to allow water to be conserved under the U.S. Bureau of Reclamation's conservation program to be added to Lake Mead

Submitted By: Rainie Torrance, Utility Manager

City Manager Approval: Patrick J. Martinez Date: 10/2/2024

Other Department Approval (when required): _____ Date: _____

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
			Agenda Item: _____

**California Colorado River Contractors Forbearance Agreement for 2024-2026
Conservation Agreements Under the Lower Colorado Conservation and Efficiency
Program**

Coachella Valley Water District, Imperial Irrigation District, The Metropolitan Water District of Southern California, Palo Verde Irrigation District, and the City of Needles, each of which is a “Party” and together are the “Parties,” enter into this Agreement as follows:

Recitals

A. Each of the Parties to this Agreement is a California Colorado River contractor pursuant to a contract with the Secretary of the Interior for delivery of Colorado River water under Section 5 of the Boulder Canyon Project, which contracts, together with subsequent agreements among some or all the Parties or among some or all of the parties and the United States Department of Interior Bureau of Reclamation, and along with applicable State and Federal laws, define the rights of each Party to request and receive delivery of Colorado River water for diversion for beneficial uses within the State of California.

B. Several of the Parties are individually or collectively engaging in programs to conserve Colorado River water to assist in maintaining storage in the Colorado River reservoirs to help prevent the reservoirs from declining below critical elevations as a result of recent hydrologic conditions in the Colorado River system.

C. In 2023, the Parties entered into the California Colorado River Contractors Forbearance Agreement for 2023 Conservation Agreements Under the Lower Colorado Conservation and Efficiency Program to provide assurance that no Party would claim a right to the benefit of, the delivery of, or to the diversion of certain water conserved during 2023 in order to enable that water to increase storage in the Colorado River reservoirs.

D. The purpose of this Agreement is to provide assurance that no Party will claim a right to the benefit of, the delivery of, or to the diversion of the water conserved beginning in 2024 and through 2026 under the Conservation Programs listed below in order to enable the water conserved to increase storage in the Colorado River reservoirs.

Now THEREFORE, in consideration of the agreements and covenants herein, the Parties agree as follows:

Forbearance

1. Each of the Parties hereby forbears any claim to the benefit of, to divert, or to seek the delivery of Colorado River water conserved by any of the following programs (“Conservation Programs”):

a. The System Conservation Implementation Agreement (SCIA) between the United States Bureau of Reclamation and the Coachella Valley Water District to Implement the Lower Colorado Conservation and Efficiency Program (LC Conservation Program) based upon temporary and

compensated conservation of Colorado River water historically used to recharge groundwater aquifers, SCIA No. 23-XX-30-W0764 dated July 24, 2023 (up to 35,000 acre-feet/year in 2024 and 2025).

b. The System Conservation Implementation Agreement between the United States Bureau of Reclamation and the Coachella Valley Water District to Implement the Lower Colorado Conservation and Efficiency Program (LC Conservation Program) based upon temporary and compensated conservation of Colorado River water historically used for irrigation of lands within Coachella Valley Water District, SCIA No. 23-XX-30-W0821 dated March 28, 2024 (up to 10,000 acre-feet/year from 2024-2026).

c. The System Conservation Implementation Agreement between the United States Bureau of Reclamation and The Metropolitan Water District of Southern California to implement a Lower Colorado Conservation and Efficiency Program (LC Conservation Program) based upon temporary and compensated conservation of Colorado River water historically used for irrigation of lands within the Palo Verde Irrigation District, SCIA No. 23-XX-30-W0772 dated December 13, 2023 (up to 117,021 acre-feet/year from 2024-2026).

d. The System Conservation Implementation Agreement between the United States Bureau of Reclamation and the Imperial Irrigation District to implement a Lower Colorado Conservation and Efficiency Program (LC Conservation Program) based upon temporary and compensated conservation of Colorado River water historically used for irrigation of lands within Imperial Irrigation District's service area, SCIA No. 24-XX-30-W0825 dated August 26, 2024 (up to 300,000 acre-feet/year with a cumulative total not to exceed 700,000 acre-feet from 2024-2026).

e. The System Conservation Implementation Agreement among the United States Bureau of Reclamation, The Metropolitan Water District of Southern California, and the Bard Water District to implement a Lower Colorado Conservation and Efficiency Program (LC Conservation Program) based upon temporary and compensated conservation of Colorado River water historically used for irrigation of lands within Bard Water District, SCIA No. 23-XX-30-W0773 dated September 23, 2024 (up to 5,700 acre-feet/year from 2024-2026).

2. Imperial Irrigation District, The Metropolitan Water District of Southern California, Palo Verde Irrigation District, and the City of Needles, each hereby forbears any claim to the benefit of, to divert, or to seek the delivery of Colorado River water conserved during 2024 and 2025 by the following Conservation Program:

a. The System Conservation Implementation Agreement between the United States Bureau of Reclamation and The Metropolitan Water District of Southern California to implement a Lower Colorado Conservation and Efficiency Program (LC Conservation Program) based upon temporary and compensated conservation of Colorado River water historically used for irrigation of lands within the Quechan Indian Reservation in California, SCIA No. 23-XX-30-W0783 dated December 13, 2023, and as amended on September __, 2024 (up to 13,000 acre-feet per year in 2024-2026).

3. The forbearance given by this Agreement as to the Conservation Programs identified in Sections 1 and 2 above shall be for the benefit of each of the Parties and shall also be for the benefit of the United States Department of Interior, Bureau of Reclamation. This Agreement does not create any third-party beneficiary rights in any person other than the Parties and the United States Department of the Interior, Bureau of Reclamation.

4. The Parties' forbearance under this Agreement is conditioned upon the annual verification of the conserved water after a workgroup consultation between the United States Department of Interior, Bureau of Reclamation, The Metropolitan Water District of Southern California, Imperial Irrigation District, and Coachella Valley Water District. Any objection must be conveyed in writing within twenty-one (21) days following the consultation.

CVWD Limitation

5. Coachella Valley Water District hereby reaffirms its commitment made in paragraph 6 of the Drought Contingency Plan Implementation Agreement Between The Metropolitan Water District of Southern California and Coachella Valley Water District dated May 20, 2019.

Agreement Is Non-Precedential, Contains No Admissions, and Modifies No Other Agreements

6. The Parties agree that this Agreement shall not in any matter constitute a precedent as to the following:

- (a) any right, obligation, or authority of any Party to engage in a conservation program;
- (b) any methodology used to establish a baseline of consumptive use by which conservation for a program is measured or established in any future year; and
- (c) the quantity of water or the proportion of reduction of contractual entitlement that an agency may be required to conserve or not divert, during any declared shortage.

7. The Parties agree that the reference to "forbearance" in this Agreement does not constitute an admission by any Party that any Party actually has a legal right to claim the conserved water created by any other Party in the absence of a forbearance agreement.

8. Some of the Parties are parties to other agreements among themselves and others relating to drought or shortages on the Colorado River. Nothing in this Agreement expressly or implicitly amends, modifies, or conflicts with the provisions of any of those other such agreements.

Term

9. This Agreement shall be effective when signed by two or more Parties as between the initial signatory Parties and shall be binding upon a subsequent signatory Party as of the date of signature of that Party.

10. The obligations related to the forbearance of conserved water conserved relating to the Conservation Programs under this Agreement shall terminate on May 31, 2027. Otherwise, the provisions of this Agreement shall remain enforceable.

Miscellaneous

11. The rights and obligations under this Agreement do not commit any Party to engage in the creation of conserved water under the Conservation Programs identified in Section 1 above.

12. Each Party represents and warrants that each person or persons executing this Agreement on its behalf is duly authorized to do so by the respective Party and that this Agreement binds that Party.

13. This Agreement may be executed in counterparts, each which is an original, but all of which together will constitute one and the same instrument.

[Signatures on following page]

DRAFT

The Parties are signing this Agreement as of the dates indicated below:

Approved as to form:

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

General Counsel

General Manager

Approved as to form:

COACHELLA VALLEY WATER DISTRICT

Legal Counsel

General Manager

Approved as to form:

IMPERIAL IRRIGATION DISTRICT

General Counsel

General Manager

Approved as to form:

PALO VERDE IRRIGATION DISTRICT

Legal Counsel

General Manager

Approved as to form:

CITY OF NEEDLES

City Attorney

City Manager



City of Needles, California Request for City Council Action

CITY COUNCIL NPUA

Regular Special

Meeting Date: October 8, 2024

Title: Authorize the purchase from Brax for two pumps for Bazoobuth Lift Station not to exceed \$35,000 from Wastewater Asset Replacement

Background: The current pumps at the Bazoobuth Lift Station were purchased used around 1994 and consist of two 600 GPM Gorman Rupp pumps. Due to their age, replacement parts have become obsolete and extremely difficult to source, making repairs nearly impossible. The proposed new pumps are identical to the existing models, ensuring that replacement parts will be readily available. These new pumps will operate more efficiently and significantly reduce the risk of a major failure that cannot be repaired. Since they are direct replacements, Wastewater Department employees can easily install them as they bolt directly into place. With proper maintenance, the new pumps are expected to have a 20 to 30-year or even longer lifespan.

The Board of Public Utilities approved this recommended action on October 1, 2024.

Fiscal Impact: Wastewater asset replacement has a fund balance of \$164,025 as of June 2024.

Environmental Impact: N/A

Recommended Action: Authorize the purchase from Brax for two pumps for Bazoobuth Lift Station not to exceed \$35,000 from Wastewater Asset Replacement

Submitted By: Sy Foley, Wastewater Operator I

City Manager Approval: Patrick J. Martinez Date: 10/2/2024

Other Department Approval (when required): Kenneth McDonald Date: 10/03/2024

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
			Agenda Item: _____



PROCESS AND PUMP EQUIPMENT

31248 Valley Center Rd | Valley Center CA 92082 | 760 749-2209

2115 S. Hellman Suite H | Ontario CA 91761 | 909 923- 9809

4630 Easton Dr. #4 | Bakersfield CA 93309 | 661 432 -2729

Bill To:

CITY OF NEEDLES
WASTEWATER DEPT
817 THIRD STREET
NEEDLES, CA 92363

Ship To:

SAME AS BILL TO

Quote

Quote # 56567
Date 9/17/2024
Sales Person MG
Written By TRACY BENNETT
Terms CWO
Freight PREPAID & ADD

Project

Part Number	Qty	Description	Unit	Total
BRAX CO.	2	GORMAN RUPP PUMP T6A3S-B/F 6" SUPER T SERIES CI W/FLANGE	10,932.00	21,864.00T
BRAX CO.	2	GORMAN RUPP CHECK VALVE (LH) PART# 46421-416	1,675.00	3,350.00T
BRAX CO.	2	GORMAN RUPP CHECK VALVE (RH) PART# 46421-417	1,675.00	3,350.00T
FREIGHT	1	FREIGHT PPD & ADD (ESTIMATED) FOB: SHIPPING POINT 4-6 WEEKS	2,000.00	2,000.00
CONVENIENCE FEE	1	3.50% CONVENIENCE FEE (ESTIMATED)	1,069.74	1,069.74

CLSB 487325 CAGE 6U1W7 DIR 1000441272

Sales Tax (0.0%)

\$0.00

(A 3.5% SURCHARGE WILL BE ADDED TO ALL CREDIT CARD PAYMENTS)

Total

\$31,623.74

ALL SALES SUBJECT TO TERMS AND CONDITIONS AT WWW.BRAXCOMPANY.COM

Item 5.



City of Needles, California Request for City Council Action

CITY COUNCIL NPUA Regular Special

Meeting Date: October 8, 2024

Title: Adopt the Needles Solar Energy Sites Evaluation dated August 12, 2024

Background: The Board of Public Utilities established an Alternative Energy Ad Hoc Committee in 2022. The Committee's purpose and mission is to review different potential energy generation sources and meet the State of California's committee energy goals.

The Committee has reviewed solar PPA proposals/developments and wind and pump hydro alternatives. It has requested a solar feasibility study be issued to seek professional consulting services to evaluate and determine the suitability of facility rooftops and site developments of City-owned sites. On April 2, 2024, Unisol was selected and awarded the contract to develop a solar feasibility plan.

This solar engineering feasibility study aims to analyze possible solar energy sites that could supply power to the city's utility via a power purchase agreement or a city-owned design-build solar field. The primary focus is photovoltaic (PV) system installations as a ground-mount array on one or more of ten (10) possible sites on or near the 69KV transmission service line for the Needles Public Utility Authority utility provider.

The audit field team focused on these 10 Sites, with the audit concentrating on deriving feasibility ratings for potential solar projects that can be employed to reduce costs, improve reliability, and achieve CARB standards most economically. The Board of Public Utilities approved the recommended action on October 1, 2024.

Fiscal Impact: \$37,513 was funded by the adopted FY23/24 electric budget.

Environmental Impact: Reduction of Renewable Energy Credits and Greenhouse Gas Allowances required by the NPUA.

Recommended Action: Adopt the Needles Solar Energy Sites Evaluation dated August 12, 2024, and Authorize Staff to Look for Grants and Evaluate Alternatives to supply power to the City's Utility via a power purchase agreement or a city-owned design-build solar field

Submitted By: Alternative Energy Ad Hoc Committee

City Manager Approval: Patrick J. Martinez Date: 10/3/2024

Other Department Approval (when required): _____ Date: _____

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
			Agenda Item: _____

Engineering Evaluation & Feasibility Study

Needles Solar Energy Sites Evaluation



Prepared for
City of Needles, CA
For the benefit of the
Needles Public Utility Authority

by
Arlen Barksdale, PhD
Chief Technology Officer
UniSol Solar

Control Copy
___ of ___

August 12, 2024

August 12, 2024

Rainie Torrance
Utilities PUA Manager
City of Needles
817 Third Street
Needles, CA 92363

Re: **City of Needles Solar Engineering Evaluation & Feasibility Study**

Dear Ms. Torrance:

Thank you for the opportunity to perform an Engineering Evaluation and Feasibility Study (EEFS) on the City of Needles's solar infrastructure development opportunities and multiple site surveys pursuant to your RFP award of April 12 last. Attached please find our report for your review.

In furtherance of implementing the ultimate needs of solar development, we feel strongly that our industry experience, engineering and energy conservation expertise, and superior value will make us the clear choice for your future utility scale solar energy and RECs requirements, whether via a PPA or turn-key utility design-build projects.

We hope to continue to serve you as you move forward to address your energy purchase and/or facility needs.

Sincerely,



Arlen Barksdale, PhD
Physicist and Engineer
UniSol Solar, a division of Arborvitae Enterprises, LLC
in cooperation with
UCSD Jacobs School of Engineering

1968 Circle Park Lane • Encinitas, CA 92024 • drarlenb@gmail.com • 760.533.8714

Engineering Solar Feasibility Study – City of Needles

EXECUTIVE SUMMARY ABSTRACT

The goal of this solar engineering feasibility study is to analyze possible solar energy sites to supply power to the City’s utility via a Power Purchase agreement or a city-owned design-build solar field. The primary focus is photovoltaic (PV) system installations as a ground-mount array on one or more of ten (10) possible sites on or near the 69KV transmission service line for the Needles Public Utility Authority utility provider.

The annual projected alternative energy requirement per the California Air Resources Board (CARB) is used to establish the minimum size project of 3 MW for efficient solar placement. Electrical services extensions required to interconnect the potential array location the existing grid were evaluated to determine the estimated interconnection cost. Other financial impacts such as the current design-build cost per MW dc as well as anticipated extraordinary civil engineering costs and land-related studies (e.g, CEQA, biological, archeological, seismic, SWPP, etc.) were considered to estimate the overall cost of the facility and its effective power purchase agreement (PPA) rate.

This analysis can be used to determine if investing in its own solar electric energy generating plant (financed via grant or bond) will meet the City’s long-term goals. Additionally, a PPA with a contract-end ownership flip to the City option is explored to tailor an optimum project to the City’s utility generation goals. The output of this Feasibility Study includes a detailed spreadsheet of each site analysis report on installation costs and expected PPA rates with array sizing and a conceptual one-line electrical design.

The conclusion of this study demonstrates that meaningful immediate short-term electrical power purchase savings (avoided costs) under current WAPA wholesale pricing, plus renewable energy certificates (RECs) and greenhouse gas emissions offsets (GHGs) avoided costs, is obtainable within the current municipal budget with an additional advantage of a 30 year long-term savings (avoided costs) over WAPA power purchase costs and the benefit of CARB compliance for renewable energy generation 30% goal. Additionally, an ownership flip at a significantly reduced price (e.g. scrap cost) can be obtained at contract endpoint for a PPA approach.



Engineering Solar Feasibility Study – City of Needles

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Engineering Solar Feasibility Study – City of Needles

Introduction



Needles is a city in eastern San Bernardino County, California, in the Mojave Desert region of Southern California. Situated on the western banks of the Colorado River, Needles is located near the California border with Arizona and Nevada. The city is accessible via Interstate 40 and U.S. Route 95. The population was 4,959 at the 2020 census, up from 4,844 at the 2010 census.

Needles was founded in May 1883 during the construction of the Atchison, Topeka and Santa Fe Railway, which originally crossed the Colorado River at Eastbridge, Arizona three miles southeast of modern Needles. Needles was named after "The Needles", a group of pinnacles in the Mohave Mountains on the Arizona side of the river.

Needles was a major stop on the historic U.S. Route 66 highway from the 1920s through the 1960s. For migrants from the Midwest Dust Bowl in the 1930s, it was the town that marked their arrival in California. The city is lined with motels and other shops from that era. Needles is now a tourism and recreation center. The city is the eastern gateway to the Mojave National Preserve, a scenic desert area.

The City of Needles has currently engaged Arborvitae Enterprises LLC through a public awarded consultation to achieve the following:

- Evaluate feasibility of ten (10) potential solar sites
- Rate these sites as to least-to-most feasible
- Estimate design build costs and PPA rates

The audit field team focused on these 10 Sites with the audit concentrating on deriving feasibility ratings for potential solar projects that can be employed to reduce costs, improve reliability and achieve CARB standards in the most economical way. Below is a map of those ten potential solar sites which are under consideration and were investigated (the corresponding information gathered and evaluated is listed in Appendix D).



Needles Community with 10 potential solar Sites under consideration:



Project Description and Analysis

Site #1 – Old treatment Plant 10 ac

Option A and B compare 3rd party PPA w/ ownership flip with Municipal bond financing with outright ownership as to PPA rates and desirability ratings:

Option A (Site 1)- This 10 ac tract is fenced and can easily be repurposed as a solar field,

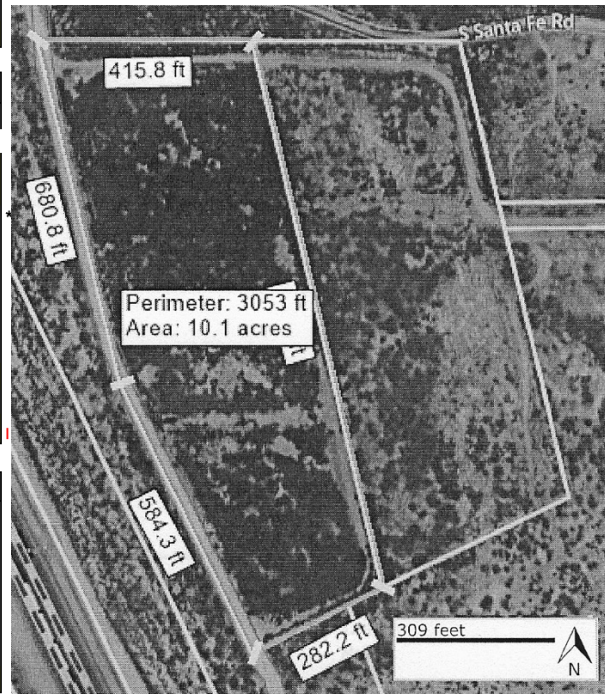
- Proposed ownership: 3rd party PPA structure with ownership flip to Needles at 30 yr
- Site Capacity: 3MW dc furnishing 2.499 MWac plate
- Production: outputting 6,894 MWhr in year 1
- Permitting: CEQA and study reports would be negligible cost
- Interconnect cost: minimal with 69kv line connection only .04 mi away
- Civil: flat already used land with negligible site prep cost
- Project estimated cost: \$5,025,000
- Project effective PPA rate: \$0.0518/kwhr
- Site desirability rating (scale 1 to 10): **7.02**

Engineering site review and analysis report sheet for Site #1-A

Project Assumptions			
General			
Plate Capacity (MWac):			2.500
DC-AC derate	1.20		83.33%
Total Capacity (MWdc)			3.00
Annual Production Yr 1 MWhr			6,894
Yield kwhr/yr/kwdc	bifacial		2,298

Cash Flow Assumptions			
Revenues	1st Full year		\$357,094
	Monthly		\$29,757.81
Effective Price per kWh*	30 year lease/PPA		\$0.0518
PPA escalation rate			1.50%
Expenses			31
O&AM (annual)			\$35,000
Insurance w/ deocrs	5%		\$7,395
Utility maint fee SCE	0.0%		\$0
Land Lease (plus RE tax)			\$9
	tot ann exp init		\$42,404
Increases by inflation-begin in year...			2
	CFADS - 1st year		\$314,690
Annual Expenses Escalation (%)			1.75%

CAPEX			
EPC turnkey	1.450		\$4,350,000
misc(intrcn,civil, mitig)	0		\$0
Dvp, commission include	0.2250		\$675,000
unallocated reserve			\$0
Total project costs			\$5,025,000
	Cost per watt		2.010
Construction period max (months)			10



Option B (Site 1) - This 10 ac tract is fenced and can easily be repurposed as a solar field,

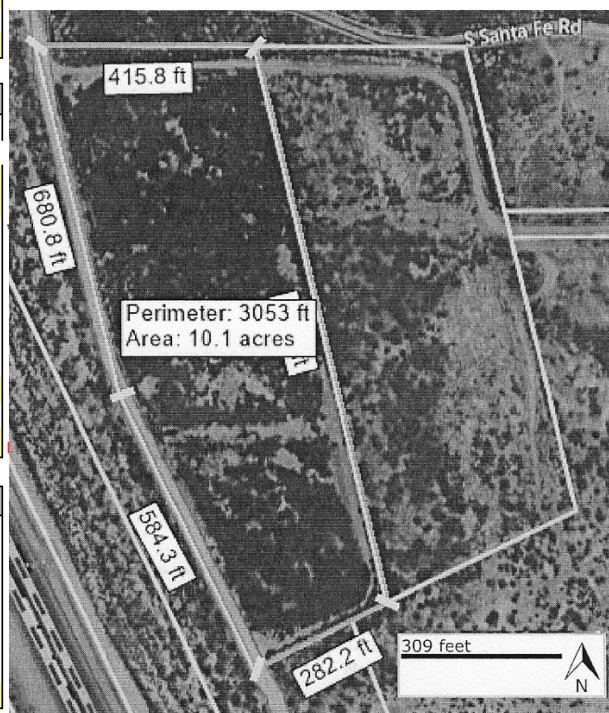
- Proposed ownership: direct Needles ownership at outset
- Site Capacity: 3MW dc furnishing 2.499 MWac plate
- Production: outputting 6,894 MWhr in year 1
- Permitting: CEQA and study reports would be negligible cost
- Interconnect cost: minimal with 69kv line connection only .04 mi away
- Civil: flat already used land with negligible site prep cost
- Project estimated cost: \$5,025,000
- Project effective PPA rate: \$0.0364/kwhr
- Site desirability rating (scale 1 to 10): **10.0** (highest)

Engineering site review and analysis report sheet for Site #1-B

Project Assumptions			
General			
Plate Capacity (MWac):			2.500
DC-AC derate	1.20		83.33%
Total Capacity (MWdc)			3.00
Annual Production Yr 1 MWhr			6,894
Yield kwhr/yr/kwdc	bifacial		2,298

Cash Flow Assumptions			
Revenues	1st Full year		\$250,655
	Monthly		\$20,887.91
Effective Price per kWh*	30 year lease/PPA		\$0.0364
PPA escalation rate			1.50%
Expenses			31
O&AM (annual)			\$35,000
Insurance w/ deers	5%		\$7,395
Utility maint fee SCE	0.0%		\$0
Land Lease (plus RE tax)			\$9
	tot ann exp init		\$42,404
Increases by inflation-begin in year...			2
	CFADS - 1st year		\$208,251
Annual Expenses Escalation (%)			1.75%

CAPEX			
EPC turnkey	1.450		\$4,350,000
misc(intrcn,civil, mitig)	0		\$0
Dvp, commission include	0.2250		\$675,000
unallocated reserve			\$0
Total project costs			\$5,025,000
	Cost per watt		2.010
Construction period max (months)			12



Project Description and Analysis

Site #2 – Landfill near airport 120 ac

This 120 ac tract is former landfill and can easily be repurposed as a solar field,

- Proposed ownership: direct Needles ownership at outset
- Site Capacity: CARB guidelines 30%: 3MW dc furnishing 2.499 MWac plate
- Production: outputting 6,894 MWhr in year 1
- Permitting: CEQA and study reports would be negligible cost
- Interconnect cost: approx. \$2M with 69kv line connection 2 mi away
- Civil: flat already used land with negligible site prep cost. Question of depth of piling penetration.
- Project estimated cost: \$7,125,000
- Project effective PPA rate: \$0.04877/kwhr
- Site desirability rating (scale 1 to 10): **7.46** (moderately high)

Engineering site review and analysis report sheet for Site #2

Project Assumptions		
General		
Plate Capacity (MWac):		2,500
DC-AC derate	1.20	83.33%
Total Capacity (MWdc)		3.00
Annual Production Yr 1 MWhr		6,894
Yield kwhr/yr/kwdc	bifacial	2,298
Cash Flow Assumptions		
Revenues	1st Full year	\$336,206
	Monthly	\$28,017.15
Effective Price per kWh*	30 year lease/PPA	\$0.0488
PPA escalation rate		1.50%
Expenses		31
O&AM (annual)		\$35,000
Insurance w/ deccrs	5%	\$7,395
Utility maint fee SCE	0.0%	\$0
Land Lease (plus RE tax)		\$9
	tot ann exp init	\$42,404
Increases by inflation-begin in year...		2
	CFADS - 1st year	\$293,802
Annual Expenses Escalation (%)		1.75%
CAPEX		
EPC turnkey	1.450	\$4,350,000
Interconnection	666667	\$2,000,001
Dvp, commission include	0.2250	\$675,000
site & civil		\$100,000
Total project costs		\$7,125,001
	Cost per watt	2.850
Construction period max (months)		12

Project Description and Analysis

Site #3 – PPA offer near airport 120 ac

This 120 ac tract is reasonably level and can be repurposed as a solar field,

- Proposed ownership: 3rd party PPA structure with no indication yet of any ownership flip terms
- Site Capacity: CARB guidelines 30%: 3MW dc furnishing 2.499 MWac plate
- Production: outputting 6,894 MWhr in year 1
- Permitting: CEQA and study reports would be modest cost
- Interconnect cost: approx. \$4M with 69kv line connection 4 mi away
- Civil: reasonably flat land with low site prep cost
- Project estimated cost: \$9,050,000
- Project effective PPA rate: \$0.0882/kwhr
- Site desirability rating (scale 1 to 10): **4.12** (moderately low)

Engineering site review and analysis report sheet for Site #3

Project Assumptions		
General		
Plate Capacity (MWac):		2.500
DC-AC derate	1.20	83.33%
Total Capacity (MWdc)		3.00
Annual Production Yr 1 MWhr		6,894
Yield kwhr/yr/kwdc	bifacial	2,298
Cash Flow Assumptions		
Revenues	1st Full year	\$608,024
	Monthly	\$50,668.70
Effective Price per kWh*	30 year lease/PPA	\$0.0882
PPA escalation rate		1.50%
Expenses		
O&AM (annual)		\$35,000
Insurance w/ decri	5%	\$7,395
Utility maint fee SCE	0.0%	\$0
Land Lease (plus RE tax)		\$9
	tot ann exp init	\$42,404
Increases by inflation-begin in year...		2
	CFADS - 1st year	\$565,620
Annual Expenses Escalation (%)		1.75%
CAPEX		
EPC turnkey	1.450	\$4,350,000
Interconnection	1333334	\$4,000,002
Dvp, commission include	0.2250	\$675,000
site & civil		\$25,000
Total project costs		\$9,050,002
	Cost per watt	3.620
Construction period max (months)		12



Project Description and Analysis

Site #4 – West side 38 ac

This 38 ac tract is raw land with rolling flood wash and cannot be easily developed as a solar field,

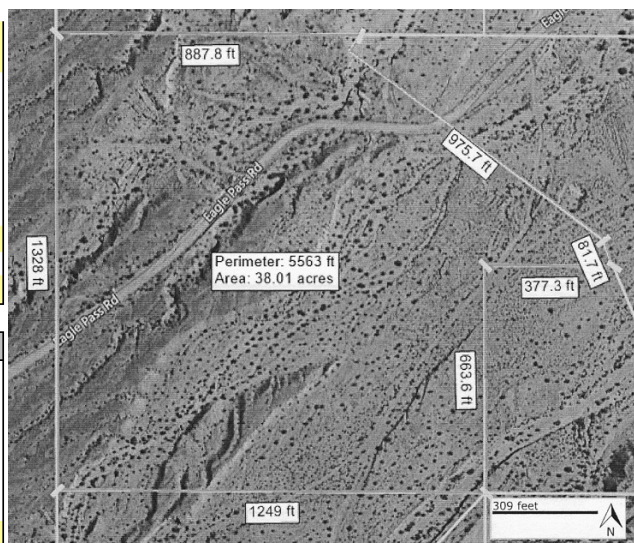
- Proposed ownership: direct Needles ownership at outset
- Site Capacity: CARB guidelines 30%: 3MW dc furnishing 2.499 MWac plate
- Production: outputting 6,894 MWhr in year 1
- Permitting: CEQA and study reports would be moderate cost
- Interconnect cost: approx. \$1M with 69kv line connection 1 mi away
- Civil: raw land with rolling flood wash est \$2M cost to remediate
- Project estimated cost: \$8,050,000
- Project effective PPA rate: \$0.05423/kwhr
- Site desirability rating (scale 1 to 10): **6.71** (moderate)

Engineering site review and analysis report sheet for Site #4

Project Assumptions			
General			
Plate Capacity (MWac):			2.500
DC-AC derate	1.20		83.33%
Total Capacity (MWdc)			3.00
Annual Production Yr 1 MWhr			6,894
Yield kwhr/yr/kwdc	bifacial		2,298

Cash Flow Assumptions			
Revenues	1st Full year		\$373,845
	Monthly	\$31,153.78	
Effective Price per kWh*	30 year lease/PPA		\$0.0542
PPA escalation rate			1.50%
Expenses			
O&AM (annual)			\$35,000
Insurance w/ deocrs	5%		\$7,395
Utility maint fee SCE	0.0%		\$0
Land Lease (plus RE tax)			\$9
	tot ann exp init		\$42,404
Increases by inflation-begin in year...			2
	CFADS - 1st year		\$331,441
Annual Expenses Escalation (%)			1.75%

CAPEX			
EPC turnkey	1.450		\$4,350,000
Interconnection	333334		\$1,000,002
Dvp, commission include	0.2250		\$675,000
site & civil			\$2,025,000
Total project costs			\$8,050,002
	Cost per watt		3.220
Construction period max (months)			12



Project Description and Analysis

Site #5 – West side 23 ac

This 23.79 ac tract is raw land with rolling flood wash and cannot be easily developed as a solar field,

- Proposed ownership: direct Needles ownership at outset
- Site Capacity: CARB guidelines 30%: 3MW dc furnishing 2.499 MWac plate
- Production: outputting 6,894 MWhr in year 1
- Permitting: CEQA and study reports would be moderate cost
- Interconnect cost: approx. \$1M with 69kv line connection 1 mi away
- Civil: raw land with rolling flood wash est \$2M cost to remediate
- Project estimated cost: \$8,050,000
- Project effective PPA rate: \$0.05422/kwhr
- Site desirability rating (scale 1 to 10): **6.71** (moderate)

Engineering site review and analysis report sheet for Site #5

Project Assumptions			
General			
Plate Capacity (MWac):			2.500
DC-AC derate	1.20		83.33%
Total Capacity (MWdc)			3.00
Annual Production Yr 1 MWhr			6,894
Yield kwhr/yr/kwdc	bifacial		2,298

Cash Flow Assumptions			
Revenues	1st Full year		\$373,776
	Monthly		\$31,148.03
Effective Price per kWh*	30 year lease/PPA		\$0.0542
PPA escalation rate			1.50%
Expenses			31
O&AM (annual)			\$35,000
Insurance w/ decri	5%		\$7,395
Utility maint fee SCE	0.0%		\$0
Land Lease (plus RE tax)			\$9
	tot ann exp init		\$42,404
Increases by inflation-begin in year...			2
	CFADS - 1st year		\$331,372
Annual Expenses Escalation (%)			1.75%

CAPEX			
EPC turnkey	1.450		\$4,350,000
Interconnection	333334		\$1,000,002
Dvp, commission include	0.2250		\$675,000
site & civil			\$2,025,000
Total project costs			\$8,050,002
	Cost per watt		3.220
Construction period max (months)			12



Project Description and Analysis

Site #6 – SW corner off residential 25 ac

This 24.91 ac tract is raw land with rolling flood wash with small acreage usable as a solar field,

- Proposed ownership: direct Needles ownership at outset
- Site Capacity: CARB guidelines 30%: 3MW dc furnishing 2.499 MWac plate
- Production: outputting 6,894 MWhr in year 1
- Permitting: CEQA and study reports would be moderate cost appr \$35K
- Interconnect cost: approx. \$1M with 69kv line connection 1 mi away
- Civil: raw land with rolling flood wash but some flat est \$100K cost to remediate
- Project estimated cost: \$6,160,000
- Project effective PPA rate: \$0.0431/kwhr
- Site desirability rating (scale 1 to 10): **8.44** (high)

Engineering site review and analysis report sheet for Site #6

Project Assumptions			
General			
Plate Capacity (MWac):			2.500
DC-AC derate	1.20		83.33%
Total Capacity (MWdc)			3.00
Annual Production Yr 1 MWhr			6,894
Yield kwhr/yr/kwdc	bifacial		2,298

Cash Flow Assumptions			
Revenues	1st Full year		\$296,912
	Monthly		\$24,742.64
Effective Price per kWh*	30 year lease/PPA		\$0.0431
PPA escalation rate			1.50%
Expenses			
O&AM (annual)			\$35,000
Insurance w/ decri	5%		\$7,395
Utility maint fee SCE	0.0%		\$0
Land Lease (plus RE tax)			\$9
	tot ann exp init		\$42,404
Increases by inflation-begin in year...			2
	CFADS - 1st year		\$254,508
Annual Expenses Escalation (%)			1.75%

CAPEX			
EPC turnkey	1.450		\$4,350,000
Interconnection	333333.4		\$1,000,000
Dvp, commission include	0.2250		\$675,000
site & civil			\$135,000
Total project costs			\$6,160,000
	Cost per watt		2.464
Construction period max (months)			12



Project Description and Analysis

Site #7 – Switch Station 2 ac

This 2 ac tract is clean flat land within switch yard premises- small acreage usable as a small solar field,

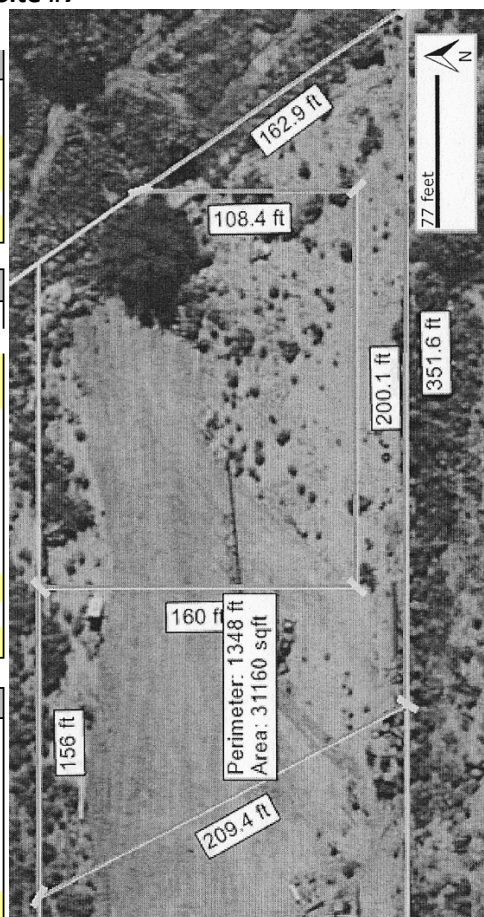
- Proposed ownership: direct Needles ownership at outset (some BLM overlap to resolve)
- Site Capacity: 500kw dc furnishing 417 KWac plate
- Production: outputting 1149 MWhr in year 1 (small operation may not be worth the effort)
- Permitting: CEQA and study reports would be minimal to no cost
- Interconnect cost: approx. negligible with 69kv line connection on site apprx \$50k
- Civil: flat developed commercial utility company switch yard land – minimal to no cost
- Project estimated cost: \$887,500
- Project effective PPA rate: \$0.06575/kwhr
- Site desirability rating (scale 1 to 10): **5.53** (moderate)

Engineering site review and analysis report sheet for Site #7

Project Assumptions		
General		
Plate Capacity (MWac):		0.417
DC-AC derate	1.20	83.33%
Total Capacity (MWdc)		0.50
Annual Production Yr 1 MWhr		1,149
Yield kwhr/yr/kwdc	bifacial	2,298

Cash Flow Assumptions		
Revenues	1st Full year	\$75,543
	Monthly	\$6,295.29
Effective Price per kWh*	30 year lease/PPA	\$0.0658
PPA escalation rate		1.50%
Expenses		
O&AM (annual)		\$35,000
Insurance w/ deers	5%	\$1,233
Utility maint fee SCE	0.0%	\$0
Land Lease (plus RE tax)		\$2
	tot ann exp init	\$36,234
Increases by inflation-begin in year...		2
	CFADS - 1st year	\$39,309
Annual Expenses Escalation (%)		1.75%

CAPEX		
EPC turnkey	1.450	\$725,000
Interconnection	100000	\$50,000
Dvp, commission include	0.2250	\$112,500
site & civil		\$0
Total project costs		\$887,500
	Cost per watt	2.130
Construction period max (months)		6



Project Description and Analysis

Site #8 – Near new treatment plant 4 ac

This 3.589 ac tract is raw land with small acreage usable as a solar field,

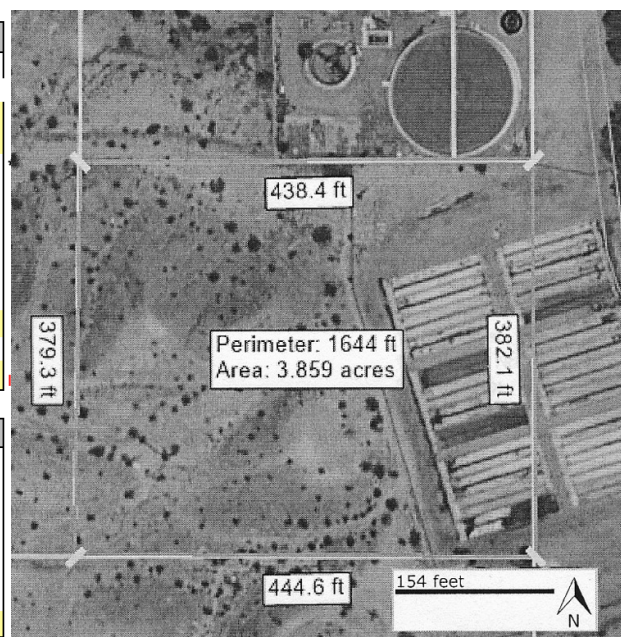
- Proposed ownership: direct Needles ownership at outset
- Site Capacity: 2MW dc furnishing 1.667 MWac plate
- Production: outputting 4,596 MWhr in year 1
- Permitting: CEQA and study reports would be moderate cost
- Interconnect cost: approx. \$150K with 69kv line connection nearby
- Civil: raw land est \$117K cost to remediate
- Project estimated cost: \$3,617,000
- Project effective PPA rate: \$0.1015/kwhr
- Site desirability rating (scale 1 to 10): **3.58** (low)

Engineering site review and analysis report sheet for Site #8

Project Assumptions		
General		
Plate Capacity (MWac):		1.667
DC-AC derate	1.20	83.33%
Total Capacity (MWdc)		2.00
Annual Production Yr 1 MWhr		4,596
Yield kwhr/yr/kwdc	bifacial	2,298

Cash Flow Assumptions		
Revenues	1st Full year	\$190,680
	Monthly	\$15,889.98
Effective Price per kWh*	30 year lease/PPA	\$0.0415
PPA escalation rate		1.50%
Expenses		
O&AM (annual)		\$35,000
Insurance w/ decri	5%	\$4,930
Utility maint fee SCE	0.0%	\$0
Land Lease (plus RE tax)		\$6
	tot ann exp init	\$39,936
Increases by inflation-begin in year...		2
	CFADS - 1st year	\$150,744
Annual Expenses Escalation (%)		1.75%

CAPEX		
EPC turnkey	1.450	\$2,900,000
Interconnection	75000	\$150,000
Dvp, commission include	0.2250	\$450,000
site & civil		\$117,000
Total project costs		\$3,617,000
	Cost per watt	2.170
Construction period max (months)		7



Project Description and Analysis

Site #9 – Old ice plant near RR 50 ac

This 50 ac tract is rough land, some heavily treed, some steep slopes, with only small acreage usable as a solar field,

- Proposed ownership: direct Needles ownership at outset
- Site Capacity: 1MW dc furnishing 833 KWac plate
- Production: outputting 2298 MWhr in year 1
- Permitting: CEQA and study reports would be moderate cost as repurposed commercial
- Interconnect cost: approx. \$375K with 69kv line connection nearby up the hill
- Civil: rough land est \$117K cost to remediate
- Project estimated cost: \$2,167,000
- Project effective PPA rate: \$0.0561/kwhr
- Site desirability rating (scale 1 to 10): **6.48** (moderate)

Engineering site review and analysis report sheet for Site #9

Project Assumptions		
General		
Plate Capacity (MWac):		0.833
DC-AC derate	1.20	83.33%
Total Capacity (MWdc)		1.00
Annual Production Yr 1 MWhr		2,298
Yield kwhr/yr/kwdc	bifacial	2,298
Cash Flow Assumptions		
Revenues	1st Full year	\$128,958
	Monthly	\$10,746.51
Effective Price per kWh*	30 year lease/PPA	\$0.0561
PPA escalation rate		1.50%
Expenses		31
O&AM (annual)		\$35,000
Insurance w/ deers	5%	\$2,465
Utility maint fee SCE	0.0%	\$0
Land Lease (plus RE tax)		\$3
	tot ann exp init	\$37,468
Increases by inflation-begin in year...		2
	CFADS - 1st year	\$91,490
Annual Expenses Escalation (%)		1.75%
CAPEX		
EPC turnkey	1.450	\$1,450,000
Interconnection	375000	\$375,000
Dvp, commission include	0.2250	\$225,000
site & civil		\$117,000
Total project costs		\$2,167,000
	Cost per watt	2.600
Construction period max (months)		12



Project Description and Analysis

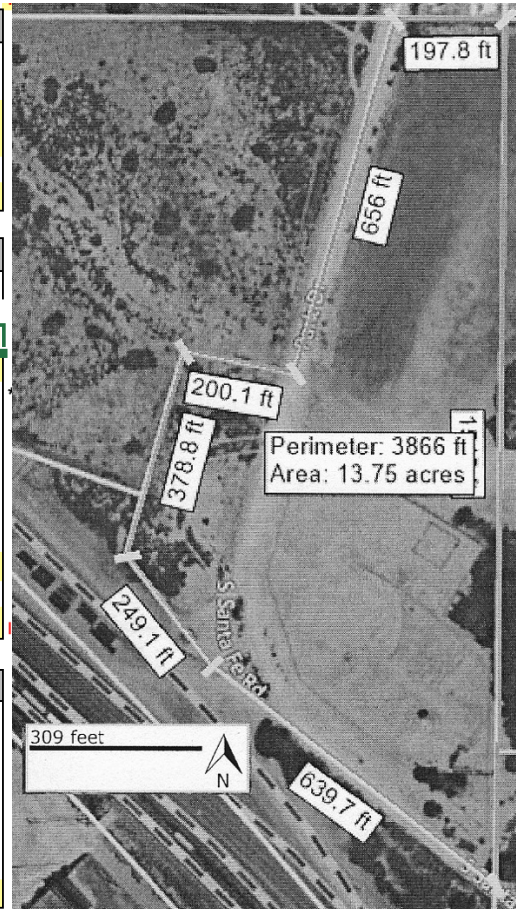
Site #10 – Bureau reclamation land 14 ac

This 13.75 ac tract is commercial BOR land flat acreage all usable as a solar field,

- Proposed ownership: direct Needles ownership at outset (requires arrangement with BOR)
- Site Capacity: CARB guidelines 30%: 3MW dc furnishing 2.499 MWac plate
- Production: outputting 6,894 MWhr in year 1
- Permitting: CEQA and study reports should be negligible as repurposing commercially used cleared land approx. \$17K
- Interconnect cost: approx. \$150K with 69kv line connection across rail road
- Civil: raw land all flat and usable est \$100K cost to clean up stored gravel and rock piles
- Project estimated cost: \$5,292,000
- Project effective PPA rate: \$0.0379/kwhr
- Site desirability rating (scale 1 to 10): **9.58** (very high)

Engineering site review and analysis report sheet for Site #10

Project Assumptions		
General		
Plate Capacity (MWac):		2.500
DC-AC derate	1.20	83.33%
Total Capacity (MWdc)		3.00
Annual Production Yr 1 MWhr		6,894
Yield kwhr/yr/kwdc	bifacial	2,298
Cash Flow Assumptions		
Revenues	1st Full year	\$261,547
	Monthly	\$21,795.58
Effective Price per kWh*	30 year lease/PPA	\$0.0379
PPA escalation rate		1.50%
Expenses		
O&AM (annual)		\$35,000
Insurance w/ dehrs	5%	\$7,395
Utility maint fee SCE	0.0%	\$0
Land Lease (plus RE tax)		\$9
	tot ann exp init	\$42,404
Increases by inflation-begin in year...		2
	CFADS - 1st year	\$219,143
Annual Expenses Escalation (%)		1.75%
CAPEX		
EPC turnkey	1.450	\$4,350,000
Interconnection	50000	\$150,000
Dvp, commission include	0.2250	\$675,000
site & civil		\$117,000
Total project costs		\$5,292,000
	Cost per watt	2.117
Construction period max (months)		12



Engineering Solar Feasibility Study – City of Needles

Summary & Conclusions

The goal of this feasibility study was to analyze ten (10) site locations for potential photovoltaic (PV) electrical generation systems for direct consumption by City of Needles Public Utility Authority and compute avoided costs.

Location Summary: The designated potential locations on various sites in and about Needles, San Bernardino County, California were evaluated for cost of installation including costs of design-build, interconnection, site preparation, studies for permitting and the expected effective power purchase costs per kw/hr. The results were tabulated and rated as to desirability on a scale of 1 to 10, with 10 being the best. See individual project descriptions above and detail of the data compilation on the relevant sites in Appendix D. A summary of the key data is tabulated below in Table 1. Of note is that approximately five of the ten Sites rated 7 or above which are potentially desirable locations for a utility-owned solar electric generation plant that would satisfy the coming CARB requirements for 30% renewable mix in the utility’s community power needs.

Table 1 Site Summary

City of Needles Potential Solar Sites Analysis							
item	description	land size	location: lat-long	Total estim project cost	probable financing	net effective PPA rate cost incl infrastructure	Comparative Desirability Rating - 0-10 (10 best)
1-b	old treatment plant	10 ac	34.82820 N -114.58794 W	\$ 5,025,001	city bond	0.03636	10.00
10	BOR land	14 ac	34.83512 N -114.59254 W	\$ 5,292,000	city bond	0.03794	9.58
6	SW corner off residential	25 ac	34.82703 N -114.62482 W	\$ 5,660,000	city bond	0.04307	8.44
2	landfill near airport	120 ac	34.79494 N -114.61343 W	\$ 7,125,000	city bond	0.04877	7.46
1-a	old treatment plant	10 ac	34.82820 N -114.58794 W	\$ 5,025,000	PPA	0.0518	7.02
5	west side	23 ac	34.83342 N -114.62757 W	\$ 8,050,000	city bond	0.05422	6.71
4	west side	35 ac	34.84189 N -114.62461 W	\$ 8,050,000	city bond	0.05423	6.71
9	old ice plant by RR	50 ac	34.82687 N -114.59047 W	\$ 2,167,000	city bond	0.05612	6.48
7	switch station	2-3 ac	34.8569 N -114.62501 W	\$ 887,500	city bond	0.06575	5.53
3	PPA offer by airport Hwy 95	25 ac mol	34.76761 N -114.60018 W	\$ 9,050,000	PPA	0.0882	4.12
8	near new trtmt plant	4ac	34.8286 N -114.59276 W	\$ 3,617,000	city bond	0.1015	3.58

Avoided Costs (savings) summary:

- a) **From reduced PPA costs:** Note that a preponderance of the Sites could produce power for the municipal utility below the current WAPA wholesale price creating a near-term savings, and with the savings amortized over a 30 year lifespan of the alternative energy plant, a further avoided cost advantage of some **\$15,891,866** is obtainable. An additional advantage is an emergency reliability backup of at least 30% of the demand load in the event of outages from WAPA deliveries of electricity due to natural or man-made disasters.
- b) **From reduced REC purchases:** The utility is currently purchasing 50,000 RECs (renewable energy certificates 1 REC = 1 mwhr retail power usage) annually to satisfy statutory Renewable Portfolio Standards (RPS) requirements (AB2514 Public Owned Utility responsibility and CA Pub Util Code Sec 399.11 et seq.) from a 3rd party (3Degrees Group, Inc.) to compensate for non-renewable generation at \$412,500 cost per year (\$8.25/REC currently in a 10 year contract). With the installation of 3 MW solar power generation (producing some 6894 RECs per year or 192,494 over 30 yr), the utility will benefit an additional minimum avoided costs of **\$2,476,556** over the initial 30 year operation cycle of the generating facility.
- c) **From reduced GHG purchases:** Additionally, the Needles Public Utility Authority currently has mandatory GHG (greenhouse gas emissions – carbon dioxide) reporting requirements as an Electric Power Entity (EPE) under AB-32 (GHG reporting). The current annual CO₂e source includes power imports e-tagged from WAPA (Western Area Power Administration) delivery point of 23,130.26 metric tons as verified by WZI Inc. (independent 3rd party consultant in conformance with AB-104462). Accounting for a 30% free allowance, the net 70% responsibility for the utility computes to 15,491.18 metric tons. Currently the annual bill payment requirement to purchase offsetting DEBs (Direct Environmental Benefits) stands at \$1.138M, paid in triannual installments. With the installation of 3 MW solar power generation (producing some 30% of power purchases, the conservative estimate of annual GHG savings is \$ 341,400 in year1). In sum the additional avoided costs for GHG reduced emissions over the 30 year life cycle of the solar generating plant at a 2.5% CPI is approximately **\$14,970.922**.
- d) **Total avoided costs:** Appendix C summarizes all of the avoided costs totaling some **\$ 33,339,243** with the development and operation of its own renewable energy generating plant. Note that with a proposed 3MW solar plant costing about \$5,025,000 that the avoided costs alone pay back this capital expense in 7 years.



APPENDICES

Attached as:

- A. Award Letter
- B. Solar Meteo and Production Analysis
- C. Calculation of Avoided Cost
- D. Needles Solar Site Data Analysis Chart
- E. Base Line Assumptions
- F. Arborvitae Company Info
- G. Resume of Key Staff
- H. Certification

Appendix A
Award Letter



City of Needles

817 Third Street, Needles, California 92363
(760) 326-2113 • FAX (760) 326-6765

www.cityofneedles.com

*Mayor Janet Jernigan
Vice Mayor Kirsten Merritt
Councilmember Tona Belt
Councilmember Ellen Campbell
Councilmember Jamie McCorkle
Councilmember JoAnne Pogue
Councilmember Henry Longbrake
City Manager Patrick Martinez*

April 12, 2024

Arborvitae Enterprises, LLC
1968 Circle Park
Encinitas, CA 92024

Attn: Arlen Barksdale

RE: **AWARD of the SOLAR PHOTOVOLTAIC FEASIBILITY STUDY**

Congratulations !!!, Arborvitae Enterprises. you have been awarded as the low bidder for the above-mentioned RFP and approved at the **04/09/2024** City Council Meeting.

I have attached the Professional Services Agreement for the project. Please print out and sign page 12 attached. If you could please scan and/or **return only the signature page 12 identified in the document** that would be great. Once the City signs all documents, I will send you a complete original copy. A Meeting will be scheduled, please send availability dates in order to set up a goals meeting.

Other documents to submit:

- Insurance required.
- Business License application

Should you have any questions, please give me a call at (760) 326-5740 Ext. 130 all documents can be forwarded to Tammy Ellmore at tellmore@cityofneedles.com

Thank you again for your participation in our RFP.

Rainie Torraine
Utilities Manager
(760) 326-5740 x 140
rtorraine@cityofneedles.com

Appendix B

Data Analysis Detail

TECHNICAL: Meteorological and Production data

Climate data for Needles Airport, California (1991–2020 normals, ^[a] extremes 1888–present) [hide]													
Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
Record high °F (°C)	85 (29)	92 (33)	99 (37)	107 (42)	118 (48)	125 (52)	125 (52)	123 (51)	120 (49)	112 (44)	92 (33)	83 (28)	125 (52)
Mean maximum °F (°C)	75.4 (24.1)	80.7 (27.1)	91.3 (32.9)	100.8 (38.2)	108.0 (42.2)	115.6 (46.4)	118.4 (48.0)	116.7 (47.1)	111.5 (44.2)	101.3 (38.5)	87.4 (30.8)	74.6 (23.7)	119.6 (48.7)
Mean daily maximum °F (°C)	66.4 (19.1)	71.0 (21.7)	79.1 (26.2)	86.6 (30.3)	96.2 (35.7)	106.4 (41.3)	110.5 (43.6)	109.3 (42.9)	102.6 (39.2)	89.5 (31.9)	75.1 (23.9)	64.5 (18.1)	88.1 (31.2)
Daily mean °F (°C)	56.2 (13.4)	59.9 (15.5)	66.6 (19.2)	73.7 (23.2)	83.1 (28.4)	93.0 (33.9)	98.5 (36.9)	97.4 (36.3)	90.0 (32.2)	77.0 (25.0)	63.8 (17.7)	54.7 (12.6)	76.2 (24.6)
Mean daily minimum °F (°C)	46.0 (7.8)	48.8 (9.3)	54.1 (12.3)	60.8 (16.0)	70.0 (21.1)	79.6 (26.4)	86.6 (30.3)	85.4 (29.7)	77.3 (25.2)	64.6 (18.1)	52.5 (11.4)	45.0 (7.2)	64.2 (17.9)
Mean minimum °F (°C)	34.0 (1.1)	37.1 (2.8)	41.9 (5.5)	48.6 (9.2)	56.5 (13.6)	66.2 (19.0)	75.6 (24.2)	74.9 (23.8)	65.0 (18.3)	51.5 (10.8)	39.7 (4.3)	33.4 (0.8)	31.8 (−0.1)
Record low °F (°C)	18 (−8)	22 (−6)	29 (−2)	33 (1)	39 (4)	46 (8)	57 (14)	60 (16)	40 (4)	34 (1)	25 (−4)	20 (−7)	18 (−8)
Average precipitation inches (mm)	0.73 (19)	0.79 (20)	0.51 (13)	0.18 (4.6)	0.07 (1.8)	0.04 (1.0)	0.27 (6.9)	0.39 (9.9)	0.34 (8.6)	0.22 (5.6)	0.34 (8.6)	0.44 (11)	4.32 (110)
Average precipitation days (≥ 0.01 in)	3.3	3.7	2.9	1.3	0.7	0.3	1.8	1.9	1.8	1.6	1.5	2.3	23.1
Mean monthly sunshine hours	248	254.3	310	360	403	420	403	372	330	310	240	248	3,898.3
Mean daily sunshine hours	8	9	10	12	13	14	13	12	11	10	8	8	11
Percent possible sunshine	79	82	83	92	93	97	92	90	89	88	78	81	87
Average ultraviolet index	3	4	6	8	9	10	11	10	8	5	4	2	7
Source 1: NOAA ^[16] ^[17] WRCC ^[19]													
Source 2: Weather Atlas (sun and uv) ^[20]													

SYSTEM INFO

Modify the inputs below to run the simulation.

DC System Size (kW):	<input type="text" value="3000"/>	
Module Type:	<input type="text" value="Standard"/>	
Array Type:	<input type="text" value="1-Axis Tracking"/>	
System Losses (%):	<input type="text" value="9.58"/>	
Tilt (deg):	<input type="text" value="0"/>	
Azimuth (deg):	<input type="text" value="180"/>	

PVWatts® Calculator



My Location **NEEDLES CA**
» Change Location

English
Español
Українська

[HELP](#) [FEEDBACK](#)

RESOURCE DATA SYSTEM INFO **RESULTS**



Go to
system info

RESULTS

Print Results

6,893,607 kWh/Year*

System output may range from 6,502,739 to 7,102,483 kWh per year near this location.
Click [HERE](#) for more information.

Month	Solar Radiation (kWh / m ² / day)	AC Energy (kWh)
January	4.69	371,413
February	5.95	423,790
March	7.81	596,675
April	9.66	701,041
May	10.77	785,561
June	11.40	786,483
July	9.97	705,768
August	9.69	689,456
September	8.71	616,335
October	6.71	506,598
November	4.94	372,725
December	4.20	337,762
Annual	7.88	6,893,607

Location and Station Identification

Requested Location	NEEDLES CA
Weather Data Source	Lat, Lng: 34.85, -114.62 1.2 mi
Latitude	34.85° N
Longitude	114.62° W

PV System Specifications

DC System Size	3000 kW																								
Module Type	Premium																								
Array Type	1-Axis Tracking																								
System Losses	9.58%																								
Array Tilt	0°																								
Array Azimuth	180°																								
DC to AC Size Ratio	1.2																								
Inverter Efficiency	96%																								
Ground Coverage Ratio	0.4																								
Albedo	<i>From weather file</i>																								
Bifacial	Yes (0.7)																								
Monthly Irradiance Loss	<table border="1"> <tr> <td>Jan</td><td>Feb</td><td>Mar</td><td>Apr</td><td>May</td><td>June</td> </tr> <tr> <td>0%</td><td>0%</td><td>0%</td><td>0%</td><td>0%</td><td>0%</td> </tr> <tr> <td>July</td><td>Aug</td><td>Sept</td><td>Oct</td><td>Nov</td><td>Dec</td> </tr> <tr> <td>0%</td><td>0%</td><td>0%</td><td>0%</td><td>0%</td><td>0%</td> </tr> </table>	Jan	Feb	Mar	Apr	May	June	0%	0%	0%	0%	0%	0%	July	Aug	Sept	Oct	Nov	Dec	0%	0%	0%	0%	0%	0%
	Jan	Feb	Mar	Apr	May	June																			
0%	0%	0%	0%	0%	0%																				
July	Aug	Sept	Oct	Nov	Dec																				
0%	0%	0%	0%	0%	0%																				
Ground Coverage Ratio	0.4																								

Performance Metrics

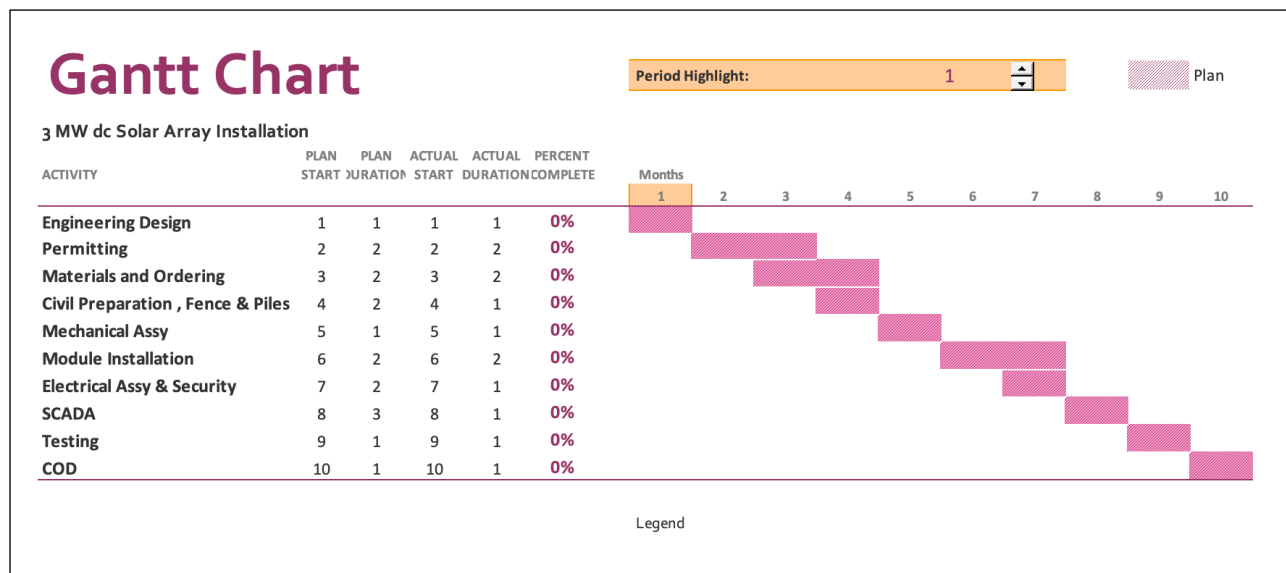
DC Capacity Factor	26.2%
--------------------	-------

Givens: single axis tracker, bifacial solar modules, and azimuth 180 deg (south).

Calculation for Yield: = 6,642,891 kwhr/yr / 3MWdc solar array = **2297.9 kwhr/kwdcp** installed.

Calculations include compensating for random shadowing, slight variations in tilt and direction, and electrical line losses. This yield number is used in the financial modeling for each site to obtain build-design cost and effective 30 year PPA rate for comparisons with standardized variables.

Project Schedule (TIMELINE GUIDANCE): The Engineering, Procurement and Construction (EPC) timeline for design-build approximately covers 10 months following Notice to Proceed with an anticipated schedule below:



COST guidance:

Due to the government administration effecting tariffs against imports of silicon solar panels, aluminum and steel, there is a current cost driver of commodities to the upside:

CHART OF COMMODITIES AFFECTED:

- Aluminum
- Copper
- Steel
- Silicon

Comment on incentives:

- Federal tax credit (ITC) is currently 30%, decreasing thereafter.
- Although depreciation may be taken all in year 1, we utilize a 6 year MACRS model.
- The depreciation is diminished by ½ of the ITC (15%), so the effective depreciation is 85% of the EPC (engineering, procurement, construction) costs.
- The new tax law commercial federal tax rate of 20% is applied.
- The ITC will also apply to the battery charging systems powered by solar.
- Certain Municipal financial repayment structures can be taken as tax exempt but at the sacrifice of the ITC and depreciation.

Appendix C

Calculations of Avoided Costs

Needles PUA Stack-Up

AVOIDED LIFETIME COSTS and VALUE ADDED:

Avoided PPA WAPA purchases	\$15,891,866
Avoided future RECs purchases	\$ 2,476,576
Avoided GHG DEBs purchases	\$14,970,822
	<u>\$33,339,243</u>

Needles Owned 3 MW project - Avoided Costs (30 years)											
year	solar production kwhr/yr	WAPA purch cost per kwhr	WAPA annual cost of this solar production	Utility owned Bond Cost per yr	Utility owned Bond Cost per kwhr	Avoided cost of power purchasing	Avoided costs of RECs purch	Avoided costs of GHG cap-trade purch	Total avoided costs per year	Cummulative savings/ avoided costs	
1	6,893,607	\$ 0.0800	\$ 551,489	\$ 270,774	\$ 0.0393	\$ 280,715	\$ 56,872	\$ 341,000	\$ 678,587	\$ 678,587	
2	6,890,160	\$ 0.0820	\$ 564,993	\$ 270,774	\$ 0.0393	\$ 294,219	\$ 58,265	\$ 349,525	\$ 702,009	\$ 1,380,596	
3	6,886,715	\$ 0.0841	\$ 578,828	\$ 270,774	\$ 0.0393	\$ 308,054	\$ 59,692	\$ 358,263	\$ 726,009	\$ 2,106,605	
4	6,883,272	\$ 0.0862	\$ 593,002	\$ 270,774	\$ 0.0393	\$ 322,228	\$ 61,153	\$ 367,220	\$ 750,602	\$ 2,857,207	
5	6,879,830	\$ 0.0883	\$ 607,524	\$ 270,774	\$ 0.0394	\$ 336,750	\$ 62,651	\$ 376,400	\$ 775,801	\$ 3,633,007	
6	6,876,390	\$ 0.0905	\$ 622,400	\$ 270,774	\$ 0.0394	\$ 351,626	\$ 64,185	\$ 385,810	\$ 801,622	\$ 4,434,629	
7	6,872,952	\$ 0.0928	\$ 637,641	\$ 270,774	\$ 0.0394	\$ 366,867	\$ 65,757	\$ 395,455	\$ 828,080	\$ 5,262,708	
8	6,869,516	\$ 0.0951	\$ 653,256	\$ 270,774	\$ 0.0394	\$ 382,482	\$ 67,367	\$ 405,342	\$ 855,190	\$ 6,117,899	
9	6,866,081	\$ 0.0975	\$ 669,252	\$ 270,774	\$ 0.0394	\$ 398,478	\$ 69,017	\$ 415,475	\$ 882,970	\$ 7,000,869	
10	6,862,648	\$ 0.0999	\$ 685,641	\$ 270,774	\$ 0.0395	\$ 414,867	\$ 70,707	\$ 425,862	\$ 911,435	\$ 7,912,305	
11	6,859,216	\$ 0.1024	\$ 702,430	\$ 270,774	\$ 0.0395	\$ 431,656	\$ 72,438	\$ 436,509	\$ 940,603	\$ 8,852,908	
12	6,855,787	\$ 0.1050	\$ 719,631	\$ 270,774	\$ 0.0395	\$ 448,857	\$ 74,212	\$ 447,422	\$ 970,490	\$ 9,823,398	
13	6,852,359	\$ 0.1076	\$ 737,253	\$ 270,774	\$ 0.0395	\$ 466,479	\$ 76,029	\$ 458,607	\$ 1,001,115	\$ 10,824,513	
14	6,848,933	\$ 0.1103	\$ 755,306	\$ 270,774	\$ 0.0395	\$ 484,532	\$ 77,891	\$ 470,072	\$ 1,032,496	\$ 11,857,009	
15	6,845,508	\$ 0.1130	\$ 773,802	\$ 270,774	\$ 0.0396	\$ 503,028	\$ 79,798	\$ 481,824	\$ 1,064,650	\$ 12,921,659	
16	6,842,086	\$ 0.1159	\$ 792,750	\$ 270,774	\$ 0.0396	\$ 521,976	\$ 81,752	\$ 493,870	\$ 1,097,598	\$ 14,019,258	
17	6,838,664	\$ 0.1188	\$ 812,163	\$ 270,774	\$ 0.0396	\$ 541,389	\$ 83,754	\$ 506,216	\$ 1,131,360	\$ 15,150,617	
18	6,835,245	\$ 0.1217	\$ 832,051	\$ 270,774	\$ 0.0396	\$ 561,277	\$ 85,805	\$ 518,872	\$ 1,165,954	\$ 16,316,571	
19	6,831,828	\$ 0.1248	\$ 852,426	\$ 270,774	\$ 0.0396	\$ 581,652	\$ 87,906	\$ 531,844	\$ 1,201,402	\$ 17,517,973	
20	6,828,412	\$ 0.1279	\$ 873,299	\$ 270,774	\$ 0.0397	\$ 602,525	\$ 90,059	\$ 545,140	\$ 1,237,724	\$ 18,755,697	
21	6,824,997	\$ 0.1311	\$ 894,684	\$ 270,774	\$ 0.0397	\$ 623,910	\$ 92,264	\$ 558,768	\$ 1,274,943	\$ 20,030,639	
22	6,821,585	\$ 0.1344	\$ 916,593	\$ 270,774	\$ 0.0397	\$ 645,819	\$ 94,524	\$ 572,737	\$ 1,313,080	\$ 21,343,719	
23	6,818,174	\$ 0.1377	\$ 939,038	\$ 270,774	\$ 0.0397	\$ 668,264	\$ 96,838	\$ 587,056	\$ 1,352,158	\$ 22,695,877	
24	6,814,765	\$ 0.1412	\$ 962,033	\$ 270,774	\$ 0.0397	\$ 691,259	\$ 99,210	\$ 601,732	\$ 1,392,200	\$ 24,088,078	
25	6,811,358	\$ 0.1447	\$ 985,590	\$ 270,774	\$ 0.0398	\$ 714,816	\$ 101,639	\$ 616,776	\$ 1,433,231	\$ 25,521,309	
26	6,807,952	\$ 0.1483	\$ 1,009,725	\$ 270,774	\$ 0.0398	\$ 738,951	\$ 104,128	\$ 632,195	\$ 1,475,274	\$ 26,996,582	
27	6,804,548	\$ 0.1520	\$ 1,034,451	\$ 270,774	\$ 0.0398	\$ 763,677	\$ 106,678	\$ 648,000	\$ 1,518,354	\$ 28,514,937	
28	6,801,146	\$ 0.1558	\$ 1,059,782	\$ 270,774	\$ 0.0398	\$ 789,008	\$ 109,290	\$ 664,200	\$ 1,562,498	\$ 30,077,434	
29	6,797,745	\$ 0.1597	\$ 1,085,733	\$ 270,774	\$ 0.0398	\$ 814,959	\$ 111,966	\$ 680,805	\$ 1,607,730	\$ 31,685,164	
30	6,794,346	\$ 0.1637	\$ 1,112,320	\$ 270,774	\$ 0.0399	\$ 841,546	\$ 114,708	\$ 697,825	\$ 1,654,079	\$ 33,339,243	
	205,315,824		\$ 24,015,086	\$ 8,123,220		\$15,891,866	\$ 2,476,556	\$ 14,970,822	\$33,339,243	cksum	
solar panel degradation		0.05%									
WAPA CPI escl		2.50%									
bond amount		\$5,025,000									
bond interest rate		3.50%									
bond term		30 yr									
initial REC price		\$8.25									

If PPA approach is preferable over bond financing, using the EPC guidance costs from Appendix E, it appears for Site 1-A a 30 year PPA rate of \$0.0518/kwhr (initially) would result in a favorable investor IRR (internal rate of return) of 8.29% from a current project cost of \$5,025,000 which should provide a financially viable opportunity for typical investor/lender. The PPA model reduces Needles risk and indebtedness and still provides a significant avoided costs over WAPA/REC/GHG expenses. See model below for assumptions rollout for PPA calculation and estimated project costs (Site 1-A exemplar):



strictly confidential for Unisol use only and none other

Ground Mount tracking 1X

ESTIMATE subject to revision
(scalable model)

Pro-Forma Estimates
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MW dcp in bundle = 3

Indicative Solar Financial Modeling

Project Name: **Needles I**
Project Location: **Needles, CA**

Start Year Construction
Commissioning Year

2024
2025

Project Assumptions	
Plate Capacity (MWac):	2,500
DC-AC derate	1.20
Total Capacity (MWdc)	83.33%
Annual Production Yr 1 MWhr	3.00
Yield kWh/yr/kwdc	6,894
	2,298

Cash Flow Assumptions	
Revenues	\$357,094
1st Full year	Monthly \$29,757.81
Effective Price per kWh*	30 year lease/PPA \$0.0518
PPA escalation rate	1.50%

Expenses	
O&M (annual)	\$35,000
Insurance w/ deers	5% \$7,395
Utility maint fee SCE	0.0%
Land Lease (plus RE tax)	\$9
Increases by inflation-begin in year...	\$42,404
	2
CFADS - 1st year	\$314,690
Annual Expenses Escalation (%)	1.75%

CAPEX	
EPC turnkey	1,450
misc/instrn civil, mtng)	\$4,350,000
Dcp, commission include	0
unallocated reserve	\$675,000
Total project costs	\$0
	\$5,025,000
Construction period max (months)	2,010
	10

Financing Assumptions	
Debt	none at this time
Debt Interest rate	0.0%
Debt term (yrs)	4.75%
Annual debt payment	20
	\$0
DSCR avg =	#DIV/0!
Equity	
Sponsor Equity (sweat equity, incl tax eqy, jr debt & TTC)	\$5,025,000
% equity provided	100%
Discount Rate	5.00%

Incentives and Tax Assumptions (if monetized)	
Incentives	income approach: ITC + 8 yrs ebtidax1, 32%30%
Federal ITC (30%) pre-approved 1603	85%
% of project costs depreciable with ITC (less 15%)	85%
	\$4,271,250
Taxes	
Tax rate	20%
	8.85%
	28.9%

DEPRECIATION (std, no bonus assumed, ITC basis)	
1	20.00%
2	32.00%
3	19.20%
4	11.50%
5	11.50%
6	5.80%
	100.00%
	4,271,250

Operating Expenses	
General	
Land tax	rate%
	0.00%
Lease Rate/ac yr/tp	
Insur rate per MW w/ incn rider	.17 per \$100
Average of Site (ac per MW)	3
O&M/maint/opr asset mgmt/MW/yr	9.00 ac per segment
Panel Derate/yr	\$11,667 per mw dc
	0.500%

off-taker **Needles, CA** ownership flip 30yr
owner **SPV: Needles I**
interconnection agrmt thd - ITC to Needles post
Permits - City will expedite
time to shovel-ready - approx 1 month overall COD 2025
site control by Developer
EPC quoted but no selection yet
major technology selected
engineering single lines compl
engineering field layout compl

EPC stackup 2024 (taxes incl)	
panels 412W	0.275
Invert/str-batt read	0.325
BOS	0.450
mtg/track/etc	0.350
other	0.050
	1,450

*ITC subject to Treasury/IRS AUP analysis/review
project valuation w/ depr/ITC/SCGP: \$5,025,000
total CFBT **\$10,739,024**
*using MACRS depreciation although new tax law allows 100% in year 1-we use 6 years here
Disclaimer: the figures cited herein are for discussion purposes only on a probna basis. Unisol is not responsible for accuracy or veracity of stated figures.
The reviewer is responsible for verifying and calculating their own financial modeling and drawing their own conclusions.

Appendix D

Needles Solar Site Data Analysis Chart

The following 10 projects have been evaluated and assigned a feasibility rating (from 1 to 10) based on optimal cost, infrastructure development and effective resultant PPA rate:

City of Needles Potential Solar Sites Analysis																		
Item	description	land site	location: lat-long	flood plain issues	estim land studies	IP dist	est IP Cost	est site prep cost	site capacity	solar design size DC	plate size AC	project ownership	dep & tax credits?	Total estim project cost	financing	net effective PPA rate cost incl infrastructure	Feasibility issues?	Comparative Desirability Rating - 0-10 (10 best)
1-a	old treatment plant	10 ac	34.82820 N -114.59794 W		-0-	.04 mi	-0-	-0-	4.5MW	3	2.499	3rd party PPA with ownership flip	yes	\$ 5,025,000	PPA	0.0518	good - flat-repurposed	7.02
1-b	old treatment plant	10 ac	34.82820 N -114.59794 W		-0-	.04 mi	-0-	-0-	4.5MW	3	2.499	City Utility	yes	\$ 5,025,001	city bond	0.03836	good - flat-repurposed	10.00
2	landfill near airport	120 ac	34.79494 N -114.61343 W		-0-	2 mi	\$2M	\$100k	30 MW	3	2.499	City Utility	no	\$ 7,125,000	city bond	0.04877	City-no tax credits or depr	7.46
3	PPA offer by airport Hwy 95	25 ac	34.76761 N -114.60018 W		\$25k	4 mi	\$4M	n/a	12MW	8	6.664	3rd party PPA with ownership flip	yes	\$ 9,050,000	PPA	0.0882	need prod schd & profile & PPA details - interconnect issue - FAA glare restriction	4.12
4	west side	35 ac	34.84189 N -114.62461 W	yes	\$25k	1 mi	\$1M	\$2M	15MW	3	2.499	City Utility	no	\$ 8,050,000	city bond	0.05423	questionable - flood & prep - no tax credits or depr	6.71
5	west side	23 ac	34.83342 N -114.62757 W	yes	\$25k	1 mi	\$1M	\$2M	12MW	3	2.499	City Utility	no	\$ 8,050,000	city bond	0.05422	questionable - flood & prep - no tax credits or depr	6.71
6	SW corner off residential	25 ac	34.82703 N -114.62482 W		\$35k	2 mi	\$1M	\$100k	15MW	3	2.499	City Utility	no	\$ 5,660,000	city bond	0.04307	residential zoning - no tax credits or depr	8.44
7	switch station	2-3 ac	34.8569 N -114.62501 W		-0-	on site	\$50k	-0-	500kw	0.5	0.4165	City Utility	no	\$ 887,500	city bond	0.06575	usability-part BLM - small - tax credits or depr	5.33
8	near new trmt plant	4ac	34.8286 N -114.59795 W		\$17k	at road	\$150k	\$100k	2mw	2	1.666	City Utility	no	\$ 3,617,000	city bond	0.1015	very rough-small - no tax credits or depr	3.58
9	old ice plant by RR	50 ac	34.82687 N -114.59047 W		\$17k	up the hill	\$375k	\$100k	1MW	1	0.833	City Utility	no	\$ 2,167,000	city bond	0.05612	rough-tree strippling - small - no tax credits or depr	6.48
10	Bureau Reclam land	14 ac	34.83512 N -114.59254 W		\$17k	across road	\$150k	\$100k	5mw	3	2.499	City Utility	no	\$ 5,292,000	city bond	0.03794	need lease or purchase - no tax credits or depr	9.38

Appendix E

Base-line Assumptions

1. O&M scope elements required

For the solar installations, these ongoing elements are required for Operations & Maintenance (O&M) and have been budgeted in the various Sites analysis as initially \$11,667 per MW dc:

- a. SCADA Monitoring
 - b. Reporting annual performance
 - c. Ongoing Maintenance as needed
 - d. Repair service calls
 - e. Cleaning
 - f. Replacement inverters as needed
 - g. Replacement solar panels as needed
- 2. EPC current benchmark (design-build turnkey array)**
- a. \$1.45+/- per watt dc installed
- 3. Investor Owned Considerations**
- a. Internal Rate of Return at 8.3%,
 - b. ITC and depreciation applicable,
 - c. no debt, 100% equity contribution
 - d. tax base fed 20%, state 8.85%,
 - e. favorable lease rate on municipal property at \$1/ac/yr
- 4. Municipal Owned considerations**
- a. -0- % return (breakeven)
 - b. 3.5% municipal bond financing, 100% debt from bond
 - c. no ITC and no depreciation applicable,
 - d. no tax consequences,
 - e. site control no cost
- 5. PPA considerations**
- a. 30 year, 1.5% escalation. PPA calculated for each site
 - b. 1.75% labor increase annually
 - c. CapEx calculated for each site
- 6. Solar Insurance**
- a. decreasing term, \$0.17/\$100 on capex depreciable amount
 - b. 1.75% insurance rate increase annually
- 7. Project Development costs**
- a. Industry standard average at \$0.225/watt

Appendix F Arborvitae Enterprises LLC

In the 50+ years since the Barksdale family engaged in the solar silicon cell business, we've seen unimaginable changes and major breakthroughs in technologies and roll-outs – both in our company and in the renewable energy sector. We are excited to share more of the great projects we have completed in recent years. These projects will continue to prove our dedication to high quality and customer service.

From computerized electronic monitoring and power management systems to complex charge controllers, battery storage and conventional generation integration, we are doing more interesting and challenging projects every day.

We continue to add to our highly skilled workforce to handle the growing demand for our solar solutions and we continue to train and educate our team which is improving our ability to deliver ever larger and more complex projects on-time and on-budget. We remain committed to excellence in customer service --whether it's helping you process a CUP or rebate or going the extra mile to find that perfect solution for your unique site and energy complement of design-build storage, substation, transmission, distribution, interconnection, O&M, SCADA or operations management requirements.

Our team members are each and every one committed to social and environmental responsibility in everything we do from working with educational organizations, ecological foundations, deserving charities and to promoting volunteerism among our employees, we will leave our planet earth a better place than we found it.

Further we endeavor to support our commitment to serve our customers in the ways we always have, with honesty and integrity. We look forward to addressing your needs and exceeding your expectations.

Roof/Canopy/Ground Mount

- Residential
- Commercial
- Industrial
- Agricultural
- Military / State / Federal
- Charging Stations
- Solar Heating
- LEED® Silver Certification

All From One Source

- Turn-Key Solutions (w/ financing)
- On-Site Assessments
- Custom Installations
- System Monitoring & Control
- Green Initiative Compliant

Project Development and Management

Consulting, design and implementation of environmentally responsible renewable energy, distributed generation and energy efficient projects for electric utility producers of all types and sizes.

(Photo courtesy of Solar Tech, Inc.)

Appendix G

Resume of Key Staff

CHIEF EXECUTIVE OFFICER

UniSol Solar & Storage

Arlen Barksdale, Ph.D.

CSLB C-46 Solar license #1119501



Dr. Barksdale, of Cherokee extraction, from 1975 to the present he is the President and CEO of Hytec Engineering & Design, a firm specializing in solar engineering design, telecommunications data transmission, technical publications and printing, and customer computer application development.

Additionally he is CEO/CTO of UniSol Solar, LLC (*a unified solar-storage systems development company*). Dr. Barksdale is solidly experienced in the silicon industry since 1973 with his debut with Texas Instruments. He has been instrumental in the rollout of 2GW+ silicon-based solar/storage projects and counting. He has held numerous executive level positions in high technology companies. Chairman-emeritus of the Green Government Commission of Lake City/Hinsdale County, Colorado, he is also the primary strategist and project developer for commercial as well as utility scale solar projects since 2004. Dr. Barksdale is a senior Computer Science and Engineering mentor at the Jacobs School of Engineering of UCSD in California. In 2002-03 Dr. Barksdale as Chief Technology Officer headed up the Technology Divisions of two start-up high tech companies – All Optical Networks and Interphotonics, Inc. – both in the optical telecommunications field.

An avid inventor, he is the owner of the Solar Collector Core Technology (patent pending), the Programmable Photonic Integrated Circuit (patent pending), an Adjustable Single Axis Solar Tracker (patent pending), Thermoelectrically Cooled 65GHz LNA (patent pending), and the Business-card-size CD (patent issued). He has over 50 years experience in electronic and silicon semiconductor technology development-to-manufacturing. Prior to 1991, Dr. Barksdale held positions within the academic community, including National University's Computer Science and Engineering department, where he variously held the positions of Dean, Department Chair and Professor, and at Rice University where he was a research fellow working with X-Band microwave studies of II-VI and III-V semiconductors at cryogenic temperatures. From 1973 to 1977, he served as Director of Operations for Texas Instruments' Calculator and computer products, PCB assembly, CMOS, and silicon material divisions. At TI, Dr. Barksdale received significant recognition for his groundbreaking work in advanced silicon growth manufacturing technology pioneered for the RAM products which launched the present day personal computer industry.

A veteran of the United States Air Force during the Vietnam era, he was a member of the Intelligence Corps (Russian language translator, cryptographic and electronics). Dr. Barksdale is a National Science Foundation fellow, Welch Foundation fellow, and Atomic Energy Commission special fellow in Nuclear Science & Engineering. Dr. Barksdale holds a Ph.D. and M.A. in Solid State Physics from Rice University, a B.S. Physics/Math/Chemistry from the University of Texas, and A.A. Biology/Math from Weatherford College. He also has conducted Postdoctoral research at the M.D. Anderson Cancer Research Institute in Houston.

Appendix G
Certification

Pursuant to your request, I hereby submit this solar electric generation feasibility study report in its entirety as to form and content and attest to the best efforts to provide a true and comprehensive technical analysis of the subject matter herein. Results accuracy is expected to be +/-5%. Calculations based on premises of current financial and commodities markets and are subject to as-built drawings and City plan review of permits.

Dated this the 12th day of August, 2024.

Attest,



Arlen Barksdale, PhD

Chief technology Officer
Physicist and Engineer

UniSol Solar & Storage

CSLB C-46 Solar license #1119501
a division of Arborvitae Enterprises LLC
in cooperation with
UCSD Jacobs School of Engineering



Arborvitae Enterprises LLC
1968 Circle Park Lane
Encinitas, CA 92024

Arlen Barksdale, Ph.D.
CSLB C-46 Solar #1119501
760.533.8714
drarlenb@gmail.com



City of Needles, California Request for City Council Action

CITY COUNCIL NPUA

Regular Special

Meeting Date: October 8, 2024

Title: Authorize the City Manager to execute the Physical Security Exemption Letter dated October 1, 2024, and submit it to the California Public Utility Commission (CPUC)

Background: On April 16, 2013, one or more individuals attacked equipment within Pacific Gas and Electric Company's (PG&E) Metcalf Transmission Substation, ultimately damaging 17 transformers. These individuals also cut nearby fiber-optic telecommunication cables owned by AT&T. In response to the attack, the Federal Energy Regulatory Commission (FERC) directed the North American Electric Reliability Corporation (NERC) to develop new physical security requirements, creating CIP-014.

In 2014, California State Senator Jerry Hill authored SB 699, directing the CPUC to "consider adopting rules to address the physical security risks to the distribution systems of electrical corporations." In response to SB 699, the CPUC's Safety and Enforcement Division, Risk Assessment and Safety Advisory Section (RASA) prepared a white paper proposing a new requirement for investor-owned utilities (IOUs) and publicly owned utilities (POUs) to develop security plans that would identify security risks to their distribution and transmission systems, and propose methods to mitigate those risks. The CPUC hosted a series of workshops to understand the state of utility physical better security protections and to seek input on refining their proposal.

In order to support a statewide improvement of how utilities address distribution-level physical security risks, the California Municipal Utilities Association (CMUA), which is the statewide trade association for POUs, coordinated with the state's IOUs to develop a comprehensive Straw Proposal¹ (Joint IOU/POU Straw Proposal) for a process to identify at-risk facilities and, if necessary, develop physical security mitigation plans. As a member of CMUA, Island Energy staff participated in the development of the Joint IOU/POU Straw Proposal through a CMUA working group as well as through direct meetings with the IOUs. The Joint POU/IOU Straw Proposal set out a process for the following:

- 1) Identifying if the utility has any high-priority distribution facilities.
- 2) Evaluating the potential risks to those high-priority distribution facilities.
- 3) Develop a mitigation plan for the distribution facilities where the identified risks are not effectively mitigated through existing resilience/security measures.
- 4) Obtaining third-party reviews of the mitigation plans.
- 5) Adopting a document retention policy.
- 6) Ensuring a review process established by the POU governing board and
- 7) Implementing information sharing protocols.

Publicly Owned Utilities shall conduct a program review of their Security Plan and associated physical security program every five years after initial approval of the Security Plan by their Board of Directors or City Council. Notice of such approval action shall be provided to the Commission's Safety and

Enforcement Division within 30 days of Plan adoption by copy of signed resolution or letter by a responsible elected- or appointed official or utility director.

City Staff have completed a six-step physical security assessment and have deemed the NPUA does not have any critical infrastructure that meets the requirements set by the CPUC guidelines. Thus, submission of the exemption designation is required.

The Board of Public Utilities approved the recommended action on October 1, 2024.

Fiscal Impact: None

Environmental Impact: None

Recommended Action: Authorize the City Manager to execute the Physical Security Exemption Letter dated October 1, 2024 and submit it to the California Public Utility Commission (CPUC)

Submitted By: Rainie Torrance, Utility Manager

City Manager Approval: Patrick J. Martinez Date: 10/3/2024

Other Department Approval (when required): _____ Date: _____

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
			Agenda Item: _____



City of Needles

817 Third Street, Needles, California 92363
(760) 326-2113 • FAX (760) 326-6765
www.cityofneedles.com

Mayor, Jeff Williams
Vice Mayor Edward T. Paget, M.D
Councilmember Tona Belt
Councilmember Tim Terral
Councilmember Zachery Longacre
Councilmember Kirsten Merritt
Councilmember Ellen Campbell
City Manager Rick Daniels

August 24, 2021

VIA ELECTRONIC MAIL

Lee Palmer
Director for Safety and Enforcement Division
California Public Utilities Commission
505 Van Ness Avenues
San Francisco, CA 94102

Danjel Bout,
Director for Safety Policy Division
California Public Utilities Commission
505 Van Ness Avenues
San Francisco, CA 94102

Edward Randolph,
Deputy Executive Director for Energy and Climate Policy
California Public Utilities Commission
505 Van Ness Avenues
San Francisco, CA 94102

Re: Notice of Adoption of [POU] Utility Security Plan

Dear Mr. Palmer, Mr. Bout, and Mr. Randolph:

In accordance with Ordering Paragraphs 3 and 4 of California Public Utilities Commission ("Commission") Decision ("D.") 19-01-018, Needles Public Utility Authority ("NPUA") hereby provides notice that NPUA's Utility Security Plan was adopted by the City Council of the City of Needles on July 13, 2021. The City Council's signed resolution adopting NPUA's Utility Security Plan is included as Attachment A to this letter.

Sincerely,

Rainie Torrance Digitally signed by Rainie Torrance
Date: 2021.08.24 13:27:46 -07'00'

Rainie Torrance
Assistant Utility Manager
rtorrance@cityofneedles.com

cc: Richard Kyo, Senior Utilities Engineer, Safety Policy Division
James Cho, Program Manager, Safety Policy Division
Junaid Rahman, Senior Regulatory Analyst, Safety Policy Division

Attachment A

RESOLUTION NO. 2021-33

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF NEEDLES, CALIFORNIA, ADOPTING THE UTILITY PHYSICAL SECURITY
PLAN

WHEREAS, City of Needles provides retail utility electric, water and wastewater services to the City of Needles in the name of the Needles Public Utility Authority (NPUA); and

WHEREAS, the NPUA is required by the California Public Utilities Commission (CPUC) to develop and submit annually a Utility Physical Security Plan (Plan) addressing its electrical distribution facilities security; and

WHEREAS, the Plan is to be developed in accordance with the 2019 CPUC Decision (D.) 19-01-018 (Decision); and

WHEREAS, NPUA has determined it serves no critical "Covered Distribution Facilities" as defined by the Decision; and

WHEREAS, NPUA has obtained an "Independent Third-Party Review" of the Plan as required by the Decision; and

WHEREAS, NPUA has submitted the Plan for review to the California Office of Emergency Services (CalOES), where CalOES has been deemed a "Qualified Authority" in performing Plan review.

NOW, THEREFORE, BE IT RESOLVED THAT:

The City Council adopts the Needles Public Utility Authority Plan dated July 6, 2021 and accepts the third party review.

PASSED AND ADOPTED by the City Council on this day of July 13, 2021, by the following vote:

AYES: Council Members Campbell, Terral, Merritt, Belt and Longacre

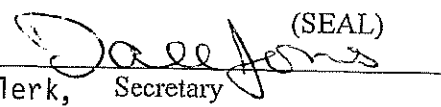
NOES: None

ABSENT: Mayor Williams

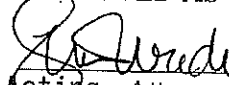
ABSTAIN: None


Vice Mayor

ATTEST:

 (SEAL)
City Clerk, Secretary

APPROVED AS TO FORM:


Acting Attorney

MEMORANDUM

June 24, 2021

TO: Board of Public Utilities/Needles Public Utility Authority

FROM: City of Needles Emergency Response Coordinator; Patrick Martinez

RE: Review of NPUA Utility Security Plan

California Public Utilities Commission (CPUC) Decision (D.) 19-01-018 directs all electric utilities to develop a Utility Security Plan assessing the physical security risks to certain significant, distribution-level substations that are operated by the utility and identifying mitigating measures for those risks. These Utility Security Plans must be evaluated by a qualified third party, and any recommendations of that third party must be addressed in the Utility Security Plan. As an additional level of review, the Utility Security Plan of any publicly owned utility (POU) must be submitted to a “qualified authority,” which must make a recommendation on the overall adequacy of the plan. After the review by the qualified authority, the finalized plan of a POU is submitted to its governing board for adoption.

NPUA has determined that the City of Needles Emergency Response Coordinator has sufficient familiarity with relevant federal, state, and local standards relating to critical asset protection and emergency response in order to serve as the “qualified authority” for the review of NPUA’s Utility Security Plan. Needles Emergency Response Coordinator has relevant experience in its role as to local emergency or safety response.

On June 21, 2021, the NPUA submitted its draft Utility Security Plan to Needles Emergency Response Coordinator for review. The scope of the Qualified Authority review is to assess the overall adequacy of the plan, based on the reviewer’s expertise.

In this review, Needles Emergency Response Coordinator makes no claims regarding the compliance of NPUA’s Utility Security Plan with any specific requirement or standard. Further, the Emergency Response Coordinator has not assessed, and makes no claim regarding, NPUA’s Utility Security Plan’s conformance to D.19-01-018 or any other CPUC standards. Finally, Needles review is limited to the information contained within NPUA’s Utility Security Plan, and Needles Emergency Response Coordinator has not performed any additional audits of any identified facilities or reviewed any documents outside of the information directly included within the Utility Security Plan.

The third-party review concludes that while NPUA has identified 0 facilities that are subject to this identification analysis as a “Covered Distribution Facility”. The distribution system review and assessment did identify three (3) customers that could be considered sensitive to power interruptions:

1. Colorado River Medical Center
2. Needles Public Utility Authority Primary Well No. 15

3. Needles Public Utility Authority Wastewater Plant

A recommendation is encouraged to the NPUA to visit each customer to ensure proper back-up generation in on site in the event of an extended outage.

The review also identified several distribution facilities that lack alarm controls and fully screened fencing around the Substations. A recommendation to invest in increased security measures.

Based on this review, Needles Emergency Response Coordinator deems the NPUA's Utility Security Plan adequate and recommends that the Board of Public Utilities and Needles Public Utility Authority adopt the NPUA's Utility Security Plan.



Patrick Martinez
Needles Emergency Response Coordinator
pmartinez@cityofneedles.com
(760)326-5700 X126



This document was developed by the CMUA Physical Security Working Group and is intended is for general information only and is not offered or intended as legal advice. This document does not reflect minimum or mandatory elements for a Utility Security Plan, nor does this document reflect industry standards or best practices. Readers should seek the advice of an attorney when confronted with legal issues and attorneys should perform an independent evaluation of the issues raised in this document.

NEEDLES PUBLIC UTILITY AUTHORITY (NPUA) UTILITY SECURITY PLAN

**PUBLIC REPORT ON NPUA'S PHYSICAL SECURITY
PROGRAM FOR DISTRIBUTION-LEVEL FACILITIES**

July 6, 2021

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I. OVERVIEW

A. GOAL OF UTILITY SECURITY PLAN

Ensuring the safety of its facilities is a top priority for the NPUA, and the NPUA prioritizes safety in all aspects of its design, operation, and maintenance practices. The overarching goal of this Utility Security Plan is to describe NPUA's risk management approach toward distribution system physical security, with appropriate consideration of resiliency, impact, and cost.

NPUA recognizes the importance of securing the safety and reliability of its electric system and, therefore, NPUA voluntarily participated in the California Public Utilities Commission's (CPUC) Physical Security proceeding and has undertaken this assessment. In the spirit of continued voluntary cooperation, NPUA offers the following in response to CPUC Decision 19-01-018.

B. DESCRIPTION OF NPUA

The NPUA provides electric service to approximately 3,000 customers within the City and certain contiguous areas from the Nevada state line, south of Laughlin, Nevada, to the vicinity of Topock, Arizona. The NPUA has 75 miles of primary, 34 miles of transmission, 4 substations, 649 transformers and 1,865 poles.

The City has entered into a contract (Contract No. 87-BCA-10098) with the United States Department of Energy Western Area Power Administration ("WAPA") to purchase Federal hydropower from the Parker-Davis generating facility. Approximately 55% of the City's current electric energy is purchased from WAPA. Needles' peak electric demand is 22.41 megawatts (MW), established in August 2018.

C. RESULTS OF UTILITY SECURITY PLAN ASSESSMENT

The third-party review concludes that while NPUA has identified 0 facilities that are subject to this identification analysis as a "Covered Distribution Facility". However, the NPUA has identified customers that could be considered sensitive to power interruptions and improvements to make to distribution facilities to increase security.

II. BACKGROUND

On April 16, 2013, one or more individuals attacked equipment located within Pacific Gas and Electric Company's (PG&E) Metcalf Transmission Substation, ultimately damaging 17 transformers. These individuals also cut nearby fiber-optic telecommunication cables owned by AT&T. In response to the attack, the Federal Energy Regulatory Commission (FERC) directed the North American Electric Reliability Corporation (NERC) to develop new physical security requirements, resulting in the creation of CIP-014.

At the state level, Senator Jerry Hill authored SB 699 (2014), directing the CPUC to "consider adopting rules to address the physical security risks to the distribution systems of electrical corporations." In response to SB 699, the CPUC's Safety and Enforcement Division, Risk Assessment and Safety Advisory Section (RASA) prepared a white paper proposing a new requirement for investor owned utilities (IOUs) and publicly owned utilities (POUs) to develop security plans that would identify security risks to their distribution and transmission systems, and propose methods to mitigate those risks. The CPUC hosted a series of workshops to better understand the state of utility physical security protections and to seek input on refining their proposal.

In order to support a statewide improvement of how utilities address distribution level physical security risks, the California Municipal Utilities Association (CMUA), which is the statewide trade association for POUs, coordinated with the state's IOUs to develop a comprehensive Straw Proposal¹ (Joint IOU/POU Straw Proposal) for a process to identify at-risk facilities and, if necessary, develop physical security mitigation plans. As a member of CMUA, [POU] staff participated in the development of the Joint IOU/POU Straw Proposal through a CMUA working group as well as through direct meetings with the IOUs. The Joint IOU/POU Straw Proposal set out a process for the following: (1) identifying if the utility has any high priority distribution facilities; (2) evaluating the potential risks to those high priority distribution facilities; (3) for the distribution facilities where the identified risks are not effectively mitigated through existing resilience/security measures, developing a mitigation plan; (4) obtaining third party reviews of the mitigation plans; (5) adopting a document retention policy; (6) ensuring a review process established by the POU governing board; and (7) implementing information sharing protocols.

RASA filed a response² to the Joint IOU/POU Straw Proposal that recommended various modifications and clarifications, including a six step process. Additionally, RASA recommended that the utility mitigation plans include: (1) an assessment of supply chain vulnerabilities; (2) training programs for law enforcement and utility staff to improve communication during physical security events; and (3) an assessment of any nearby communication utility infrastructure that supports priority distribution substations.

¹ Straw Proposal available at: https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/Safety/Risk_Assessment/physicalsecurity/R1506009-Updated%20Joint%20Straw%20Proposal%20and%20Cover%20083117%20Filing.pdf.

² RASA Response available at: https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/Safety/Risk_Assessment/physicalsecurity/Final%20Staff%20Recommendation%20for%20Commission%20Consideration%2010318.pdf.

In early 2019, the CPUC approved Decision (D.) 19-01-018, which adopted the Joint IOU/POU Straw Proposal as modified by the RASA proposal, with additional clarifications and guidance. D.19-01-018 clarified that where there is a conflict between the Straw Proposal and the RASA proposal, then it is the rule in the RASA proposal that controls.³

D.19-01-018 asserted that the POUs should utilize the Utility Security Plan process described therein. [POU] is following the process and issuing this report at this time to reflect its existing commitment to safety and to protecting its ratepayers' investment by taking reasonable and cost-effective measures in an effort to safeguard key assets of its distribution system.

³ D.19-01-018 at 43, footnote 58 ("Should there be any question of which shall predominate should there be any incongruity or conflict between a utility or SED RASA recommended rule, the SED RASA rule shall apply.").

III. PLAN DEVELOPMENT PROCESS

A. PHYSICAL SECURITY PRINCIPLES

The Joint IOU/POU Straw Proposal seeks to support the creation of a risk management approach toward distribution system physical security, with appropriate considerations of resiliency, impact, and cost. In order to accomplish this risk-based approach, the Joint IOU/POU Straw Proposal identifies several principles to guide the development of each individual utility's program. These principles are the following:

1. Distribution systems are not subject to the same physical security risks and associated consequences, including threats of physical attack by terrorists, as the transmission system.
2. Distribution utilities will not be able to eliminate the risk of a physical attack occurring, but certain actions can be taken to reduce the risk or consequences, or both, of a significant attack.
3. A one-size-fits-all standard or rule will not work. Distribution utilities should have the flexibility to address physical security risks in a manner that works best for their systems and unique situations, consistent with a risk management approach.
4. Protecting the distribution system should consider both physical security protection and operational resiliency or redundancy.
5. The focus should not be on all Distribution Facilities, but only those that risk dictates would require additional measures.
6. Planning and coordination with the appropriate federal and state regulatory and law enforcement authorities will help prepare for attacks on the electrical distribution system and thereby help reduce or mitigate the potential consequences of such attacks.

B. Utility Security Plan Development Process

NPUA utilized a multi-step process to develop this Utility Security Plan that is consistent with the Joint IOU/POU Straw Proposal and D.19-01-018. The relevant six steps of that process are the following:

STEP 1: ASSESSMENT/PLAN DEVELOPMENT

NPUA staff prepare a Draft Utility Security Plan through the process set forth in Steps 1A, 1B, and 1C.

STEP 1A: IDENTIFY COVERED DISTRIBUTION FACILITIES

NPUA will evaluate all distribution-level facilities in its service territory that are subject to its control to determine if any facility meets D.19-01-018's definition of a "Covered Distribution Facility" using the seven factors identified in the Joint IOU/POU Straw Proposal.

STEP 1B: PERFORM RISK ASSESSMENT

For every individual Covered Distribution Facility identified pursuant to Step 1A, NPUA will perform an evaluation of the potential risks associated with a successful physical attack on that Covered Distribution Facility, and whether existing grid resiliency, back-up generation, and/or physical security measures appropriately mitigate identified risks.

STEP 1C: DEVELOP MITIGATION PLAN

If there are any individual Covered Distribution Facilities where the Risk Assessment performed pursuant to Step 1B finds that the existing mitigation and/or resiliency measures do not effectively mitigate the identified risks, then NPUA will develop a Mitigation Plan for that Covered Distribution Facility. The Mitigation Plan will use a risk-based approach to select reasonable and cost-effective measures that can either be security focused (e.g., walls or alarms) or resiliency focused (e.g., adequate spare parts).

STEP 2: INDEPENDENT REVIEW

For every Utility Security Plan cycle, NPUA will document the results of the identification process, risk assessment, and Mitigation Plan development performed pursuant to Steps 1A, 1B, and 1C. This documentation in combination with narrative description in Section IX below, constitutes NPUA's Draft Utility Security Plan. Each Draft Utility Security Plan is submitted to a Qualified Third Party for Independent Review. The Qualified Third Party Reviewer will then issue an evaluation that identifies any potential deficiencies in the Draft Utility Security Plan as well as recommendations for improvements. NPUA will then modify its plan to address any identified deficiencies or recommendations, or will document the reasons why any recommendations were not adopted. The combination of the Draft Utility Security Plan, the non-confidential conclusions of the Qualified Third Party Reviewer, and NPUA's responses to the Qualified Third Party Review will constitute NPUA's Utility Security Plan.

STEP 3: VALIDATION

NPUA will submit its Utility Security Plan to a qualified authority for review. Such entity will provide additional feedback and evaluation of NPUA's Utility Security Plan and, to the extent that this entity is authorized, such entity deems the Utility Security Plan as adequate.

STEP 4: ADOPTION

NPUA's Utility Security Plan will be presented to and adopted by NPUA's governing board at a public meeting.

STEP 5: MAINTENANCE

NPUA will refine and update the Utility Security as appropriate and as necessary to preserve plan integrity.

STEP 6: REPEAT PROCESS

NPUA will repeat this six step process at least once every five years.

IV. IDENTIFICATION OF COVERED DISTRIBUTION FACILITIES (STEP 1A)

As described in Section III, Step 1A of the Utility Security Plan process involves assessing all distribution-level facilities that are subject to the control of NPUA to determine which facilities are "Covered Distribution Facilities" subject to the need for a risk assessment. This Section describes the factors that NPUA used to evaluate its distribution facilities and the results of its evaluation.

A. IDENTIFICATION FACTORS

The Joint IOU/POU Straw Proposal defines seven screening factors to determine if a facility is a "Covered Distribution Facility." Some factors require additional definitions and/or clarifications in order to be applied to NPUA's facilities. The following Table provides the Joint IOU/POU Straw Proposal's Factors as modified/clarified by NPUA.

Factor	Joint IOU/POU Straw Proposal Description	Additional Clarification
1	Distribution Facility necessary for crank path, black start or capability essential to the restoration of regional electricity service that are not subject to the California Independent System Operator's (CAISO) operational control and/or subject to North American Electric Reliability Corporation (NERC) Reliability Standard CIP-014-2 or its successors	No additional clarification.
2	Distribution Facility that is the primary source of electrical service to a military installation essential to national security and/or emergency response services (may include certain airfields, command centers, weapons stations, emergency supply depots)	No additional clarification.
3	Distribution Facility that serves installations necessary for the provision of regional	An installation provides "regional drinking water supplies and wastewater

	drinking water supplies and wastewater services (may include certain aqueducts, well fields, groundwater pumps, and treatment plants)	services" if it is the primary source of drinking water supply or wastewater services for over 40,000 customer accounts for an area with a population of over 100,000.
4	Distribution Facility that serves a regional public safety establishment (may include County Emergency Operations Centers; county sheriff's department and major city police department headquarters; major state and county fire service headquarters; county jails and state and federal prisons; and 911 dispatch centers)	[POU] defines "regional public safety establishment" as any of the following: (1) Headquarters of a major police or fire department serving 1.5 million population with at least 1,000 sworn officers; (2) County Sheriff's Department Headquarters; (3) County Emergency Operations Center; (4) County/State Fire headquarters; (5) a California State Prison; (5) a United States Penitentiary; or (6) a Federal Correctional Institute.
5	Distribution Facility that serves a major transportation facility (may include International Airport, Mega Seaport, other air traffic control center, and international border crossing)	In addition to the facilities listed in the Joint IOU/POU Straw Proposal, [POU] defines a "major transportation facility" as any transportation facility that has (1) an average of 600 or more flights per day; or (2) over 50,000 passengers arriving or departing per day.
6	Distribution Facility that serves as a Level 1 Trauma Center as designated by the Office of Statewide Health Planning and Development	No additional clarification.
7	Distribution Facility that serves over 60,000 meters	No additional clarification.

B. IDENTIFICATION ANALYSIS

In performing this identification analysis, NPUA is assessing all distribution level facilities that are subject to its exclusive control, or if the facility is jointly owned, the joint ownership agreement identifies NPUA as the entity responsible for operation and maintenance. The specific types of facilities include substations and primary distribution.

Based on this scope, NPUA has identified 0 facilities that are subject to this identification analysis. The distribution system review and assessment did identify 3 customers that could be considered sensitive to power interruptions:

1. Colorado River Medical Center
2. Needles Public Utility Authority Primary Well No. 15
3. Needles Public Utility Authority Wastewater Plant

NPUA did not classify these facilities as "Covered Distribution Facilities" as these facilities have mitigation measures in place with on-site back-up generation except for Well No. 15.

All other customers within the NPUA's service territory are either residential, general commercial and light industrial.

The following table summarizes the results of NPUA's identification analysis.

Facility ID	1. Crank Path, Black Start	2. Military Installation	3. Regional Drinking Water/Wastewater Services	4. Regional Public Safety	5. Major Transportation Facility	6. Level 1 Trauma Center	7. Over 60,000 Meters
Substation 1	0	0	0	0	0	0	0
Substation 2	0	0	0	0	0	0	0
Substation 3	0	0	0	0	0	0	0
Substation 4	0	0	0	0	0	0	0

V. RISK ASSESSMENT (STEP 1B)

A. METHODOLOGY

Pursuant to the process identified in the Joint IOU/POU Straw Proposal and D.19-01-018, NPUA will assess the potential risks associated with a successful physical attack on each of the Covered Distribution Facilities identified in Section IV above. For purpose of this analysis, a physical attack is limited to the following: (1) theft; (2) vandalism; and (3) discharge of a firearm. A "successful physical attack" is limited to circumstances where a theft, vandalism, and/or the discharge of a firearm has directly led to the failure of any elements of the Covered Distribution Facility that are necessary to provide uninterrupted service to the specific load identified in Section IV.

In order to perform this risk analysis, NPUA evaluates the relative risk that (1) a physical attack on a Covered Distribution Facility will be successful considering the protective measures in place; or (2) that the impacts of a successful attack will be mitigated due to resiliency and other measures in place.

B. MITIGATION MEASURES

D.19-01-018 identifies the specific mitigation measures that a utility should consider when performing this risk analysis. The following table lists these mitigation measures and provides NPUA's additional clarifications that are necessary to apply these measures to the NPUA's territory.

Measure	D.19-01-018 Description	Additional Clarification
1	The existing system resiliency and/or redundancy solutions (e.g., switching the load to another substation or circuit capable of serving the load, temporary circuit ties, mobile generation and/or storage solutions).	No additional clarification.
2	The availability of spare assets to restore a particular load.	No additional clarification.
3	The existing physical security protections to reasonably address the risk.	No additional clarification.
4	The potential for emergency responders to identify and respond to an attack in a timely manner.	Each facility is evaluated based on the likelihood that a law enforcement officer would generally be able to arrive at the Covered Distribution Facility within 15 minutes of a report from the public of a break-in or attack, or of NPUA notifying the law enforcement agency of triggering of an alarm at the facility.
5	Location and physical surroundings, including proximity to gas pipelines and	NPUA evaluated this element based on the proximity of the Covered Distribution Facility to populated areas

	geographical challenges, and impacts of weather.	and the extent to which the interior of the facility is shielded from view and access due to walls, vegetation, or other physical obstructions.
6	History of criminal activity at the Distribution Facility and in the area.	NPUA evaluated the property crime rates in the immediate vicinity of the Covered Distribution Facility and compared those crimes rates to property crime rates for the county and the state to determine if the area is subject to a higher than average incidence of property related crimes.
7	The availability of other sources of energy to serve the load (e.g., customer owned back-up generation or storage solutions).	No additional clarification.
8	The availability of alternative ways to meet the health, safety, or security.	No additional clarification.
9	Requirements served by the load (e.g., back up command center or water storage facility).	No additional clarification.

C. RISK ASSESSMENT

Based on the process described in the Joint IOU/POU Straw Proposal and the direction provided in D.19-01-018, NPUA has determined that of the [Y] Covered Distribution Facilities identified in Section IV, the existing programs and measures effectively mitigate the risks of a physical attack for [Z] of those Covered Distribution Facilities.

[Provide a general description of the POU's overall approach to security at substations and the specific protective and mitigating measures that are in place at these specific facilities. Also describe by facility or category why the existing measures are sufficient].

The follow table provides a summary of NPUA's assessment of each mitigation measure for each Covered Distribution Facility.

Facility ID	1. Existing Resiliency	2. Spare Assets	3. Existing Physical Security	4. Emergency Responders	5. Location	6. Criminal History	7. Back up Generation	8-9. Alternate Solution	Risk Level
Substation 1	YES	YES	EXHIBIT A	N/A	N/A	N/A	EXIBIT A	N/A	1
Substation 2	YES	YES	EXHIBIT A	N/A	N/A	N/A	EXIBIT A	N/A	1
Substation 3	YES	YES	EXHIBIT A	N/A	N/A	N/A	EXIBIT A	N/A	1
Substation 4	YES	YES	EXHIBIT A	N/A	N/A	N/A	EXIBIT A	N/A	1

As identified above, [A] of the Covered Distribution Facilities do not have existing mitigating measures sufficient to effectively mitigate the identified risks of a physical attack. These facilities are discussed in Section VI.

VI. COVERED DISTRIBUTION FACILITY MITIGATION PLANS (STEP 1C)

Pursuant to the process identified in the Joint IOU/POU Straw Proposal and D.19-01-018, NPUA has determined that for [A] of the Covered Distribution Facilities that are subject to NPUA's control, the existing mitigation measures do not effectively reduce the risk of a physical security attack. This section describes the Mitigation Plan that [POU] has developed for each of these Covered Distribution Facilities.

A. SUBSTATION 1 MITIGATION PLAN

[describe in more detail the identified fault in the existing mitigation measures and the specific actions that NPUA will make to further reduce the risk of a physical attack or mitigate the impacts of a successful attack. Include a specific timeline. D.19-01-018 also states that a cost estimate should be included. This requirement was likely focused on the IOUs, but to the extent that a cost estimate can be included, it may be beneficial.]

B. SUBSTATION 5 MITIGATION PLAN

[describe in more detail the identified fault in the existing mitigation measures and the specific actions that NPUA will make to further reduce the risk of a physical attack or mitigate the impacts of a successful attack. Include a specific timeline. D.19-01-018 also states that a cost estimate should be included. This requirement was likely focused on the IOUs, but to the extent that a cost estimate can be included, it may be beneficial.]

VII. INDEPENDENT EVALUATION AND RESPONSE (STEP 2)

A. REQUIREMENTS FOR QUALIFIED THIRD PARTY REVIEW

D.19-01-018 specifies the following criteria for a Qualified Third Party Reviewer:

Independence: A Qualified Third Party Reviewer cannot be a division of the POU. A governmental entity can select as the third-party reviewer another governmental entity within the same political subdivision, so long as the entity has the appropriate expertise, and is not a division of the POU that operates as a functional unit, i.e., a municipality could use its police department as its third-party reviewer if it has the appropriate expertise.

Adequate Qualifications: A Qualified Third Party Reviewer must be an entity or organization with electric industry physical security experience and whose review staff has appropriate physical security expertise, which means that it meets at least one of the following: (1) an entity or organization with at least one member who holds either an ASIS International Certified Protection Professional (CPP) or Physical Security Professional (PSP) certification; (2) an entity or organization with demonstrated law enforcement, government, or military physical security expertise; or (3) an entity or organization approved to do physical security assessments by the CPUC, Electric Reliability Organization, or similar electrical industry regulatory body.

B. IDENTIFICATION OF THIRD PARTY REVIEWER

NPUA has selected as its Third Party Reviewer; the City of Needles Emergency Response Coordinator

Public results of third party evaluation:

The third-party review concludes that while NPUA has identified 0 facilities that are subject to this identification analysis as a "Covered Distribution Facility". The distribution system review and assessment did identify three (3) customers that could be considered sensitive to power interruptions:

1. Colorado River Medical Center
2. Needles Public Utility Authority Primary Well No. 15
3. Needles Public Utility Authority Wastewater Plant

A recommendation is encouraged to the NPUA to visit each customer to ensure proper back-up generation in on site in the event of an extended outage.

The review also identified several distribution facilities that lack alarm controls and fully screened fencing around the Substations. A recommendation to invest in increased security measures.

C. NPUA RESPONSE

The NPUA will ensure each sensitive customer is visited and backup generation is on site. In addition, all distribution facilities will be improved with security systems and screened fencing.

Needles Public Utility Authority Security Plan
July 6, 2021

VIII. VALIDATION (STEP 3)

A. SELECTION OF QUALIFIED AUTHORITY

PLACEHOLDER: THIS SECTION TO BE COMPLETED WHEN QUALIFIED AUTHORITY COMPLETES ITS REVIEW.

B. RESULTS OF QUALIFIED AUTHORITY REVIEW

PLACEHOLDER: THIS SECTION TO BE COMPLETED WHEN QUALIFIED AUTHORITY COMPLETES ITS REVIEW.

C. NPUA RESPONSE

PLACEHOLDER: THIS SECTION TO BE COMPLETED WHEN QUALIFIED AUTHORITY COMPLETES ITS REVIEW.

IX. NARRATIVE DESCRIPTIONS FOR UTILITY SECURITY PLAN

A. ASSET MANAGEMENT PROGRAM

The NPUA's asset management program includes:

1. Maintaining a working on-site inventory of key spare parts and materials including transformers, switchgear, fuses, wires, tools, and hardware to quickly effect repairs.
2. Maintaining direct access to multiple key vendors through arrangements to allow for immediate placement of material orders and timely delivery.
3. Maintaining a positive relationship with neighboring utilities to assist in the event of an outage.

B. WORKFORCE TRAINING AND RETENTION PROGRAM

The NPUA employs a full staff of highly qualified service technicians able to respond to make repairs in short order throughout a utility's service territory using spare parts stockpiles and inventory.

C. PREVENTATIVE MAINTENANCE PLAN

NPUA has an ongoing security preventative maintenance program to both maintain existing system and to improve system security and security equipment. These ongoing steps are underway and include, but are not limited to:

1. Routine facility visits to check fencing and locks
2. Routine light checks

3. Adding screened fencing
4. Adding security system
5. Removing facility visual barriers such as foliage, stored or abandoned equipment and materials.
6. Signage

D. PHYSICAL SECURITY EVENT TRAINING

The NPUA meets periodically with staff to discuss operations, security concerns and mitigations.

E. COMMUNICATION INFRASTRUCTURE RISK ASSESSMENT

The NPUA does not have in place communication systems specific to the utility distribution system.

F. FACILITY DESIGN FEATURES

Any future new facilities, or refurbishment of existing facilities, will incorporate best practices or better for low observability, sightlines, defensibility, general order and perimeter security – including screened fencing, lighting and security systems.

EXHIBIT A: NPUA's DISTRIBUTION FACILITIES DESCRIPTION

Distribution Facility	Type	Location	Service Type	Security Characteristics	Other Characteristics/Mitigation
Substation 1	12kV Substation	Eagle Pass Road	Residential, General Commercial, light industrial	Fencing, locked fencing	n/a
Substation 2	12kV Substation	Bush Street & R Street	Residential, General Commercial, light industrial	Fencing, locked entry	n/a
Substation 3	12kV Substation	Bush Street & T Street	Residential, General Commercial, light industrial	Partially Screened fencing, locked entry	n/a
Substation 4	12kV Substation	Needles Hwy	Residential, General Commercial, light industrial	Partially Screened fencing, locked entry	n/a



City of Needles

817 Third Street, Needles, California 92363

(760) 326-2113 • FAX (760) 326-6765

www.cityofneedles.com

Mayor Janet Jernigan
Vice Mayor Kirsten Merritt
Councilmember Tona Belt
Councilmember Ellen Campbell
Councilmember Jamie McCorkle
Councilmember JoAnne Pogue
Councilmember Henry Longbrake
City Manager Patrick Martinez

8/26/2024

VIA ELECTRONIC MAIL

Danjel Bout,
Director for Safety Policy Division
California Public Utilities Commission
505 Van Ness Avenues
San Francisco, CA 94102

Re: Utility Security Plan Exemption Designation for [POU]

Dear Mr. Bout:

In accordance with Ordering Paragraph 28 of California Public Utilities Commission (“Commission”) Decision (“D.”) 19-01-018, [POU] (“[POU]”) hereby provides this letter in support of [POU]’s designation as exempt from the utility security plan requirements of D.19-01-018. The utility security plan requirements of D.19-01-018 are clearly inapplicable to [POU] and continued participation would result in an undue burden and hardship to [POU] for the following reasons: (1) [POU] has no distribution assets that meet any of the seven identification factors for a “Covered Distribution Facility” that are subject to the risk assessment requirements; (2) there are no reasonably foreseeable changes that could occur within [POU]’s service territory that could cause one of [POU]’s distribution assets to meet any of the seven identification factors for a “Covered Distribution Facility”; and (3) [POU] has a comprehensive physical security program that is appropriately tailored to [POU]’s assets. In the sections below, [POU] provides information to demonstrate each of these conclusions.

[Optional paragraph providing a statement regarding how your POU takes safety seriously and has implemented the necessary security protections for your system and assets.]

A. [POU] has No Assets that Meet Any of the Seven Identification Factors for a “Covered Distribution Facility.”

D.19-01-018 adopted a six-step process for developing utility security plans for distribution assets. This six-step process was based on a joint utility proposal¹ as modified by recommendations from the Commission’s Safety Policy Division (“SPD”).² The initial step

¹ See Joint IOU/POU Straw Proposal, available at:

<https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M196/K148/196148336.PDF>.

² See Safety & Enforcement Division’s Risk Assessment & Safety Advisory (RASA) Section Evaluation of Joint Utility Proposal and Recommendations for Consideration, available at:

<https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M204/K457/204457381.PDF>.



City of Needles

817 Third Street, Needles, California 92363

(760) 326-2113 • FAX (760) 326-6765

www.cityofneedles.com

Mayor Janet Jernigan
Vice Mayor Kirsten Merritt
Councilmember Tona Belt
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Councilmember Jamie McCorkle
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City Manager Patrick Martinez

under this process is to evaluate if the utility has any “Covered Distribution Facilities,” which are distribution assets that fall under any of the following categories:

1. Distribution Facility necessary for crank path, black start or capability essential to the restoration of regional electricity service that are not subject to the California Independent System Operator’s (CAISO) operational control and/or subject to North American Electric Reliability Corporation (NERC) Reliability Standard CIP-014-2 or its successors;
2. Distribution Facility that is the primary source of electrical service to a military installation essential to national security and/or emergency response services (may include certain airfields, command centers, weapons stations, emergency supply depots);
3. Distribution Facility that serves installations necessary for the provision of regional drinking water supplies and wastewater services (may include certain aqueducts, well fields, groundwater pumps, and treatment plants);
4. Distribution Facility that serves a regional public safety establishment (may include County Emergency Operations Centers; county sheriff’s department and major city police department headquarters; major state and county fire service headquarters; county jails and state and federal prisons; and 911 dispatch centers);
5. Distribution Facility that serves a major transportation facility (may include International Airport, Mega Seaport, other air traffic control center, and international border crossing);
6. Distribution Facility that serves as a Level 1 Trauma Center as designated by the Office of Statewide Health Planning and Development; and
7. Distribution Facility that serves over 60,000 meters.

If a utility does not control any Covered Distribution Facilities, then the utility has no further obligation to perform a risk assessment or to identify physical security mitigation measures as part of D.19-01-018 utility security plan.

[POU] previously prepared a Utility Security Plan, which was adopted by [POU governing board] on [Date of Adoption]. As part of the process of developing this Utility Security Plan, [POU] evaluated if any of its distribution assets met any of the factors listed above. Because some factors required additional definitions and/or clarifications in order to be applied to [POU]’s facilities, [POU] adopted additional clarifications as part of its Utility Security Plan.



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In [POU]'s Utility Security Plan, [POU] determined that it does not have any Covered Distribution Facilities, as demonstrated in the following table which provides the relevant factor, the clarification (if any), and [POU]'s determination:

ID Factor	Joint IOU/POU Straw Proposal Description	Additional Clarification	Demonstration
1	Distribution Facility necessary for crank path, black start or capability essential to the restoration of regional electricity service that are not subject to the California Independent System Operator's (CAISO) operational control and/or subject to North American Electric Reliability Corporation (NERC) Reliability Standard CIP-014-2 or its successors	No additional clarification.	No [POU] distribution facility is necessary for the services identified in Factor 1.
2	Distribution Facility that is the primary source of electrical service to a military installation essential to national security and/or emergency response services (may include certain airfields, command centers, weapons stations, emergency supply depots)	No additional clarification.	[POU] does not provide electric services to any military installations.
3	Distribution Facility that serves installations necessary for the provision of regional drinking water supplies and wastewater services (may include certain aqueducts, well fields, groundwater pumps, and treatment plants)	An installation provides "regional drinking water supplies and wastewater services" if it is the primary source of drinking water supply or wastewater services for over 40,000 customer accounts for an area with a population of over 100,000.	No single drinking water or wastewater facility located within the [POU Service Territory] serves more than 40,000 customer accounts or a population of over 100,000 residents.
4	Distribution Facility that serves a regional public safety establishment (may include County Emergency Operations Centers; county sheriff's department and major city police department headquarters; major state and county fire service headquarters; county jails and state and federal prisons; and 911 dispatch centers)	[POU] defines "regional public safety establishment" as any of the following: (1) Headquarters of a major police or fire department serving 1.5 million population with at least 1,000 sworn officers; (2) County Sheriff's Department Headquarters; (3) County Emergency Operations Center; (4) County/State Fire headquarters; (5) a California State Prison; (5) a United States Penitentiary; or (6) a Federal Correctional Institute.	[POU] does not provide electric service to any regional public safety establishments. The [XXXXXX] Police Department only has [XXXX] officers and professional staff. No other facility listed in Factor 4 is located in [POU Service Territory] or served by [POU].



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5	Distribution Facility that serves a major transportation facility (may include International Airport, Mega Seaport, other air traffic control center, and international border crossing)	In addition to the facilities listed in the Joint IOU/POU Straw Proposal, [POU] defines a “major transportation facility” as any transportation facility that has (1) an average of 600 or more flights per day; or (2) over 50,000 passengers arriving or departing per day.	No major transportation facility is located in [POU Service Territory].
6	Distribution Facility that serves as a Level 1 Trauma Center as designated by the Office of Statewide Health Planning and Development	No additional clarification.	No Level 1 Trauma Centers are located within [POU Service Territory].
7	Distribution Facility that serves over 60,000 meters	No additional clarification.	[POU] only has XXXX customer meters in its entire service territory.

B. There are No Reasonably Foreseeable Changes That Could Occur Within [POU]’s Service Territory That could Cause a [POU] Distribution Asset to Meet Any of the Seven Identification Factors for a “Covered Distribution Facility.”

For each of the factors listed in the table above, there is no reasonably foreseeable scenario where a [POU] distribution asset could become a “Covered Distribution Facility.”

Factor 1: [POU] has no plans to reconfigure or upgrade its system such that any distribution assets could be necessary for any of the services listed in Factor 1. Further, [POU] is unaware of any system changes by [IOU] or any other entity that could cause one of [POU]’s distribution assets to become necessary for any of the services listed in factor 1.

Factor 2: [POU] is not aware of any plans to consider constructing a military installation essential to national security and/or emergency response services within [POU]’s service territory and [POU] is not aware of any sites in [POU]’s service territory that could reasonably be used for such purposes.

Factor 3: [POU] is not aware of any plans to consider constructing a regional drinking water or wastewater facility in [POU]’s service territory and, further, the population within [POU]’s service territory is not large enough to support a regional drinking water/wastewater facility.

Factor 4: [POU] is not aware of any plans to consider constructing a regional public safety establishment in [POU]’s service territory and, further, the



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population within [POU]'s service territory is not large enough to support a regional public safety establishment.

Factor 5: [POU] is not aware of any plans to consider constructing a major transportation facility within [POU]'s service territory and [POU] is not aware of any sites in [POU]'s service territory that could reasonably be used for such purposes.

Factor 6: [POU] is not aware of any plans to consider constructing a Level 1 Trauma Center within [POU]'s service territory and, further, the population within [POU]'s service territory is not large enough to support such a facility.

Factor 7: [POU] has far less than 60,000 customer meters in its entire service territory and no current forecast of customer growth predicts such a number to be located in [POU]'s service territory in the foreseeable future.

- C. [POU] has a Comprehensive Physical Security Program that is Appropriately Suited for [POU]'s Distribution Assets.

[Describe existing security measures]

For the reasons stated above, the utility security plan requirements of D.19-01-018 are clearly inapplicable to [POU] and thus continuing to apply these requirements to [POU] would result in an undue burden and hardship. Therefore, [POU] should be designated as exempt from the ongoing requirements of D.19-01-018.

Sincerely,

[Signature]

cc: Richard Kyo, Senior Utilities Engineer, Safety Policy Division
James Cho, Program Manager, Safety Policy Division
Junaid Rahman, Senior Regulatory Analyst, Safety Policy Division



City of Needles, California Request for City Council Action

CITY COUNCIL NPUA Regular Special

Meeting Date: October 8, 2024

Title: Adopt the 2024 Needles Public Utility Authority Wildfire Mitigation Plan
Version 5.0

Background: In 2008, the California Public Utilities Commission (“CPUC”) initiated a proceeding to address fires related to utility infrastructure, following a series of wildfires that occurred in 2007 and 2008. The goal of this proceeding was to establish new industry standards that would reduce the risk of electric line-ignited wildfires, with a focus on areas of the state where wildfire risks are elevated. In 2012, the CPUC adopted three interim fire maps that designated areas of the state where stricter inspection and vegetation clearance requirements would apply to overhead utility poles and equipment.¹ These interim maps were based on generalized wildfire threat, rather than the areas that were at a unique risk of electric line-ignited fires. The CPUC acknowledged the need for a better map and, in the same 2012 Decision, the CPUC directed parties to develop a more precise statewide fire map that identified areas of the state at an elevated risk of electric line-ignited wildfires.²

In 2016, Governor Brown signed Senate Bill (“SB”) 1028 (stats. 2016), which required publicly owned utilities (“POUs”) to identify additional wildfire mitigation measures that the POU could take if the POU governing board first found that its overhead electric lines and equipment posed a significant risk of causing a catastrophic wildfire. SB 1028 required that the POU governing board must base this determination on “historical fires and local conditions,” and must consult with local fire departments and other entities with responsibilities for the control of wildfires within the relevant area³ These requirements were specified in the newly added Public Utilities Code Section 8387.

In 2018, the CPUC completed the development of the statewide Fire Threat Map that designates areas of the state at an elevated risk of electric line-ignited wildfires.⁴ This updated map incorporated historical fire data, fire-behavior modeling, assessments of fuel, weather modeling, and host of other factors. The map development and approval process involved detailed review by the relevant utility staff and local fire officials, a peer review process, and ultimate approval by a team of technical experts led by the California Department of Forestry and Fire Protection (“CAL FIRE”). The CPUC’s Fire Threat Map includes three Tiers/Levels of fire threat risk. Tier 1 consists of areas that have the lowest hazards and risks. Tier 2 consists of areas where there is an elevated risk for destructive electric line-ignited wildfires. Finally, Tier 3 consists of areas where there is an extreme risk for destructive electric line-ignited wildfires.

NPUA Staff reviewed the CPUC’s Fire Threat Map and determined that no NPUA overhead electric lines or equipment are located in an area designated as either Tier 2 (elevated risk) or Tier 3 (extreme risk). Staff also reviewed historical fire data and local conditions. Based on this review, staff concluded NPUA’s overhead electric lines and equipment did not pose a significant wildfire risk.

¹ D.12-01-032.

² D.12-01-032 at 146-147.

³ Cal. Pub. Util. Code § 8387(b).

⁴ PG&E Advice Letter 5211-E/3172-E, “Joint Filing – Adoption of Final California Public Utilities Commission Fire-Threat Map,” Jan. 5, 2018, available at https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_5211-E.pdf; SED Disposition Letter Approving Advice Letter 5211-E/3172-E, January 19, 2018, available at https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_5211-E.pdf.

In 2018, Governor Brown signed SB 901 (stats. 2018), which addressed a wide range of issues relating to wildfire prevention, response, and recovery. SB 901 substantially revised the Public Utilities Code Section 8387, eliminating the prior process established by SB 1028 and instead making it mandatory for all POU's (regardless of size or wildfire risk) to develop a wildfire mitigation plan. Pursuant to the amended Section 8387, all POU's must present a wildfire mitigation plan to its governing board prior to January 1, 2020, and annually thereafter. Section 8387(b)(2) specifies the topics that must be addressed in the POU wildfire mitigation plans, which includes: (a) the responsibilities of the persons tasked with executing the plan; (b) a description of the POU's wildfire mitigation preventative strategies and programs; (c) a description of the metrics the POU will use to evaluate the wildfire mitigation plan's performance and discussion of how those metrics informed the current wildfire mitigation plan; (d) protocols for disabling reclosers and deenergizing portions of the electrical system; and (e) identification, description, and prioritization of all wildfire risks within the POU's service territory.

SB 901 requires that POU's must present their wildfire mitigation plan at an appropriately noticed public meeting and receive public comment. The POU must also verify that the wildfire mitigation plan complies with all applicable rules, regulations, and standards. POU's must also have their plan reviewed by a qualified independent evaluator to assess the comprehensiveness of the plan. The independent evaluator must then issue a report that the POU must make available on the POU's website, and the POU must present the report at a public meeting of the POU's governing board.

In 2019, two new bills (SB 1054 and SB 111) made additional major reforms relating to wildfires. As part of these reforms, SB 111 created a new state agency called the California Wildfire Safety Advisory Board ("Board"). The Board will be made up of seven members, five appointed by the Governor, one appointed by the Speaker of the Assembly, and one appointed by the Senate Rules Committee. The members of the board must be selected from industry experts, academics, and people with labor and workforce safety experience. At least three members must be experienced in the safe operation, design, and engineering of electrical infrastructure. SB 1054 requires that all POU's must submit their wildfire mitigation plans to the Board by July 1 of each year, starting in 2020. The Board will then review the POU plans and will provide comments and advisory opinions on the content and sufficiency the plans.

Pursuant to Public Utilities Code, Section 8387, NPUA has prepared the required wildfire mitigation plan. Staff has reviewed the NPUA's wildfire mitigation plan and concluded that the plan meets all the required criteria as provided in Section 8387.

Following the adoption of the NPUA's Wildfire Mitigation Plan an audit of the plan is expected to be review with the San Bernardino County Fire Department. The plan and audit findings will be published at a public meeting and received public comment. The report and audit must be available on the NPUA's electric department website.

WSAB's specific guidance for the City of Needles (found in Appendix 3) is as follows:

The WSAB appreciates Needles including the context-setting template and statutory cross-reference table at the beginning of their 2022 WMP, as requested. The WSAB encourages Needles to continue this practice and to consider using appropriate parts of the proposed new 2023 comprehensive revision template in Appendix 1 as they prepare and file their next WMP. The WSAB notes that Needles has not included any additional information about the adoption and public comment processes for WMPs in their 2022 document. The WSAB encourages Needles to include adoption information in future WMPs describing briefly the adoption and public comment processes Needles followed for the WMP being submitted, along with information about budget processes for any potential or expected mitigation expenses, per the proposed new 2023 comprehensive revision template.

The WSAB notes that Needles has not included updated information about their wildfire mitigation plans on their website. The WSAB can find a link to the initial WMP from 2019 and what appears to be a duplicate link pointing to the same WMP but suggesting that it is a “review” of the WMP, perhaps an independent evaluation report. The WSAB encourages Needles to provide a clear and prominent WMP page that includes older as well as current information to allow perusal of WMP history, that is – public access to former WMPs and IE Reports. The WSAB also requests that Needles include information in their 2023 comprehensive revision WMP about where on their website such information can be found.

The WSAB notes that there were few if any substantive changes between Needles’ 2021 and 2022 WMPs, other than adding the context setting template and statutory cross-reference table as noted above. While the WSAB believes that minimal changes in an update year are reasonable given Needles’ low likelihood of catastrophic wildfire, the WSAB encourages Needles to look more substantively at changes for the 2023 comprehensive revision WMP. The WSAB notes that Needles may have intended to add 2021 metrics but left yellow highlighted number signs in the table instead, and that in the final section of the WMP Needles uses the word “part” when they appear to mean “party”. The WSAB suggests that these minor errors are an indication of lack of sufficient attention, and believes that Needles will clear them up when they file their 2023 comprehensive revision WMP. No additional changes were made in 2024.

The Board of Public Utilities approved the recommended action on October 1, 2024.

Fiscal Impact: None

Environmental Impact: None

Recommended

Action: Adopt the 2024 Needles Public Utility Authority Wildfire Mitigation Plan Version 5.0

Submitted By: Rainie Torrance, Utility Manager

City Manager Approval: Patrick J. Martinez

Date: 10/3/2024

Other Department Approval (when required): _____

Date: _____

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
			Agenda Item: _____

NEEDLES PUBLIC UTILITY AUTHORITY WILDFIRE MITIGATION PLAN



VERSION 5.0



SEPTEMBER 2024

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I. OVERVIEW

A. POLICY STATEMENT

The Needles Public Utility Authority (NPUA) overarching goal is to provide safe, reliable, and economic electric service to its local community. In order to meet this goal, NPUA constructs, maintains, and operates its electrical lines and equipment in a manner that minimizes the risk of catastrophic wildfire posed by its electrical lines and equipment.

B. UTILITY OVERVIEW AND CONTEXT SETTING TABLE

The City, through the Needles Public Utility Authority (a Joint Powers Authority) owns and operates the electric utility. The electric system expands from the Nevada state line, south of Laughlin, Nevada, to the vicinity of Topock, Arizona.

Context Setting Table
Needles Public Utility Authority

Service Territory Size [110] square miles

Owned Assets X Transmission X Distribution Generation

Number of Customers Served [3,000] customer accounts

Population Within Service Territory [5,200] people

Customer Class Makeup:

Number of Accounts

[55]% Residential; [5]% Government; [0]% Agricultural; [10]% Small/Medium Business; [30]% Commercial/Industrial

Share of Total Load (MWh)

[30]% Residential; [5]% Government; [0]% Agricultural; [20]% Small/Medium Business; [45]% Commercial/Industrial

Percent of Service Territory in CPUC High Fire Threat Districts (based on total area):

Tier 2: [0]% Tier 3: [0]%

See section IV. CPUC Fire Threat Map for the NPUA

Miles of Owned Lines Underground and/or Overhead

Overhead Dist.: [65] miles Overhead Trans.: [34] miles Underground Dist.: [12] miles Underground Trans.: [0] miles

Percent of Owned Lines in CPUC High Fire Threat Districts

Overhead Distribution Lines as % of Total Distribution System (Inside and Outside Service Territory)

Tier 2: [0]% Tier 3: [0]%

Overhead Transmission Lines as % of Total Transmission System (Inside and Outside Service Territory)

Tier 2: [0]% Tier 3: [0]%

Table 2: Cross References to Statutory Requirements

Requirement	Statutory Language	Location in WMP
Persons Responsible	PUC § 8387(b)(2)(A): An accounting of the responsibilities of persons responsible for executing the plan.	Section III Page 4
Objectives of the Plan	PUC § 8387(b)(2)(B): The objectives of the wildfire mitigation plan.	Section II Page: 3
Preventive Strategies	PUC § 8387(b)(2)(C): A description of the preventive strategies and programs to be adopted by the local publicly owned electric utility or electrical cooperative to minimize the risk of its electrical lines and equipment causing catastrophic wildfires, including consideration of dynamic climate change risks.	Section VII.A Page 4
Evaluation Metrics	PUC § 8387(b)(2)(D): A description of the metrics the local publicly owned electric utility or electrical cooperative plans to use to evaluate the wildfire mitigation plan’s performance and the assumptions that underlie the use of those metrics.	Section VII.B Page 5
Impact of Metrics	PUC § 8387(b)(2)(E): A discussion of how the application of previously identified metrics to previous wildfire mitigation plan performances has informed the wildfire mitigation plan.	Section IV.J Page 2
Deenergization Protocols	PUC § 8387(b)(2)(F): Protocols for disabling reclosers and deenergizing portions of the electrical distribution system that consider the associated impacts on public safety, as well as protocols related to mitigating the public safety impacts of those protocols, including impacts on critical first responders and on health and communication infrastructure.	Section IV.J Page 2
Customer Notification Procedures	PUC § 8387(b)(2)(G): Appropriate and feasible procedures for notifying a customer who may be impacted by the deenergizing of electrical lines. The procedures shall consider the need to notify, as a priority, critical first responders, health care facilities, and operators of telecommunications infrastructure.	Section IV.K 1 & 2 Page 3
Vegetation Management	PUC § 8387(b)(2)(H): Plans for vegetation management.	Section IV.G Page 10

Inspections	PUC § 8387(b)(2)(I): Plans for inspections of the local publicly owned electric utility’s or electrical cooperative’s electrical infrastructure.	Section IV.H Page 10
Prioritization of Wildfire Risks	<p>PUC § 8387(b)(2)(J): A list that identifies, describes, and prioritizes all wildfire risks, and drivers for those risks, throughout the local publicly owned electric utility’s or electrical cooperative’s service territory. The list shall include, but not be limited to, both of the following:</p> <p>(i) Risks and risk drivers associated with design, construction, operation, and maintenance of the local publicly owned electric utility’s or electrical cooperative’s equipment and facilities.</p> <p>(ii) Particular risks and risk drivers associated with topographic and climatological risk factors throughout the different parts of the local publicly owned electric utility’s or electrical cooperative’s service territory.</p>	Section IV Page 8
CPUC Fire Threat Map Adjustments	PUC § 8387(b)(2)(K): Identification of any geographic area in the local publicly owned electric utility’s or electrical cooperative’s service territory that is a higher wildfire threat than is identified in a commission fire threat map, and identification of where the commission should expand a high fire threat district based on new information or changes to the environment.	Section IV.C Page 9
Enterprisewide Risks	PUC § 8387(b)(2)(L): A methodology for identifying and presenting enterprisewide safety risk and wildfire-related risk.	Section IV.B Page 8
Restoration of Service	PUC § 8387(b)(2)(M): A statement of how the local publicly owned electric utility or electrical cooperative will restore service after a wildfire.	Section IV Page 3
Monitor and Audit	<p>PUC § 8387(b)(2)(N): A description of the processes and procedures the local publicly owned electric utility or electrical cooperative shall use to do all of the following</p> <p>(i) Monitor and audit the implementation of the wildfire mitigation plan.</p> <p>(ii) Identify any deficiencies in the wildfire mitigation plan or its implementation, and correct those deficiencies.</p> <p>(iii) Monitor and audit the effectiveness of electrical line and equipment inspections, including inspections performed by contractors, that are carried out under the plan, other applicable statutes, or commission rules.</p>	Section VII.D Page 5

<p style="text-align: center;">Qualified Independent Evaluator</p>	<p>PUC § 8387(c): The local publicly owned electric utility or electrical cooperative shall contract with a qualified independent evaluator with experience in assessing the safe operation of electrical infrastructure to review and assess the comprehensiveness of its wildfire mitigation plan. The independent evaluator shall issue a report that shall be made available on the Internet Web site of the local publicly owned electric utility or electrical cooperative, and shall present the report at a public meeting of the local publicly owned electric utility’s or electrical cooperative’s governing board.</p>	<p style="text-align: center;">Section VII.D Page 5</p>
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C. PURPOSE OF THE WILDFIRE MITIGATION PLAN

This Wildfire Mitigation Plan describes the range of activities that the NPUA is taking to mitigate the threat of power-line ignited wildfires, including its various programs, policies, and procedures. This plan is subject to direct supervision by the Board of Public Utilities and the Needles Public Utility Authority and is implemented by the NPUA's Electric Supervisor. This plan complies with the requirements of Public Utilities Code section 8387 for publicly owned electric utilities to prepare a wildfire mitigation plan by January 1, 2020, and annually thereafter.

The NPUA is a department within the City of Needles. The NPUA Fire Prevention plan is focused on addressing and minimizing potential wildfire-related risks to public health, safety and welfare. The Fire Prevention plan reflects a broad range of activities performed not only by the electric department but through the City of Needles organization. The NPUA's Fire Prevention plan begins with operation, maintenance, inspection, and repair activities aimed at significantly reducing the potential for NPUA's electric facilities to become a source of ignition for a fire. The electric department continues to;

- Clear transmission lines of all trees and vegetation;
- Perform regular inspections all distribution and transmission lines;
- Repair and replacement transformers that could potential cause a risk;
- Coordinate vegetation removal through the City of Needles Parks and Recreation Department if an area is determined outside of the electric easements.

Through performing inspections and maintenance, the information gathered will be used to help fire agencies, and other fire-responders to determine the appropriate actions if a wildfire occurs by understanding the surround area.

The NPUA continues to monitor all fires within and surrounding its service territory both inside California and outside in Arizona and Nevada.

This Wildfire Mitigation Plan included the following elements:

- Objectives of the plan;
- Roles and responsibilities for carrying out the plan;
- Identification of key wildfire risks and risk drivers;
- Description of wildfire prevention, mitigation, and response strategies and programs;
- Community outreach and education;
- Metrics for evaluating the performance of the plan and identifying areas for improvement;
- Review and validation of the plan; and

Timelines

D. WILDFIRE MITIGATION PLAN ADOPTION AND SUBMITTAL OF ANNUAL PLAN AND OPPORTUNITIES FOR PUBLIC COMMENT

NPUA's Wildfire Mitigation Plan is presented to the Board of Public Utilities and makes a recommendation to the Needles Public Utility Authority/City Council at a public meeting to adopt a resolution (appendix 1) adopting the current version of the plan. Members from the public are able to provide comments when the plan is presented on the agenda for approval.

All adopted plans are submitted to the California Wildfire Safety Advisory Board (WSAB). WSAB reviews all submitted plan and makes recommendations for improvement.

E. WILDFIRE MITIGATION PLAN WEBSITE LOCATION

II. NPUA'S WILDFIRE MITIGATION PLANS ARE POSTED ON THE CITY OF NEEDLES WEBSITE AND CAN BE LOCATED AT [HTTPS://CITYOFNEEDLES.COM/SERVICES/ELECTRIC-DEPARTMENT/OBJECTIVES OF THE WILDFIRE MITIGATION PLAN](https://cityofneedles.com/services/electric-department/objectives-of-the-wildfire-mitigation-plan)

A. MINIMIZING SOURCES OF IGNITION

The primary goal of this Wildfire Mitigation Plan is to minimize the probability that NPUA's transmission and distribution system may be the origin or contributing source for the ignition of a fire. The NPUA has evaluated the prudent and cost-effective improvements to its physical assets, operations, and training that can help to meet this objective. The NPUA has implemented those changes consistent with this evaluation.

B. RESILIENCY OF THE ELECTRIC GRID

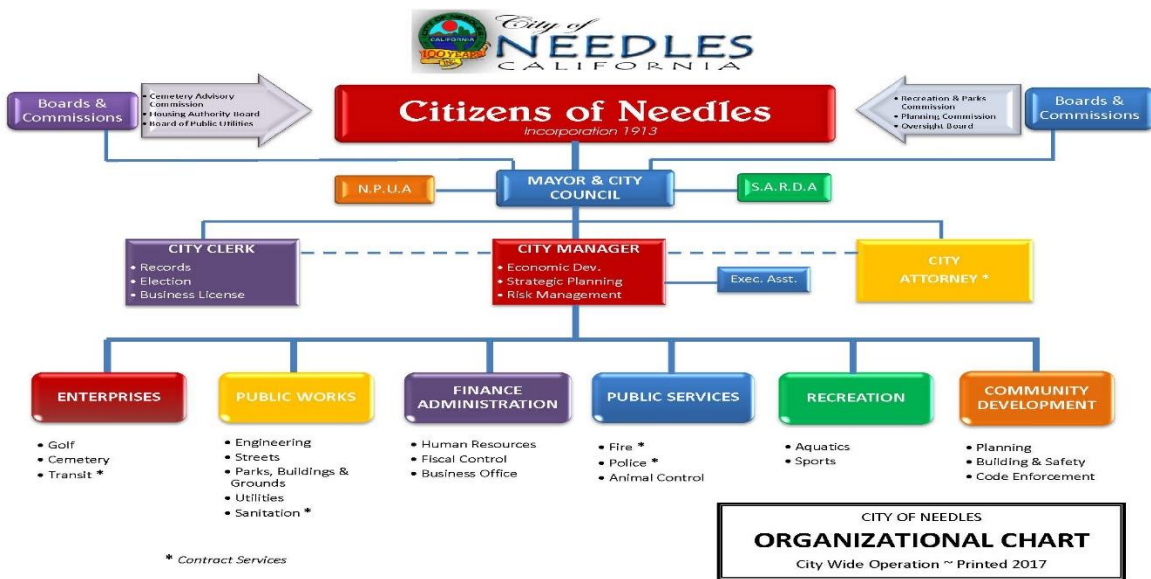
The secondary goal of this Wildfire Mitigation Plan is to improve the resiliency of the electric grid. As part of the development of this plan, NPUA assesses new industry practices and technologies that will reduce the likelihood of an interruption (frequency) in service and improve the restoration (duration) of service.

C. IDENTIFYING UNNECESSARY OR INEFFECTIVE ACTIONS

The final goal for this Wildfire Mitigation Plan is to measure the effectiveness of specific wildfire mitigation strategies. Where a particular action, program component, or protocol is determined to be unnecessary or ineffective, the NPUA will assess whether a modification or replacement is merited. This plan will also help determine if more cost-effective measures would produce the same or improved results.

III. ROLES AND RESPONSIBILITIES

A. UTILITY GOVERNANCE STRUCTURE



The City of Needles (Needles) is a charter city of the State of California located on the eastern border of California. Through the Needles Public Utilities Authority (NPUA), a component unit of the City, the City owns the Public Utilities Department. The Department consists of three Divisions Electric, Water, and Wastewater.

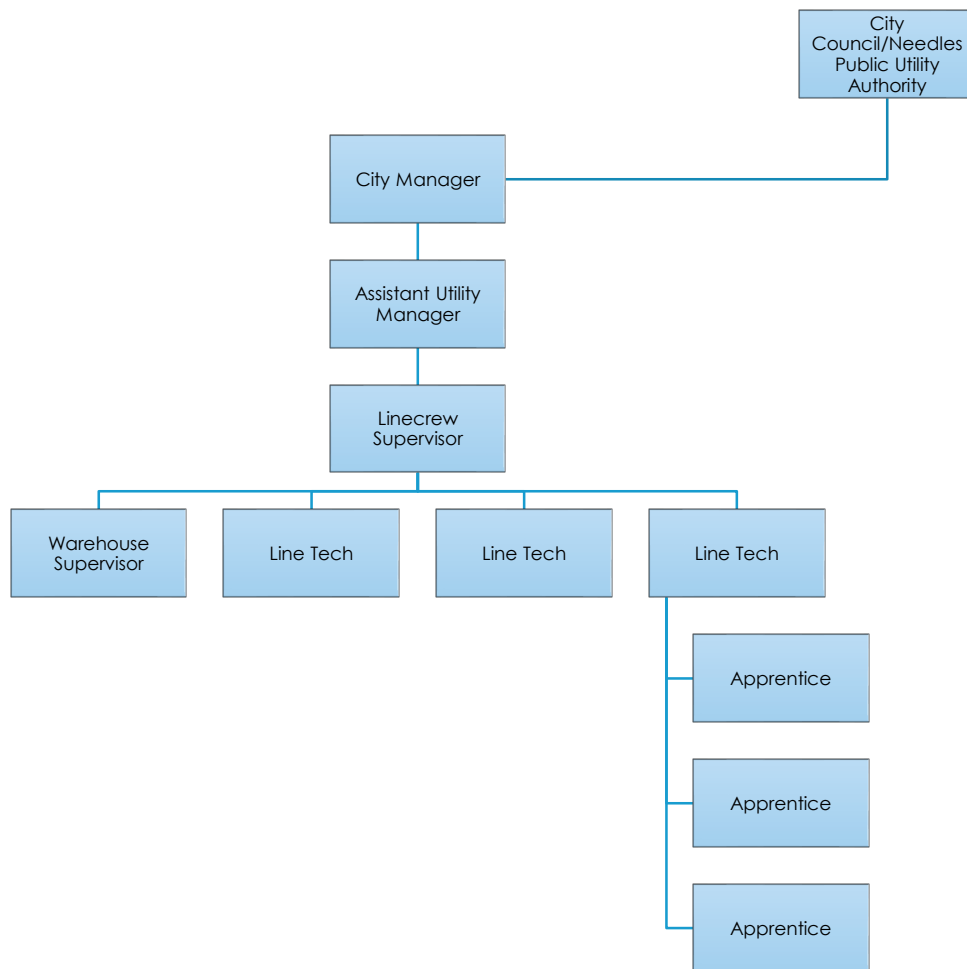
The electric distribution system serving the City was originally owned by the Needles Gas and Electric Company. The Needles Gas and Electric Company was purchased by the predecessor to CP National in 1930. On January 10, 1983, the City purchased the electric distribution system from CP National. However, pursuant to a management agreement, CP National continued to operate the system until July 1990. The City has operated the electric distribution system since that time.

The City's primary interest in purchasing the electric distribution system from CP National stemmed from a change in Federal law in 1982, relating to the sale of hydroelectricity power

from federal projects. Under the revised regulations, inexpensive federal hydroelectricity power from the U.S. Bureau of Reclamation's Parker-Davis Project (Hoover Dam), located on the Colorado River, became available to municipally owned utilities. The City's electorate authorized the issuance of revenue bonds to finance the acquisition of the electric distribution system from CP National.

The City provides electric service to the City and contiguous areas from the Nevada state line, south of Laughlin, Nevada, to the vicinity of Topock, Arizona. Needles' peak electric demand is 22.41 MW (as of August 2018) and services approximately 3,000 customers.

B. WILDFIRE PREVENTION



The electric department is under direct supervision from the Assistant Utility Manager and City Manager, there is one Power Line Supervisor, three power line techs, two Apprentice Lineman and one Warehouse Manager. The electric department is responsible to:

- Operate system in a manner that will minimize potential wildfire risks.
- Take all reasonable and practicable actions to minimize the risk of a catastrophic wildfire caused by NPU electric facilities.

- Coordinate with federal, state, and local fire management personnel as necessary or appropriate to implement NPUA's Wildfire Mitigation Plan.
- Immediately report fires, pursuant to existing POU practices and the requirements of this Wildfire Mitigation Plan.
- Take corrective action when the staff witnesses or is notified that fire protection measures have not been properly installed or maintained.
- Comply with relevant federal, state, and industry standard requirements, including the industry standards established by the California Public Utilities Commission.
- Collect and maintain wildfire data necessary for the implementation of this Wildfire Mitigation Plan.
- Provide regular training programs for all employees having obligations for implementation of this Wildfire Mitigation Plan.

C. WILDFIRE RESPONSE AND RECOVERY

The City's communication strategy is structured so that all stakeholders receive accurate, timely and consistent information, with the overall message of safety first, for the public, employees and contractors.

When an emergency occurs, the electric departments supervisor will be responsible for communicating with the City Manager/Utilities Manager, customers, employees and contractors to set expectation and address emergency issues. This information will be provided through various communication channels such as company phone(s) and radios.

If business operations or households are disrupted, customers expect to know how long they will be impacted. Thus, estimated restoration times will be developed, monitored, adjusted and communicated to all stakeholders as the information becomes available.

D. COORDINATION WITH WATER UTILITIES/DEPARTMENT

During declared emergencies, the electric department is responsible for coordinating efforts and sharing information with neighboring utilities relative to the out of service and damaged critical infrastructure.

During an event, the electric department will perform the following functions;

- Share information and prioritize restoration efforts relative to utility critical infrastructure that is out of service.
- Notify the water department of the downed communication wires.

E. COORDINATION WITH COMMUNICATION INFRASTRUCTURE PROVIDERS

During declared emergencies, the electric department is responsible for coordinating efforts and sharing information with neighboring telecommunications utilities relative to the out of service and damaged critical infrastructure.

During an event, the electric department will perform the following functions;

- Share information and prioritize restoration efforts relative to utility critical infrastructure that is out of service.
- Coordinate with the appropriate telephone and cable company to set poles; and
- Notify the telephone and cable companies of downed communication wires.

F. STANDARDIZED EMERGENCY MANAGEMENT SYSTEM

As a local governmental agency,¹ NPUA has planning, communication, and coordination obligations pursuant to the California Office of Emergency Services' Standardized Emergency Management System ("SEMS") Regulations,² adopted in accordance with Government Code section 8607. The SEMS Regulations specify roles, responsibilities, and structures of communications at five different levels: field response, local government, operational area, regional, and state.³ Pursuant to this structure, NPUA annually coordinates and communicates with the relevant safety agencies as well as other relevant local and state agencies.

Under the SEMS structure, a significant amount of preparation is done through advanced planning at the county level, including the coordination of effort of public, private, and nonprofit organizations.

NPUA is a member of the California Utility Emergency Association, which plays a key role in ensuring communications between utilities during emergencies.

¹ As defined in Cal. Gov. Code § 8680.2.

² 19 CCR § 2407.

³ Cal. Gov. Code § 2403(b):

(1) "Field response level" commands emergency response personnel and resources to carry out tactical decisions and activities in direct response to an incident or threat.

(2) "Local government level" manages and coordinates the overall emergency response and recovery activities within their jurisdiction.

(3) "Operational area level" manages and/or coordinates information, resources, and priorities among local governments within the operational area and serves as the coordination and communication link between the local government level and the regional level.

(4) "Regional level" manages and coordinates information and resources among operational areas within the mutual aid region designated pursuant to Government Code §8600 and between the operational areas and the state level. This level along with the state level coordinates overall state agency support for emergency response activities.

(5) "State level" manages state resources in response to the emergency needs of the other levels, manages and coordinates mutual aid among the mutual aid regions and between the regional level and state level, and serves as the coordination and communication link with the federal disaster response system.

IV. WILDFIRE RISKS AND DRIVERS ASSOCIATED WITH DESIGN, CONSTRUCTION, OPERATION, AND MAINTENANCE

A. PARTICULAR RISKS AND RISK DRIVERS ASSOCIATED WITH TOPOGRAPHIC AND CLIMATOLOGICAL RISK FACTORS

Within NPUA's service territory and the surrounding areas, the primary risk drivers for wildfire are the following:

- Extended drought;
- Vegetation type;
- Weather;
- High winds;
- Changing Weather Patterns (Climate Change)

B. CLIMATE CHANGE AND ENTERPRISEWIDE SAFETY RISKS

Western Area Power Administration (WAPA) delivers energy to the City of Needles on a 69KVA transmission line. The distribution line crosses the river in town at 3240 Needles Hwy, the firehouse switchyard. The City of Needles also has a back 69KVA Line that comes from the Nora McDowell Substation located 15 miles north of Needles.

Electric energy is delivered to the City at two substations. Needles #1 Substation has two banks located on Eagle Pass Road in the downtown area of the City. Bank #1 has a base rating of 7.5MVA and a 65 foot rise and force air rating of 9.3MVA.

The second substation, Bush Street Substation, has a base rating of 10MVA and a 65 foot rise with a forced air rating of 12MVA. The Bush Substation serves the west end of town.

The existing substations can handle current peak load requirements of 15,200 kilowatts. From the substations approximately 86 miles of distribution circuits deliver power at 12,000 volts to distribution transformers where the power is reduced to the voltages required by the individual customer's needs. The City electric department provides single phase, 60 Hertz, at one standard voltage (120/240 or 120/208 as may be selected by customers subject to availability at the premises).

While the NPUA makes improvements to the system annually, the main focus for the utility is ground clearance.

NPUA recognizes that climate change is forecasted to increase the frequency and severity of catastrophic wildfires in California. Accordingly, NPUA has reviewed relevant sources of data showing wildfire-related climate change impacts in California and specifically in San Bernardino County through the Cal-Adapt enterprise collaboration. This review included data on forecasted acres burned and wildfire probability,⁴ as well as extreme heat days,⁵ and extended

⁴ The CalAdapt Wildfire Tool is available at <https://cal-adapt.org/tools/wildfire>.

⁵ The CalAdapt Extreme Heat Days Tool is available at <https://cal-adapt.org/tools/extreme-heat>.

drought.⁶ As described below, NPUA has determined that NPUA's service territory will remain a low risk for wildfires even when considering changes associated with wildfire risk. Further, no part of NPUA's service territory will be disproportionately impacted by wildfire risks associated with climate changes in comparison to the other areas of NPUA's service territory. Therefore, NPUA will continue to pursue the wildfire mitigation strategies described in the Wildfire Mitigation Plan, but will continue to monitor these risks as new information becomes available.

C. CPUC FIRE THREAT MAP

The NPUA is not located within the CPUC Fire Threat Map and therefore is not located within an elevated hazard for the ignition of potential wildfires.



D. HIGH FIRE THREAT DISTRICT

⁶ The CalAdapt Extended Drought Tool is available at <https://cal-adapt.org/tools/extended-drought>.

NPUA directly participated in the development of the California Public Utilities Commission's (CPUC) Fire-Threat Map,⁷ which designates a High-Fire Threat District. In the map development process, NPUA served as a territory lead, and worked with utility staff and local fire & government officials to identify the areas of NPUA's service territory that are at an elevated or extreme risk of power line ignited wildfire. NPUA has incorporated the High Fire Threat District into its construction, inspection, maintenance, repair, and clearance practices, where applicable.

E. WEATHER MONITORING

NPUA monitors current and forecasted weather data from a variety of sources including:

- United States National Weather Service
- United States Forest Service Wildland Fire Assessment System
- National Fire Danger Rating System
- National Interagency Fire Center – Predictive Services for Northern and Southern California.

NPUA assigns one of four operating conditions based on the relevant weather data and knowledge of local conditions:

- (1) Normal:** During normal conditions, no changes are made to operations or work policy.
- (2) Elevated:** During elevated fire-risk conditions; it must be determined by the Fire Coordinator and/or meteorologist that the burn environment has become conducive for wildfires within the NPUA service territory.
- (3) Extreme:** During extreme fire-risk conditions, it must be determined by the Fire Coordinator and/or meteorologist that due to the conditions of high winds, low relative humidity, and the burn environment will create critical fire weather conditions;
- (4) Red Flag:** If the National Weather Service declares a Red Flag Warning for any portion of the NPUA's Service.

F. DESIGN AND CONSTRUCTION STANDARDS

NPUA's electric facilities are designed and constructed to meet or exceed the relevant federal, state, or industry standard. The NPUA treats CPUC General Order (GO) 95 as a key industry standard for design and construction standards for overhead electrical facilities. NPUA meets or exceeds all standards in GO 95. Additionally, NPUA monitors and follows as appropriate the National Electric Safety Code.

G. VEGETATION MANAGEMENT

NPUA meets or exceeds the minimum industry standard vegetation management practices. For transmission-level facilities, NPUA complies with NERC FAC-003-4, where applicable. For both

⁷ Adopted by CPUC Decision 17-12-024.

transmission and distribution level facilities, NPUA meets: (1) Public Resources Code section 4292; (2) Public Resources Code section 4293; (3) GO 95 Rule 35; and (4) the GO 95 Appendix E Guidelines to Rule 35. These standards require significantly increased clearances in the High Fire Threat District. However, as noted above, no part of NPUA's service territory includes any part of the High Fire Threat District. The recommended time-of-trim guidelines do not establish a mandatory standard, but instead provide useful guidance to utilities. NPUA uses specific knowledge of growing conditions and tree species to determine the appropriate time of trim clearance in each circumstance.

GO 95, Rule 35, Table 1					
Case	Type of Clearance	Trolley Contact, Feeder and Span Wires, 0-5kv	Supply Conductors and Supply Cables, 750 - 22,500 Volts	Supply Conductors and Supply Cables, 22.5 - 300 kV	Supply Conductors and Supply Cables, 300 - 550 kV (mm)
13	Radial clearance of bare line conductors from tree branches or foliage	18 inches	18 inches	¼ Pin Spacing	½ Pin Spacing
14	Radial clearance of bare line conductors from vegetation in the Fire-Threat District	18 inches	48 inches	48 inches	120 inches

Appendix E Guidelines to Rule 35		
<p>The radial clearances shown below are recommended minimum clearances that should be established, at time of trimming, between the vegetation and the energized conductors and associated live parts where practicable. Reasonable vegetation management practices may make it advantageous for the purposes of public safety or service reliability to obtain greater clearances than those listed below to ensure compliance until the next scheduled maintenance. Each utility may determine and apply additional appropriate clearances beyond clearances listed below, which take into consideration various factors, including: line operating voltage, length of span, line sag, planned maintenance cycles, location of vegetation within the span, species type, experience with particular species, vegetation growth rate and characteristics, vegetation management standards and best practices, local climate, elevation, fire risk, and vegetation trimming requirements that are applicable to State Responsibility Area lands pursuant to Public Resource Code Sections 4102 and 4293.</p>		
Voltage of Lines	Case 13	Case 14
Radial clearances for any conductor of a line operating at 2,400 or more volts, but less than 72,000 volts	4 feet	12 feet

Radial clearances for any conductor of a line operating at 72,000 or more volts, but less than 110,000 volts	6 feet	20 feet
Radial clearances for any conductor of a line operating at 110,000 or more volts, but less than 300,000 volts	10 feet	30 feet
Radial clearances for any conductor of a line operating at 300,000 or more volts	15 feet	30 feet

H. INSPECTIONS

The NPUA meets or exceeds the minimum inspection requirements provided in CPUC GO 165 and CPUC GO 95, Rule 18. Pursuant to these rules, NPUA inspects electric facilities in the High Fire Threat District more frequently than the other areas of its service territory. Additionally, NPUA staff uses their knowledge of the specific environmental and geographical conditions to determine when areas outside of the High Fire Threat District require more frequent inspections.

If NPUA staff discovers a facility in need of repair that is owned by an entity other than NPUA, NPUA will issue a notice to repair to the facility owner and work to ensure that necessary repairs are completed promptly.

NPUA monitors drought conditions and other relevant factors throughout the year to determine if inspections should be completed on a shorter timeframe.

I. WORKFORCE TRAINING

NPUA has implemented work rules and complementary training programs for its workforce to help reduce the likelihood of the ignition of wildfires. The NPUA inspects power lines and other electrical equipment during potential risk times.

J. RECLOSING POLICY

The NPUA does not have SCADA controlled reclosers, two qualified linemen reclose or close the distribution system. Lockout, tagout safety procedures are followed.

K. DEENERGIZATION

The NPUA has the authority to preemptively shut off power due to fire-threat conditions; however, this option will only be used in extraordinary circumstances. The NPUA will make a case-by-case decision to shut off power based on the following considerations:

- Red Flag Warnings issued by the National Weather Service for fire weather zones that contain NPUA circuits;
- NPUA staff assessments of local conditions, including wind speed (sustained and gust), humidity and temperature, fuel moisture, fuel loading and data from weather stations;
- Real-time information from staff located in areas identified as at risk of being subject to extreme weather conditions;

- Input from San Bernardino County fire experts and vegetation experts;
- Input from local and state fire authorities regarding the potential consequences of wildfires in select locations;
- Alternative ways to reroute power to affected areas;
- Awareness of mandatory or voluntary evacuation orders in place;
- Expected impact of de-energizing circuits on essential services;
- Other operational considerations to minimize potential wildfire ignitions, including the blocking of reclosers on the identified circuit(s);
- On-going fire activity throughout NPUA's territory and California;
- Ability to notify customers;
- Notifications to local governments and public officials; and
- Potential impacts to communities and customers

1. IMPACTS TO PUBLIC SAFETY

The following is a listing of facilities which are special considerations of the public safety during a power outage;

- Hospitals and Emergency Medical Facilities (Colorado River Medical Center);
- Emergency Shelters and Cooling Centers (Colorado River Medical Center, Needles Senior Center);
- Fire, Police, Paramedics and Rescue Facilities;
- Emergency Management Offices (CalOES);
- Water and Wastewater Facilities;
- Critical Utility and Communication Facilities (Frontier, Route 66 Broadband, Z Fiver, Fort Mojave Telecommunications Inc. etc.);
- Mass Transit (BNSF, Airport, Needles Area Transit);
- Critical Flood Control Structures; and
- Fort Mojave Indian Tribe Hazardous Mitigation Facility.

In the event of a wildfire and potential outages those accounts, the Priority Restoration Group will be notified of a potential impact first.

2. CUSTOMER NOTIFICATION PROTOCOLS

The NPUA takes priority in providing notification to all customers who are affected by a power outage. The NPUA will establish a dispatch center at City Hall offices to provide real time information to the customers such as;

- Effective area(s); and
- Estimated restoration time.

V. COMMUNITY OUTREACH AND PUBLIC AWARENESS

When a wildfire is mobilized, the City Manager/Utilities Manager branches to provide public awareness through the following;

- Issuing a wildfire press release;
- Arranging media interviews and press conferences, as necessary.
- Issuing a CodeRed Alert
- Issuing an alert through the City of Needles “Needles Connects” mobile app

VI. RESTORATION OF SERVICE

Restoring power after a major storm or wildfire is a complex task that must be completed quickly and safely. A speedy restoration requires significant communication, along with skilled line workers. The process for restoration is:

1. The electric department establishes a command post at the nearest substation to the affected area
2. An inspection is conducted from the substation out to the affected area
3. Crews inspect the affected area and create a damage assessment
4. The restoration team ensures the line is deenergized and grounded
5. Replacement of damaged material such as conductors, transformers, insulators is the damaged area
6. The effected circuit is re-energized
7. Households in isolated are re-energized
8. Crews will remain at the command post for one-hour following the full restoration to ensure all circuits are on
9. Dispatch will call the crew is calls are reported for no power
10. Crews may be dispatched to individual homes to reset the breaker

11. EVALUATING OF THE PLAN

A. METRICS AND ASSUMPTIONS FOR MEASURING PLAN PERFORMANCE

NPUA tracks external risk metrics, performance metrics, and outcome metrics to measure the effectiveness of this Wildfire Mitigation Plan. The external risk factors that NPUA tracks provides context regarding the relative risks that impact the utility that are outside of NPUA's control, such as red flag days and high wind events. The performance metrics that NPUA tracks are leading indicators that describe actions that are intended to reduce the risk of utility caused wildfires, such as inspections and routine vegetation management. The outcome metrics tracked by NPUA are lagging indicators that measure outcomes that may be associated with an increased risk of utility-caused wildfires. These outcome metrics include outages, ignitions, and level 1 safety hazards.

B. METRICS FOR 2023 PLAN

Performance Metrics								
Metric type	Progress Metric	(Actual) 2021	(Actual) 2022	(Forecast) 2023	(Forecast) 2024	(Forecast) 2025	Unit(s)	Comments
1. Substation Interconnection (above-ground system components)	Routine Inspections	4	4	4	4	4	# inspections	Inspections are conducted quarterly
Outcome Metrics								
Event Category	Cause category	(Actual) 2019	(Actual) 2020	(Actual) 2021	(Actual) 2022	(To Date) 2023	Unit(s)	Comments
Outage Event	Distribution	8	5	7	9	2	# outages	Storm Related
Ignitions*	Distribution	0	0	0	0	0	# ignitions	
Level 1 Safety Hazards**	Distribution	0	0	0	0	0	# hazards discovered	
<p>Notes:</p> <p>* An "ignition" is deemed to occur if each of the following conditions is met: (1) an IPU owned or controlled facility was associated with the fire; (2) the fire was self-propagating and of a material other than electrical and/or communication facilities; (3) the resulting fire traveled greater than one linear meter from the ignition point; and (4) IPU has knowledge that the fire occurred.</p> <p>** A Level 1 Safety Hazard is defined as an immediate risk with a high potential impact to public or worker safety or to system reliability, where IPU will take corrective action immediately, either by fully repairing or by temporarily repairing and reclassifying to a lower priority.</p>								

C. IMPACT OF METRICS ON PLAN

NPUA reviews these metrics to identify areas of its operations and service territory that are disproportionately impacted by outages, ignitions, or level 1 safety hazards. NPUA will then evaluate potential improvements to the plan or additional mitigation measures to address any such disproportionately affected areas.

D. MONITORING AND AUDITING THE PLAN

This Wildfire Mitigation Plan will be presented to the Board of Public Utilities (BPU), Needles Public Utilities Authority (NPUA) and the City Council. BPU will present this plan to Needles Public Utility Authority on an annual basis. All presented plans will include recommendation for improvement as applicable to the NPUA from WSAB.

The NPUA will perform an annual audit which will review all parts of the Wildfire Mitigation Plan, as well as a review of both pending and completed maintenance work identified within the NPUA's service territory. As well as verifying overhead and underground facilities that were inspected in the previous year.

E. IDENTIFYING AND CORRECTING DEFICIENCIES IN THE PLAN

Upon finding any deficiencies in performance against the plan or need for improvement in the Plan itself, the NPUA will be responsible for correcting the deficiencies.

F. MONITORING THE EFFECTIVENESS OF INSPECTIONS

NPUA's third party verifier will review various aspects of the risk reduction measure of party of this Wildfire Mitigation Plan. Depending on the quality of performance and value received from the third-party entity, the process may be expanded further to additional potential risk reduction measures.

Appendix 1:

DRAFT RESOLUTION 2024-XX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEEDLES, CALIFORNIA, ADOPTING THE NEEDLES PUBLIC UTILITY WILDFIRE MITIGATION PLAN VERSION 4.0.

WHEREAS, the City of Needles/Needles Public Utility Authority is a general law municipality governed by elected city council members; and

WHEREAS, City of Needles owns and operates a retail electrical energy distribution system which serves load to end-use costumers in an assigned area of service (Needles Public Utility Authority); and

WHEREAS, SB 901, amending California Public Utilities Code ("CPUC") Section 8387, requires all POU's to prepare a wildfire mitigation plan before January 1, 2020, and annually thereafter; and

WHEREAS, SB 1054, amending CPUC Section 8387, requires each POU to submit its wildfire mitigation plan to the California Wildfire Safety Advisory Board (WSAB") by July 1, 2020 and every annually thereafter; and

WHEREAS, pursuant to California Public Utilities Code Section 326.2, WSAB will review City of Needles/Needles Public Utility Authority's Electric Utility's Wildfire Mitigation Plan and will provide comments and advisory opinions on the content and sufficiency of each plan.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Needles, California, declares, determines, and orders as follows:

SECTION 1. Adopt Resolution, adopting City of Needles/Needles Public Utility Authority Electric Utility's Wildfire Mitigation Plan ("WMP") dated June 2023 and authorize the City Manager and his designees to implement the mitigation measures documented in the plan.

SECTION 2. The City Clerk shall certify to the adoption of this Resolution and shall cause a certified resolution to be filed in the book for original resolutions.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the City Council of the City of Needles, California, held on the 13th day of June 2023, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mayor

(SEAL)

ATTEST: _____ City Clerk

APPROVED AS TO FORM:

_____ City Attorney



City of Needles, California Request for City Council Action

CITY COUNCIL HACN Regular Special

Meeting Date: October 8, 2024

Title: Housing Authority of the City of Needles Update

- Background:**
- **Public Housing Vacancies and Transfers:**
 - Current Vacancies: 7 out of 52 units.
 - Families Awaiting Transfers: 1
 - Families Selected for Consideration from Waiting List: 6
 - **Housing Choice Vouchers (HCV):**
 - Open and Pending Eligibility: 0 out of 23 allocated vouchers.
 - Leased Up: 20
 - Issued: 2
 - Open: 1
 - **Veteran Affairs Supportive Housing (VASH) Vouchers:**
 - Open and Pending Eligibility: 23 out of 30 allocated vouchers.
 - Referrals Received from VA Loma Linda: 3
 - Leased Up: 4
 - Issued: 7
 - **Public Housing Waiting List:**
 - Applicants on the waiting list: 52
 - Always open for applications.
 - Allows the public to submit applications for future selection and consideration.
 - **Section 8 Housing Choice Voucher (HCV) Waiting List:**
 - Applicants on the waiting list: 113
 - Opened July 1, 2024 – **CLOSED** July 31, 2024
 - Public submitted applications for future selection and consideration.

Attached Exhibits:

Exhibit A: September 16, 2024 Voucher Statistics Form

Fiscal Impact: None

Environmental Impact: None

Recommended Action: Information Only

Submitted By: Angelica Deermer, HACN Housing Manager

City Manager Approval: Patrick J. Martinez Date: 10/3/2024

Other Department Approval (when required): _____ Date: _____

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
			Agenda Item: _____

HACN PUBLIC HOUSING / VOUCHER STATISTICS

SEPTEMBER 2024

<i>Public Housing = 52 units, 7 current vacancies</i>	
<u>919- Vacated 02/01/2024*</u>	<u>Current PH family awaiting transfer</u>
<u>111- Vacated 5/1/2024</u>	<u>Waitlist admission</u>
<u>923- Vacated 05/09/2024</u>	<u>Waitlist admission</u>
<u>104- Vacated 06/10/2024</u>	<u>Waitlist admission</u>
<u>106- Vacated 07/01/2024</u>	<u>Wait list admission</u>
<u>103- Vacated 07/31/2024</u>	<u>Wait list admission</u>
<u>107- Vacated 08/13/2024</u>	<u>Wait list admission</u>
<i>*Units require extensive repair/renovation</i>	

Units to be transferred

108 → 919

HUD allocated HCV Vouchers = 23

HCV Vouchers leased up = 20

HCV Vouchers issued = 2

HCV Vouchers open = 1

HUD allocated VASH Vouchers =30

VASH Vouchers leased up = 4

VASH Vouchers issued = 7

VASH vouchers open =23

VASH Referrals =3

Current Waitlist Applicants

Public Housing: 52	HCV: 113
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City of Needles, California
Request for City Council Action

[X] CITY COUNCIL [X] HACN [X] Regular [] Special

Meeting Date: October 8, 2024

Title: Housing Authority auditors for fiscal year ending 06/30/24

Background: The accounting firm Smith Marion & Co., with Cole Monroe, CPA, as the engagement partner, has done the financial audits for the Housing Authority of the City of Needles for the last five fiscal years. Transitioning to a new firm is difficult because new audit firms need to be guided through all aspects of the operations. Since the Housing Authority is a recent addition for the City, it would be beneficial to have an auditing firm that is already familiar with the operations.

Fiscal Impact: Not to exceed \$20,778 for the FY 23-24 audit, per proposal dated 09/06/24.

Recommendation: Staff recommends foregoing the bid process and Authorizing the HACN Executive Director to enter into an Agreement to retain Smith Marion & Co. for the audit of the fiscal year ending June 30, 2024.

Submitted By: Kenneth McDonald, Interim Finance Director

City Manager Approval: Patrick J. Martinez Date: 10/3/2024
Other Department Approval (when required): Date:

Approved: [] Not Approved: [] Tabled: [] Other: []
Agenda Item:

- t: (615) 309-8959
- f: (909) 825-9900
- 4068 rural plains circle #180
- franklin, tn 37064



smithmarion
connected . focused . understandable

Audit Engagement Letter

Friday, September 6, 2024

Housing Authority of the City of Needles
908 Sycamore Dr.
Needles, CA 92363

To the Governing Body of Housing Authority of the City of Needles (“Authority”):

The following represents our understanding of the services we will provide to the Authority.

You have requested that we audit the financial statements of the business-type activities of the Authority, as of June 30, 2024, and for the year then ended and the related notes, which collectively comprise the Authority’s basic financial statements as listed in the table of contents.

In addition, we will audit the Authority’s compliance over major federal award programs for the period ended June 30, 2024. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the authority’s major federal award programs. The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and in accordance with *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the authority complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and *Government Auditing Standards*, if any, and perform procedures to address those requirements.



Accounting principles generally accepted in the United States of America, (U.S. GAAP,) as promulgated by the Governmental Accounting Standards Board (GASB) require certain information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America, (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

Management's Discussion and Analysis

Supplementary information other than RSI will accompany the Authority's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with U.S. GAAS. We intend to provide an opinion on the following supplementary information in relation to the basic financial statements as a whole:

Schedule of Expenditures of Federal Awards
Statement and Certification of Actual Costs
Financial Data Schedule

Schedule of Expenditures of Federal Awards

We will subject the schedule of expenditures of federal awards to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements as a whole.

Also, the document we submit to you will include the following other additional information that will be subjected to the auditing procedure applied in our audit of the financial statements:

Schedule of Findings & Questioned Costs
Summary Schedule of Prior Year Findings and Questioned Costs



Data Collection Form

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the *earlier* of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

Audit of the Financial Statements

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). As part of an audit of financial statements in accordance with GAAS *and in accordance with Government Auditing Standards* we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control.² However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Conclude, based on the audit evidence obtained, whether there are conditions or events considered in the aggregate, that raise substantial doubt about Authority's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America. Please note that the determination of abuse is subjective, and *Government Auditing Standards* does not require auditors to detect abuse.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.



We will issue a written report upon completion of our audit of the Authority's basic financial statements. Our report will be addressed to the governing body of the Authority. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

Audit of Major Program Compliance

Our audit of the Authority's major federal award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the Uniform Guidance, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the authority's compliance based on the audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the authority's compliance with the requirements of the federal programs as a whole.

As part of a compliance audit in accordance with GAAS and in accordance with *Government Auditing Standards* we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal programs and, performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the authority's major programs, and performing such other procedures as we consider necessary in the circumstances. The purpose of those procedures will be to express an opinion on the authority's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.



Also, as required by the Uniform Guidance, we will obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the authority's major federal award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you, regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the authority's major federal award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

Management Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
3. For identifying, in its accounts, all federal awards received and expended during the period and the federal programs under which they were received, including federal awards and funding increments received prior to December 26, 2014 (if any), and those received in accordance with the Uniform Guidance (generally received after December 26, 2014);
4. For maintaining records that adequately identify the source and application of funds for federally funded activities;
5. For preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance;
6. For the design, implementation, and maintenance of internal control over federal awards;
7. For establishing and maintaining effective internal control over federal awards that provides reasonable assurance that the nonfederal authority is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards;
8. For identifying and ensuring that the authority complies with federal statutes, regulations, and the terms and conditions of federal award programs and implementing systems designed to achieve compliance with applicable federal statutes, regulations, and the terms and conditions of federal award programs;
9. For disclosing accurately, currently, and completely the financial results of each federal award in accordance with the requirements of the award;
10. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
11. For taking prompt action when instances of noncompliance are identified;
12. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
13. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
14. For submitting the reporting package and data collection form to the appropriate parties;
15. For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;



16. To provide us with:
 - a) Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, and relevant to federal award programs, such as records, documentation, and other matters;
 - b) Additional information that we may request from management for the purpose of the audit; and
 - c) Unrestricted access to persons within the authority from whom we determine it necessary to obtain audit evidence.
17. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
18. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
19. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
20. For informing us of any known or suspected fraud affecting the authority involving management, employees with significant role in internal control and others where fraud could have a material effect on compliance;
21. For the accuracy and completeness of all information provided;
22. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
23. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

With regard to the schedule of expenditures of federal awards referred to above, you acknowledge and understand your responsibility: (a) for the preparation of schedule of expenditures of federal awards in accordance with the Uniform Guidance; (b) to provide us with the appropriate written representations regarding the schedule of expenditures of federal awards; (c) to include our report on the schedule of expenditures of federal awards in any document that contains the schedule of expenditures of federal awards and that indicates that we have reported on such supplementary information; and (d) to present this supplementary information with the audited financial statements, or if the schedule of expenditures of federal awards will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the schedule of expenditures of federal awards no later than the date of issuance by you of the schedule and our report thereon.

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.



Nonattest Services

Below is the documentation of the nonattest services we plan on providing during this engagement:

Preparation of the basic financial statements and related disclosures (including the Statement of Expenditures of Federal Awards);
Preparation and input of the Financial Data Schedules (FDS) for the audited submission into the Real Estate Assessment Center (REAC) Financial Assessment Subsystem (FASS); and
Preparation of the single audit reporting package, including form SF-SAC for submission in the Internet Data Entry System (IDES) to the Federal Audit Clearinghouse required under the Single Audit Act of 1984 (amended in 1996), OMB Circular A-133, and the Office of Management and Budget (OMB) Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements for Federal Awards (Uniform Guidance).

We will not assume management responsibilities on behalf of the Authority. However, we will provide advice and recommendations to assist management of the Authority in performing its responsibilities.

With respect to any nonattest services we perform, the Authority's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities. *Government Auditing Standards* require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

Fees and Timing

Cole Monroe, CPA, is the engagement partner for the audit services specified in this letter. His responsibilities include supervising Smith Marion & Co.'s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our fees are based on the amount of time required for various levels of responsibility, plus actual out-of-pocket expenses. **We estimate that our fee for the audit will not exceed \$20,278.**

We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the Authority's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit.



Our fee is based on the anticipated cooperation from your personnel and the assumption that the accounting records are in satisfactory condition for the audit. We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. We anticipate that when the draft report is received that management will be diligent in their review of the document and submit revisions once the review is complete. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in a timely manner or more than one revision is made to the documents submitted to you for review, it may increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate. Items that would cause additional time and an increase in fees would include, but not limited to, prior period audit adjustments not being posted and changes to the report after finalization. If we encounter unexpected circumstances, we will bring them to your attention immediately, to avoid any delays in completing the audit.

Invoices will be payable upon presentation and will be submitted during the course of the engagement. Any discrepancy regarding a billing must be communicated within 10 days from the date received; otherwise, it shall be considered correct and payable. Billings become delinquent if not paid within 60 days of the invoice date. Past due accounts or invoices will incur a late payment penalty, assessed at the rate of 1.5% (18% annually) of the delinquent account balance each month, not to exceed maximum as permitted by law. Payments received on account will first be credited against any delinquency charges and then against the invoice balance. If billings are past due in excess of 60 days, we will stop work until your account is brought current or withdraw from the engagement.

In an action or proceeding to enforce any provision of this agreement, to collect unpaid fees or secure a judgment for nonpayment of fees, the prevailing party will be awarded reasonable attorneys' fees and costs incurred in that action or proceeding or in efforts to negotiate the matter. If this matter is referred to a collection agency, we shall be entitled to recover reasonable collection agency fees incurred in the matter.

It is our desire to make sure that our clients clearly understand the amount and the manner in which we bill for our services. If you have any questions on our fees or billing policies, feel free to contact us.

Other Matters

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

The audit documentation for this engagement is the property of Smith Marion and constitutes confidential information. However, we may be requested to make certain audit documentation available to certain regulators and federal agencies and the U.S. Government Accountability Office pursuant to Authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Smith Marion's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. We agree to retain our audit documentation or work papers for a period of at least seven years from the date of our report.

Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.



You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

At the conclusion of our audit engagement, we will communicate to those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the authority's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

In accordance with the requirements of *Government Auditing Standards*, a copy of our latest external peer review report of our firm can be obtained on our website smcocpa.com for your consideration and files.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements and compliance over major federal awards including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,

Cole Monroe, CPA | Partner
Smith Marion & Co.
4068 Rural Plains Circle, Ste. 180
Franklin, TN 37064

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of Housing Authority of the City of Needles by:

Name: _____

Title: _____

Date: _____

- t: (615) 309-8959
- f: (909) 825-9900
- 4068 rural plains circle #180
- franklin, tn 37064



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Agreed-Upon Procedures Engagement Letter

Friday, September 6, 2024

Housing Authority of the City of Needles
908 Sycamore Dr.
Needles, CA 92363

To the Governing Body of Housing Authority of the City of Needles:

We are pleased to confirm our understanding of the services we are to provide for the Housing Authority of the City of Needles ("Authority").

We will apply the agreed-upon procedure which the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), has specified, as listed in the schedule, to the electronic submission and related hard copy documents listed in the schedule of REAC electronic submission for the Authority as of and for the year ended June 30, 2024. This engagement is solely to assist the Authority and the U.S. Department of Housing and Urban Development, REAC, in determining whether electronic submission of certain information agrees with the related hard copy documents included within the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) reporting package. Our engagement to apply the agreed-upon procedure will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The sufficiency of the procedure is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedure described in the schedule either for the purpose for which this report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedure, we will describe any restrictions on the performance of the procedure in our report, or we will not issue a report as a result of this engagement.

We will submit a report listing the procedure performed and our findings. This report is intended solely for the use of the Authority and the U.S. Department of Housing and Urban Development, REAC, and should not be used by anyone other than these specified parties.

Our report will include a statement that we have not performed any additional auditing procedures after the date of our reports on the audited financial statements and supplemental information. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.



You agree to retain a copy of the Uniform Guidance reporting package in its entirety.

The attest documentation for this engagement is the property of Smith Marion & Co. and constitute confidential information. However, we may be requested to make certain attest documentation available to the Secretary of Housing and Urban Development, the HUD Inspector General, and the Government Accountability Office or their representatives, pursuant to Authority given to them by law or regulation. We will notify you of any such request. If requested, access to such attest documentation will be provided under the supervision of Smith Marion & Co. personnel. Furthermore, upon request, we may provide copies of selected attest documentation to HUD or the Government Accountability Office representatives. HUD and the Government Accountability Office may decide to distribute the copies or information contained therein to others, including other governmental agencies.

At the conclusion of our engagement, we will require a representation letter from management that, among other things, will confirm management's responsibility for the presentation of the electronic submission and the financial statements and supplemental information included in the Uniform Guidance reporting package.

Our fee for these services is as follows: \$500. That fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the Authority and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified users of the report are added, we will require that they acknowledge in writing their responsibility for the sufficiency of the procedure.

We very much appreciate the opportunity to serve you.

Respectfully,

Cole Monroe, CPA | Partner
Smith Marion & Co.
4068 Rural Plains Circle, Suite 180
Franklin, TN 37064

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of Housing Authority of the City of Needles by:

Name: _____

Title: _____

Date: _____



City of Needles, California Request for City Council Action

CITY COUNCIL NPUA

Regular Special

Meeting Date: September 24, 2024

Title: Warrants

Background: n/a

Fiscal Impact: See attached Warrant Registers

Environmental Impact: n/a

Recommended Action: Approve the Warrant Registers through September 24, 2024.

Submitted By: Ken McDonald, Interim Director of Finance

City Manager Approval: *Ken McDonald*

Date: 10-2-24

Other Department Approval (when required): _____

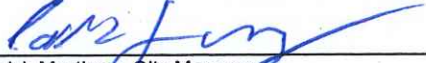
Date: _____

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
			Agenda Item: _____

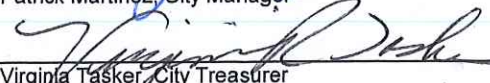
**CITY OF NEEDLES CITY COUNCIL
WARRANT SUMMARY TOTALS FOR SEPTEMBER 9, 2024**

		9/24/2024	FUND AMT.	24-Sep	24-25
FUND 101	GENERAL FUND	\$ 3,569.36			
101.1015.412	CITY ATTORNEY	\$ 5,800.00		\$ 11,600.00	\$ 90,000.00
101.1020.413	CITY MANAGER	\$ 233.74		\$ 24,718.31	\$ 230,155.00
101.1025.415	FINANCE DEPT.	\$ 9,297.91		\$ 83,214.30	\$ 12,215,772.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	\$ 1,091.69		\$ 32,638.58	\$ 357,148.00
101.1035.416	PLANNING /ZONING	\$ 603.18		\$ 16,002.70	\$ 326,356.00
101.1040.417	ENGINEERING	\$ 177.55		\$ 39,413.04	\$ 412,663.00
101.1060.410	COMMUNITY PROMOTIONS	\$ 2,000.00		\$ 8,000.00	\$ 103,690.00
101.1070.410	SENIOR CENTER	\$ 1,040.49		\$ 12,137.06	\$ 80,551.00
101.2010.421	SHERIFF	\$ 302,952.18		\$ 905,508.12	\$ 3,862,539.00
101.2020.423	ANIMAL SHELTER/CONTROL	\$ 2,957.51		\$ 51,449.06	\$ 283,098.00
101.2025.424	BULDING & SAFETY	\$ 8,639.12		\$ 43,204.48	\$ 407,500.00
101.2030.423	CODE ENFORCEMENT	\$ 15,889.74		\$ 93,060.40	\$ 806,258.00
101.3010.431	PUBLIC WORKS	\$ 2,265.61		\$ 100,374.56	\$ 744,745.00
101.4730.472	SANITATION	\$ -		\$ 12,643.53	\$ 143,822.00
101.5770.452.	AQUATICS	\$ 3,887.10		\$ 68,822.36	\$ 249,282.00
101.5772.452	PARKS	\$ 826.63		\$ 104,336.06	\$ 819,419.00
101.5773.452	JACK SMITH PARK MARINA	\$ 623.85		\$ 14,733.35	\$ 115,992.00
101.5774.452	RECREATION	\$ -		\$ 59,455.51	\$ 422,094.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS		\$ 361,855.66		\$ 21,671,084.00
FUND 102	GEN. FUND CAPITAL PROJECT		\$ -	\$ 87.10	\$ 4,363,469.00
FUND 205	CDBG		\$ -		\$ 107,900.00
FUND 206	CEMETERY		\$ -	\$ 37,534.68	\$ 235,866.00
FUND 208	CALTRANS GRANTS		\$ -		\$ 1,020,588.00
FUND 210	SPECIAL GAS TAX		\$ -		\$ 256,392.00
FUND 213	DEPT OF HOUSE. & COMM DEVL		\$ -		\$ 19,500.00
FUND 214	SANBAG NEW LOCAL MEAS I		\$ -		\$ 650,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL		\$ 14,564.83	\$ 32,470.58	\$ 299,354.00
FUND 227	HAZARD MITIGATION		\$ -	\$ 4,280.00	\$ 100,000.00
FUND 233	JACK SMITH PARK MARINA		\$ -		\$ -
FUND 238	STATE RECREATION GRANTS		\$ -	\$ 26,735.80	\$ 1,285,000.00
FUND 239	CA.CONSERV RECYLING GRANT		\$ -		\$ 25,436.00
FUND 270	REDEVELOPMENT AGENCY		\$ -		\$ 20,000.00
FUND 470	RDA CAP PROJ.LOW & MOD.		\$ -		\$ 40,000.00
FUND 501	NPUA		\$ 40.00	\$ 237.95	\$ 2,668,939.00
FUND 502	WATER DEPARTMENT		\$ 27,667.25	\$ 242,918.09	\$ 2,222,678.00
FUND 503	WASTEWATER DEPARTMENT		\$ 50,749.03	\$ 184,035.22	\$ 1,329,341.00
FUND 505	SANITATION		\$ 7,550.18	\$ 122,161.33	\$ 1,563,015.00
FUND 506	ALL AMERICAN CANAL PROJ.		\$ -	\$ 15,349.65	\$ 1,041,800.00
FUND 507	GOLF FUND	\$ -		\$ 3,451.33	
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	\$ 188,923.97		\$ 204,976.30	\$ 1,376,182.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	\$ 5,227.40		\$ 29,450.59	\$ 426,928.00
FUND 507	GOLF FUND TOTAL		\$ 194,151.37		
FUND 508	CUST.SVC/UT BUSINESS OFFICE		\$ 1,373.21	\$ 56,364.39	\$ 477,260.00
FUND 509	MIS		\$ 6,300.78	\$ 38,361.27	\$ 273,100.00
FUND 510	ADMIN. FACILITY		\$ 9,627.83	\$ 37,542.10	\$ 254,550.00
FUND 511	FLEET MANAGEMENT		\$ 2,956.58	\$ 42,225.65	\$ 291,071.00
FUND 512	VEHICLE REPLACEMENT		\$ -	\$ 91,665.32	\$ 287,320.05
FUND 520	SR DIAL A RIDE		\$ 7,558.22	\$ 15,148.66	\$ 450,779.00
FUND 521	DIAL-A-RIDE MEDICAL TRANS.		\$ 1,706.49	\$ 3,695.43	\$ 50,948.00
FUND 525	NEEDLES AREA TRANSIT (NAT)		\$ 37,901.24	\$ 91,401.75	\$ 477,395.00
FUND 575	HOUSING		\$ 16,761.58	\$ 209,336.06	\$ 1,311,630.00
FUND 580	ELECTRIC		\$ 157,575.02	\$ 839,527.44	\$ 12,502,385.00
FUND 581	NPUA CAPITAL ELECTRIC		\$ -		\$ 46,073.00
FUND 582	NPUA CAPITAL WATER		\$ 146,630.94	\$ 344,800.58	\$ 8,084,536.00
FUND 583	NPUA CAPITAL WASTEWATER		\$ -		\$ 69,532.00
FUND 650	IMPACT FEES NORTH NEEDLES		\$ -		\$ 33,708.00
FUND 651	IMPACT FEES SOUTH AREAS		\$ -		\$ 45,912.00
TOTAL	ALL FUNDS & DEPARTMENTS		\$ 1,044,970.21	\$ 4,355,068.69	\$ 65,230,519.05

I certify that the expenditures/purchases to be paid by the warrants on this list have complied with the provisions of the City Code Chapter 8, Article II, Purchasing; and further, the funds to cover these purchases/expenditures, as City Audited, are included


Patrick Martinez, City Manager Date 10-2-24



Finance Department Date 9/17/24

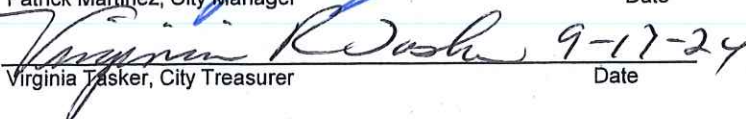

Virginia Tasker, City Treasurer Date 9-17-24

**CITY OF NEEDLES CITY COUNCIL
WARRANT SUMMARY TOTALS FOR SEPT 24, 2024**

FUND 101	GENERAL FUND	9/24/2024	FUND AMT.	24-Sep	23-24 BUDGET
		\$ -			
101.1015.412	CITY ATTORNEY	\$ -		\$ 82,314.95	\$ 80,000.00
101.1020.413	CITY MANAGER	\$ -		\$ 237,612.81	\$ 230,592.00
101.1025.415	FINANCE DEPT.	\$ -		\$ 1,232,464.07	\$ 1,652,223.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	\$ -		\$ 292,762.74	\$ 329,339.00
101.1035.416	PLANNING /ZONING	\$ -		\$ 163,705.51	\$ 402,016.00
101.1040.417	ENGINEERING	\$ -		\$ 356,450.24	\$ 439,483.00
101.1060.410	COMMUNITY PROMOTIONS	\$ -		\$ 42,025.37	\$ 103,945.00
101.1070.410	SENIOR CENTER	\$ -		\$ 67,945.05	\$ 62,202.00
101.2010.421	SHERIFF	\$ -		\$ 3,753,812.59	\$ 3,759,034.00
101.2020.423	ANIMAL SHELTER/CONTROL	\$ -		\$ 301,466.58	\$ 321,201.00
101.2025.424	BULDING & SAFETY	\$ -		\$ 296,535.75	\$ 488,742.00
101.2030.423	CODE ENFORCEMENT	\$ -		\$ 638,625.84	\$ 806,188.00
101.3010.431	PUBLIC WORKS	\$ -		\$ 715,019.54	\$ 818,943.00
101.4730.472	SANITATION	\$ -		\$ 175,430.58	\$ 177,467.00
101.5770.452.	AQUATICS	\$ -		\$ 218,972.97	\$ 246,913.00
101.5772.452	PARKS	\$ -		\$ 683,862.35	\$ 760,504.00
101.5773.452	JACK SMITH PARK MARINA	\$ -		\$ 95,466.29	\$ 115,646.00
101.5774.452	RECREATION	\$ -		\$ 421,024.44	\$ 469,622.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS		\$ -		\$ 11,264,060.00
FUND 102	GEN. FUND CAPITAL PROJECT		\$ -	\$ 2,677,559.18	\$ 4,363,469.00
FUND 205	CDBG		\$ -	\$ 7,996.30	\$ 258,022.00
FUND 206	CEMETERY		\$ -	\$ 201,578.67	\$ 258,022.00
FUND 208	CALTRANS GRANTS		\$ -	\$ 1,035,924.74	\$ 1,996,090.00
FUND 210	SPECIAL GAS TAX		\$ -	\$ 139,164.00	\$ 258,629.00
FUND 213	DEPT OF HOUSE. & COMM DEVL		\$ -	\$ 34,780.00	\$ 48,522.00
FUND 214	SANBAG NEW LOCAL MEAS I		\$ -	\$ -	\$ 450,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL		\$ -	\$ 224,075.44	\$ 395,464.00
FUND 227	HAZARD MITIGATION		\$ -	\$ 4,952.10	\$ 132,285.00
FUND 233	JACK SMITH PARK MARINA		\$ -	\$ 170,078.01	\$ 175,308.00
FUND 238	STATE RECREATION GRANTS		\$ -	\$ 1,605,962.83	\$ 2,819,424.00
FUND 239	CA.CONSERV RECYLING GRANT		\$ -	\$ 5,260.99	\$ 25,436.00
FUND 270	REDEVELOPMENT AGENCY		\$ -	\$ 6,727.69	\$ 202,153.00
FUND 470	RDA CAP PROJ.LOW & MOD.		\$ -	\$ 188,880.69	\$ 100,954.00
FUND 501	NPUA		\$ -	\$ 2,586,218.30	\$ 2,660,851.00
FUND 502	WATER DEPARTMENT		\$ -	\$ 1,831,878.11	\$ 2,161,380.00
FUND 503	WASTEWATER DEPARTMENT		\$ -	\$ 1,213,628.06	\$ 1,312,828.00
FUND 505	SANITATION		\$ -	\$ 1,555,993.71	\$ 1,563,015.00
FUND 506	ALL AMERICAN CANAL PROJ.		\$ -	\$ 1,020,187.19	\$ 1,041,800.00
FUND 507	GOLF FUND	\$ -		\$ -	
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT			\$ 1,215,447.09	\$ 1,509,547.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT			\$ 395,562.60	\$ 422,685.00
FUND 507	GOLF FUND TOTAL		\$ -		
FUND 508	CUST.SVC/UT BUSINESS OFFICE		\$ -	\$ 404,498.78	\$ 496,825.00
FUND 509	MIS		\$ -	\$ 252,460.62	\$ 273,100.00
FUND 510	ADMIN. FACILITY		\$ -	\$ 231,377.98	\$ 244,375.00
FUND 511	FLEET MANAGEMENT		\$ -	\$ 233,234.68	\$ 278,476.00
FUND 512	VEHICLE REPLACEMENT		\$ -	\$ 266,778.00	\$ 287,320.05
FUND 520	SR DIAL A RIDE		\$ -	\$ 98,793.77	\$ 453,450.00
FUND 521	DIAL-A-RIDE MEDICAL TRANS.		\$ -	\$ 19,105.35	\$ 22,320.00
FUND 525	NEEDLES AREA TRANSIT (NAT)		\$ -	\$ 768,353.65	\$ 808,479.00
FUND 575	HOUSING		\$ -	\$ 1,255,330.93	\$ 1,322,653.00
FUND 580	ELECTRIC		\$ 3,254.86	\$ 11,543,842.00	\$ 12,778,862.00
FUND 581	NPUA CAPITAL ELECTRIC		\$ -	\$ 100,972.81	\$ 46,073.00
FUND 582	NPUA CAPITAL WATER		\$ -	\$ 6,389,497.25	\$ 8,084,536.00
FUND 583	NPUA CAPITAL WASTEWATER		\$ -	\$ 119,026.25	\$ 240,447.00
FUND 650	IMPACT FEES NORTH NEEDLES		\$ -	\$ 26,055.78	\$ 33,708.00
FUND 651	IMPACT FEES SOUTH AREAS		\$ -	\$ 1,428.15	\$ 45,912.00
TOTAL	ALL FUNDS & DEPARTMENTS		\$ 3,254.86	\$ 47,461,599.19	\$ 58,516,413.05

I certify that the expenditures/purchases to be paid by the warrants on this list have complied with the provisions of the City Code Chapter 8, Article II, Purchasing; and further, the funds to cover these purchases/expenditures, as City Audited, are included


Patrick Martinez, City Manager
Date 10-2-24


Virginia Tasker, City Treasurer
Date 9-17-24


Finance Department
Date 9/17/24

BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/RETAINAGE TAKEN
22065	3305	00	AGUA CALIENTE	09/12/2024	25,948.00	.00
22066	3750	00	AUTO ZONE	09/12/2024	1,506.54	.00
22067	2629	00	BARON PEST SOLUTIONS	09/12/2024	95.00	.00
22068	178	00	BIG O TIRES & NAPA AUTO PARTS	09/12/2024	662.29	.00
22069	454	00	BINGHAM EQUIPMENT COMPANY	09/12/2024	869.92	.00
22070	1	00	BNSF	09/12/2024	120.00	.00
22071	7	00	BORDER STATES INDUSTRIES, INC.	09/12/2024	3,254.86	.00
22072	3922	00	BROOKS CONSULTING LLC	09/12/2024	2,050.00	.00
22073	3392	00	BUG EMERGENCY INC.	09/12/2024	335.00	.00
22074	1	00	CAL ZONE	09/12/2024	2,434.00	.00
22075	3136	00	CITY OF NEEDLES	09/12/2024	77,785.49	.00
22076	4138	00	CLUB CADDIE	09/12/2024	40.00	.00
22077	1	00	CONVER, ANGELO	09/12/2024	7,550.18	.00
22078	2320	00	COUNTY OF SAN BERNARDINO	09/12/2024	48.16	.00
22079	455	00	CULLIGAN WATER COND.	09/12/2024	678.24	.00
22080	3019	00	DAPHNE'S HEADCOVERS	09/12/2024	3,000.00	.00
22081	4052	00	DECARD TECHNOLOGIES, INC.	09/12/2024	420.00	.00
22082	440	00	DECO FOODSERVICE INCORP.	09/12/2024	248.25	.00
22083	424	00	DESERT INDUSTRIAL SUPPLY INC.	09/12/2024	92.25	.00
22084	4054	00	DESERT SUN OIL CORP.	09/12/2024	147.50	.00
22085	3580	00	DIAMOND PURE WATER	09/12/2024	1,567.88	.00
22086	4066	00	EBERHARD EQUIPMENT	09/12/2024	1,643.92	.00
22087	1904	01	ENDURA STEEL	09/12/2024	26,177.24	.00
22088	3462	00	EUSI LLC	09/12/2024	159.00	.00
22089	4092	00	FOREUP GOLF SOFTWARE	09/12/2024	390.91	.00
22090	3708	00	GAUDIN FORD	09/12/2024	615.26	.00
22091	3451	00	GREENS ELECTRIC, LLC	09/12/2024	921.49	.00
22092	2612	00	HARDWARE EXPRESS	09/12/2024	1,724.10	.00
22093	2612	00	HARDWARE EXPRESS	09/12/2024	2,475.02	.00
22094	4182	00	HD SUPPLY-FORMERLY HOME DEPOT PRO	09/12/2024	980.00	.00
22095	3864	00	HORIZON TECHNOLOGIES INC.	09/12/2024	359.33	.00
22096	4000	00	JARROD DELEON	09/12/2024	341.00	.00
22097	2879	00	JENNIFER VALENZUELA	09/12/2024	950.00	.00
22098	4120	00	JOHN SMITH SEPTIC AND GREASE	09/12/2024	515.62	.00
22099	4070	00	KATHY RAASCH	09/12/2024	455.25	.00
22100	2334	00	KERN TURF SUPPLY INC.	09/12/2024	3,842.98	.00
22101	61	00	KNORR SYSTEMS, INT'L	09/12/2024	950.00	.00
22102	3977	00	LANDIS+GYR TECHNOLOGY, INC	09/12/2024	16,345.00	.00
22103	4196	00	MV CHENG & ASSOCIATES INC.	09/12/2024	2,000.00	.00
22104	194	00	NEEDLES CHAMBER OF COMMERCE	09/12/2024	308.82	.00
22105	218	00	NEWS WEST PUBLISHING CO.	09/12/2024	33,594.44	.00
22106	1786	00	NPUA	09/12/2024	310.73	.00
22107	3863	00	OMEGA INDUSTRIAL SUPPLY, INC.	09/12/2024	86.07	.00
22108	3315	00	ONLINE INFORMATION SERVICES	09/12/2024	146,630.94	.00
22109	4074	00	PACIFIC HYDROTECH CORPORATION	09/12/2024	195.93	.00
22110	3767	00	PATRICK MARTINEZ	09/12/2024	809.36	.00
22111	238	00	PERFORMANCE GRAPHICS	09/12/2024	2,906.01	.00
22112	240	00	PITNEY BOWES GLOBAL FINANCIAL LLC	09/12/2024	126.79	.00
22113	247	00	PRES TECH	09/12/2024	1,324.68	.00
22114	15	00	QUILL LLC	09/12/2024	309.85	.00
22115	818	00	R & R PRODUCTS INC.	09/12/2024		.00

ACCOUNTS PAYABLE PRELIMINARY CHECK REGISTER

PREPARED 9/12/2024, 11:28:42
PROGRAM: GM348U
CITY OF NEEDLES
BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/RETAINAGE TAKEN
22116	4185	00	RAYA PRIMARY CARE	09/12/2024	340.00	.00
22117	2861	00	REINKE A/C CORP.	09/12/2024	10,223.88	.00
22118	309	00	REPUBLIC SERVICES #785	09/12/2024	982.70	.00
22119	2068	00	RICOH USA, INC.	09/12/2024	309.60	.00
22120	2468	00	RON'S TIRE & AUTO REPAIR	09/12/2024	964.51	.00
22121	3796	00	ROUTE 66 BROADBAND LLC	09/12/2024	680.00	.00
22122	3361	00	S.B. COUNTY SHERIFF'S DEPARTMENT	09/12/2024	314,793.08	.00
22123	1186	00	SAFETY-KLEEN CORP.	09/12/2024	309.00	.00
22124	4001	00	SIMPLOT TURF & HORTICULTURE	09/12/2024	2,160.94	.00
22125	3344	00	SLOVAK BARON & EMPY LLP	09/12/2024	25,641.19	.00
22126	3698	00	SOUTH POINT PRINTING	09/12/2024	1,148.00	.00
22127	284	00	SOUTHWEST GAS CORP.	09/12/2024	13.16	.00
22128	3378	00	SPERTWART CONCRETE & BOBCAT LLC	09/12/2024	2,350.00	.00
22129	3631	00	STOTZ EQUIPMENT	09/12/2024	1,012.03	.00
22130	4172	00	SUPERB ENGINEERING, INC	09/12/2024	176,258.18	.00
22131	4008	00	THE PRINTER GUYS LLC	09/12/2024	868.98	.00
22132	3810	00	TIREHUB, LLC	09/12/2024	1,837.04	.00
22133	3917	00	TOUCHSTONE GOLF LLC	09/12/2024	6,880.95	.00
22134	3873	00	TRANSPORTATION CONCEPTS	09/12/2024	47,165.95	.00
22135	2819	00	TRI-STATE HOSE & FITTINGS	09/12/2024	47,257.05	.00
22136	2798	00	U.S. DEPARTMENT OF ENERGY	09/12/2024	54,859.35	.00
22137	3825	00	ULTRA PEST CONTROL, LLC	09/12/2024	50.00	.00
22138	315	00	UNDERGROUND SERVICE ALERT OF SO CAL	09/12/2024	209.80	.00
22139	3830	00	UNIFIRST CORPORATION	09/12/2024	1,295.46	.00
22140	761	00	USABLUEBOOK	09/12/2024	1,892.53	.00
22141	1917	00	VIRGINIA TASKER	09/12/2024	500.00	.00
22142	4193	00	WESTERN ARIZONA HUMANE SOCIETY	09/12/2024	1,928.00	.00
22143	3528	00	WESTERN ENVIRONMENTAL TESTING LAB.	09/12/2024	981.00	.00
22144	3967	00	WILLDAN ENGINEERING	09/12/2024	8,881.56	.00
22145	1023	00	XEROX	09/12/2024	378.05	.00
22146	3828	00	3D-NETWORKS LLC	09/12/2024	6,300.78	.00

NUMBER OF CHECKS 82 GRAND TOTAL 1,048,225.07

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

PREPARED 09/12/2024, 11:36:59
 PROGRAM: GM3461
 CITY OF NEEDLES

BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22065	3305	AGUA CALIENTE	001497		09/12/2024	580-4750-473.63-10	25,948.00 25,948.00 *	25,948.00
22066	3750	AUTO ZONE	001247		09/12/2024	511-3021-432.43-26	200.25	
			001248		09/12/2024	101-2010-421.43-03	301.55	
			001516		09/12/2024	511-3021-432.43-26	10.85	
			001517		09/12/2024	511-3021-432.43-26	9.82	
			001518		09/12/2024	511-3020-432.61-14	555.94	
			001519		09/12/2024	511-3020-432.61-28	299.25	
			001520		09/12/2024	511-3021-432.43-26	24.03	
			001521		09/12/2024	101-2010-421.43-03	60.06	
			001522		09/12/2024	101-2010-421.43-03	44.79	
							1,506.54 *	1,506.54
22067	2629	BARON PEST SOLUTIONS	001498		09/12/2024	510-4410-405.43-01	95.00 95.00 *	95.00
22068	178	BIG O TIRES & NAPA AUTO P	001250		09/12/2024	511-3021-432.43-26	30.91	
			001251		09/12/2024	101-2010-421.43-03	69.22	
			001258		09/12/2024	507-5761-453.43-04	277.59	
			001258		09/12/2024	507-5761-453.43-04	22.36	
			001258		09/12/2024	507-5761-453.43-04	12.66	
			001485		09/12/2024	502-4710-471.43-04	21.68	
			001523		09/12/2024	511-3021-432.43-23	57.76	
			001524		09/12/2024	511-3021-432.43-36	91.99	
			001525		09/12/2024	511-3021-432.43-23	57.76	
			001526		09/12/2024	101-2010-421.43-03	9.64	
			001540		09/12/2024	101-2010-421.43-03	10.72	
							662.29 *	662.29
22069	454	BINGHAM EQUIPMENT COMPANY	001258		09/12/2024	507-5761-453.43-04	869.92 869.92 *	869.92
22070	1	BNSF	001230		09/12/2024	101-0000-362.01-00	120.00 120.00 *	120.00
22071	7	BORDER STATES INDUSTRIES,	008284		09/12/2024	580-4750-473.61-04	3,254.86 3,254.86 *	3,254.86
22072	3922	BROOKS CONSULTING LLC	001258 001258		09/12/2024 09/12/2024	101-0000-204.03-01 101-0000-204.03-01	1,100.00 950.00 2,050.00 *	2,050.00
22073	3392	BUG EMERGENCY INC.	001258 001258		09/12/2024 09/12/2024	575-5555-485.31-90 575-5555-485.31-90	85.00 250.00 335.00 *	335.00
22074	1	CAL ZONE	001256		09/12/2024	507-5761-453.43-08	2,434.00 2,434.00 *	2,434.00

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22075	3136	CITY OF NEEDLES	001494	09/12/2024	580-4750-473.80-43	56,055.83		
			001495	09/12/2024	503-4720-475.80-43	8,393.75		
			001496	09/12/2024	502-4710-471.80-43	13,335.91		
						77,785.49	77,785.49	
22076	4138	CLUB CADDIE	001258	09/12/2024	507-5762-454.61-09	449.00		
						449.00	449.00	
22077	1	CONVER, ANGELO	UT	09/12/2024	501-0000-211.00-00	40.00		
						40.00	40.00	
22078	2320	COUNTY OF SAN BERNARDINO	001362	09/12/2024	505-4730-472.74-40	3,775.09		
			001486	09/12/2024	505-4730-472.74-40	3,775.09		
						7,550.18	7,550.18	
22079	455	CULLIGAN WATER COND.	001541	09/12/2024	511-3020-432.43-29	48.16		
						48.16	48.16	
22080	3019	DAPHNE'S HEADCOVERS	001591	09/12/2024	507-5762-454.44-10	678.24		
						678.24	678.24	
22081	4052	DECKARD TECHNOLOGIES, INC	001487	09/12/2024	101-2030-423.61-09	3,000.00		
						3,000.00	3,000.00	
22082	440	DECO FOODSERVICE INCORP.	001592	09/12/2024	580-4750-473.61-21	210.00		
			001593	09/12/2024	502-4710-471.61-21	210.00		
						420.00	420.00	
22083	424	DESERT INDUSTRIAL SUPPLY	001244	09/12/2024	502-4710-471.60-55	248.25		
						248.25	248.25	
22084	4054	DESERT SUN OIL CORP.	001258	09/12/2024	502-4710-471.62-00	92.25		
						92.25	92.25	
22085	3580	DIAMOND PURE WATER	001258	09/12/2024	503-4720-475.43-02	32.50		
			001363	09/12/2024	101-5774-452.60-24	12.00		
			001424	09/12/2024	510-4410-405.61-01	48.00		
			001499	09/12/2024	503-4720-475.43-02	23.00		
			001542	09/12/2024	101-5770-452.61-01	10.00		
			001542	09/12/2024	101-5774-452.61-01	5.00		
			001542	09/12/2024	511-3020-432.43-29	17.00		
						147.50	147.50	
22086	4066	EBERHARD EQUIPMENT	001461	09/12/2024	507-5761-453.43-04	1,567.88		
						1,567.88	1,567.88	
22087	1904	ENDURA STEEL	001450	09/12/2024	101-3010-431.61-05	1,643.92		
						1,643.92	1,643.92	
22088	3462	EUSI LLC	PI0046	025004	503-4720-475.31-98	26,177.24		

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22088	3462	EUSI LLC	001459		09/12/2024	507-5762-454.61-09	26,177.24 *	26,177.24
22089	4092	FOREUP GOLF SOFTWARE	001249		09/12/2024	101-2010-421.43-03	159.00	159.00
			001542		09/12/2024	101-2010-421.43-03	342.84	342.84
22090	3708	GAUDIN FORD					48.07	48.07
							390.91 *	390.91
22091	3451	GREENS ELECTRIC, LLC	001596		09/12/2024	580-4750-473.60-55	589.40	589.40
			001597		09/12/2024	580-4750-473.41-11	25.86	25.86
							615.26 *	615.26
22092	2612	HARDWARE EXPRESS	001240		09/12/2024	101-3010-431.61-21	38.89	38.89
			001241		09/12/2024	502-4710-471.60-55	52.47	52.47
			001242		09/12/2024	502-4710-471.60-55	46.55	46.55
			001243		09/12/2024	502-4710-471.43-57	68.58	68.58
			001246		09/12/2024	511-3021-432.43-26	15.34	15.34
			001448		09/12/2024	101-5772-452.61-12	26.59	26.59
			001449		09/12/2024	101-3010-431.60-11	29.07	29.07
			001455		09/12/2024	507-5761-453.61-12	104.09	104.09
			001488		09/12/2024	502-4710-471.60-55	15.29	15.29
			001500		09/12/2024	502-4710-471.60-55	11.02	11.02
			001501		09/12/2024	502-4710-471.60-55	26.60	26.60
			001542		09/12/2024	101-5770-452.43-02	34.12	34.12
			001542		09/12/2024	101-5774-452.43-18	122.73	122.73
			001542		09/12/2024	101-5772-452.60-40	15.35	15.35
			001542		09/12/2024	101-5772-452.61-12	35.58	35.58
			001542		09/12/2024	511-3021-432.43-36	6.65	6.65
			001542		09/12/2024	511-3021-432.43-26	101.32	101.32
			001598		09/12/2024	507-5762-454.61-07	87.98	87.98
			001609		09/12/2024	502-4710-471.60-55	52.47	52.47
			001609		09/12/2024	502-4710-471.60-55	30.70	30.70
							921.49 *	921.49
22093	2612	HARDWARE EXPRESS	001408		09/12/2024	575-5555-485.43-02	18.81	18.81
			001409		09/12/2024	575-5555-485.43-02	8.70	8.70
			001410		09/12/2024	575-5555-485.43-02	.28	.28
			001411		09/12/2024	575-5555-485.43-02	624.94	624.94
			001412		09/12/2024	575-5555-485.43-02	36.68	36.68
			001413		09/12/2024	575-5555-485.43-02	125.37	125.37
			001414		09/12/2024	575-5555-485.43-02	32.32	32.32
			001415		09/12/2024	575-5555-485.43-02	30.13	30.13
			001416		09/12/2024	575-5555-485.43-02	38.74	38.74
			001417		09/12/2024	575-5555-485.43-02	42.48	42.48
			001418		09/12/2024	575-5555-485.43-02	60.31	60.31
			001419		09/12/2024	575-5555-485.43-02	30.81	30.81
			001420		09/12/2024	575-5555-485.43-02	6.64	6.64
			001421		09/12/2024	575-5555-485.43-02	23.70	23.70
			001422		09/12/2024	575-5555-485.43-02	64.20	64.20

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22093	2612	HARDWARE EXPRESS	001423		09/12/2024	575-5555-485.72-17	579.99 1,724.10 *	1,724.10
22094	4182	HD SUPPLY-FORMERLY HOME D	001438		09/12/2024	575-5555-485.72-17	2,475.02 2,475.02 *	2,475.02
22095	3864	HORIZON TECHNOLOGIES INC.	001232		09/12/2024	101-2020-423.52-10	70.00	70.00
			001233		09/12/2024	101-2030-423.52-10	70.00	70.00
			001234		09/12/2024	508-4810-478.52-10	70.00	70.00
			001235		09/12/2024	503-4720-475.52-10	140.00	140.00
			001236		09/12/2024	502-4710-471.52-10	280.00	280.00
			001237		09/12/2024	580-4750-473.52-10	175.00	175.00
			001238		09/12/2024	101-3010-431.52-10	980.00 *	980.00
22096	4000	JARROD DELEON	001258		09/12/2024	507-5762-454.61-06	359.33 359.33 *	359.33
22097	2879	JENNIFER VALENZUELA	001507		09/12/2024	101-0000-204.10-00	260.00	260.00
			001508		09/12/2024	101-5774-452.31-42	81.00 341.00 *	341.00
22098	4120	JOHN SMITH SEPTIC AND GRE	001489		09/12/2024	101-1070-410.43-04	950.00 950.00 *	950.00
22099	4070	KATHY RAASCH	001585		09/12/2024	101-1035-416.55-00	515.62 515.62 *	515.62
22100	2334	KERN TURF SUPPLY INC.	001451		09/12/2024	101-5772-452.61-20	455.25 455.25 *	455.25
22101	61	KNORR SYSTEMS, INT'L	001542		09/12/2024	101-5770-452.60-32	3,842.98 3,842.98 *	3,842.98
22102	3977	LANDIS+GYR TECHNOLOGY, IN	001502		09/12/2024	580-4750-473.56-00	950.00 950.00 *	950.00
22103	4196	MV CHENG & ASSOCIATES INC	001434		09/12/2024	101-1025-415.31-90	8,172.50	8,172.50
			001435		09/12/2024	502-4710-471.31-90	2,778.65	2,778.65
			001436		09/12/2024	503-4720-475.31-90	2,615.20	2,615.20
			001437		09/12/2024	580-4750-473.31-90	2,778.65 16,345.00 *	16,345.00
22104	194	NEEDLES CHAMBER OF COMMER	001493		09/12/2024	101-1060-410.54-06	2,000.00 2,000.00 *	2,000.00
22105	218	NEWS WEST PUBLISHING CO.	001364		09/12/2024	101-1030-414.53-00	118.78	118.78
			001376		09/12/2024	507-5762-454.53-00	68.62	68.62
			001490		09/12/2024	101-1030-414.53-00	121.42 308.82 *	308.82

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22106	1786	NPUA	001464		09/12/2024	580-4750-473.41-11	2,913.72	
			001491		09/12/2024	502-4710-471.41-10	37.23	
			001492		09/12/2024	502-4710-471.41-10	3,342.34	
			001503		09/12/2024	502-4710-471.41-10	50.72	
			001504		09/12/2024	580-4750-473.41-11	82.44	
			001543		09/12/2024	575-5555-485.41-10	2,382.01	
			001544		09/12/2024	575-5555-485.41-20	3,945.25	
			001545		09/12/2024	575-5555-485.41-30	4,713.64	
			001542		09/12/2024	580-4750-473.41-11	34.59	
			001542		09/12/2024	580-4750-473.41-11	34.59	
			001542		09/12/2024	510-4410-405.41-10	2,304.68	
			001542		09/12/2024	510-4410-405.41-20	250.92	
			001542		09/12/2024	510-4410-405.41-30	2,460.07	
			001542		09/12/2024	503-4720-475.41-10	35.23	
			001542		09/12/2024	503-4720-475.41-20	247.03	
			001542		09/12/2024	503-4720-475.41-10	456.38	
			001542		09/12/2024	503-4720-475.41-20	48.60	
			001542		09/12/2024	503-4720-475.41-10	8,641.30	
			001542		09/12/2024	503-4720-475.41-20	285.69	
			001557		09/12/2024	101-5772-452.41-10	40.88	
			001558		09/12/2024	101-5772-452.41-11	61.38	
			001559		09/12/2024	580-4750-473.41-11	669.37	
			001559		09/12/2024	101-2020-423.41-10	61.86	
			001560		09/12/2024	580-4750-473.41-11	120.48	
			001561		09/12/2024	101-2020-423.41-20	169.66	
			001558		09/12/2024	101-2020-423.41-30	72.20	
			001558		09/12/2024	101-5772-452.41-10	55.23	
			001558		09/12/2024	101-5772-452.41-10	76.95	
			001558		09/12/2024	101-5772-452.41-20	33,594.44	33,594.44
22107	3863	OMEGA INDUSTRIAL SUPPLY,	001258		09/12/2024	503-4720-475.60-55	310.73	310.73
22108	3315	ONLINE INFORMATION SERVIC	001558		09/12/2024	508-4810-478.31-46	77.36	77.36
			001558		09/12/2024	508-4810-478.31-46	8.71	8.71
							86.07	86.07
22109	4074	PACIFIC HYDROTECH CORPORA	PI0045	025003	09/12/2024	582-4710-471.71-05	146,630.94	146,630.94
22110	3767	PATRICK MARTINEZ	001599		09/12/2024	101-1020-413.55-00	195.93	195.93
22111	238	PERFORMANCE GRAPHICS	001505		09/12/2024	101-0000-204.03-01	809.36	809.36
22112	240	FITNEY BOWES GLOBAL FINAN	001556		09/12/2024	510-4410-405.70-03	2,906.01	2,906.01
22113	247	PRES TECH	001594		09/12/2024	502-4710-471.43-57	126.79	126.79

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22113	247	PRES TECH					126.79 *	126.79
22114	15	QUILL LLC	001429		09/12/2024	508-4810-478.61-01	36.62	
			001430		09/12/2024	510-4410-405.61-06	99.11	
			001431		09/12/2024	510-4410-405.61-06	570.32	
			001432		09/12/2024	510-4410-405.61-06	508.54	
			001454		09/12/2024	101-1070-410.43-01	90.49	
			001456		09/12/2024	101-2030-423.61-01	19.60	
							1,324.68 *	1,324.68
22115	818	R & R PRODUCTS INC.	001462		09/12/2024	507-5761-453.43-04	172.32	
			001600		09/12/2024	507-5761-453.63-00	137.53	
							309.85 *	309.85
22116	4185	RAYA PRIMARY CARE	001510		09/12/2024	580-4750-473.31-20	170.00	
			001511		09/12/2024	101-3010-431.31-20	170.00	
							340.00 *	340.00
22117	2861	REINKE A/C CORP.	001367		09/12/2024	575-5555-485.43-02	157.50	
			001428		09/12/2024	580-4750-473.63-10	10,066.38	
							10,223.88 *	10,223.88
22118	309	REPUBLIC SERVICES #78	001447		09/12/2024	575-5555-485.41-30	982.70	
							982.70 *	982.70
22119	2068	RICOH USA, INC.	001439		09/12/2024	510-4410-405.70-02	309.60	
							309.60 *	309.60
22120	2468	RON'S TIRE & AUTO REPAIR	001558		09/12/2024	511-3021-432.43-25	964.51	
							964.51 *	964.51
22121	3796	ROUTE 66 BROADBAND LLC	001258		09/12/2024	507-5761-453.52-10	180.00	
			001258		09/12/2024	507-5762-454.52-10	180.00	
			001365		09/12/2024	101-5773-452.52-10	155.00	
			001366		09/12/2024	101-5774-452.52-10	165.00	
							680.00 *	680.00
22122	3361	S.B.COUNTY SHERIFF'S DEPA	001368		09/12/2024	225-2010-421.59-20	5,612.08	
			001452		09/12/2024	101-2010-421.31-80	300,228.25	
			001453		09/12/2024	225-2010-421.31-80	8,952.75	
							314,793.08 *	314,793.08
22123	1186	SAFETY-KLEEN CORP.	001584		09/12/2024	511-3020-432.61-14	309.00	
							309.00 *	309.00
22124	4001	SIMPLET TURF & HORTICULTU	001457		09/12/2024	507-5761-453.61-08	216.58	
			001458		09/12/2024	507-5761-453.61-08	830.22	
			001601		09/12/2024	507-5761-453.61-08	431.00	
			001602		09/12/2024	507-5761-453.60-10	683.14	
							2,160.94 *	2,160.94

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22125	3344	SLOVAK BARON EMPY MURPHY	001562		09/12/2024	101-1030-414.31-50	791.00	
			001563		09/12/2024	101-1015-412.31-50	5,800.00	
			001564		09/12/2024	502-4710-471.31-50	1,933.33	
			001565		09/12/2024	503-4720-475.31-50	1,933.34	
			001566		09/12/2024	580-4750-473.31-50	1,933.33	
			001567		09/12/2024	101-1025-415.31-50	1,587.60	
			001568		09/12/2024	101-2030-423.31-50	248.60	
			001569		09/12/2024	101-2030-423.31-50	271.20	
			001570		09/12/2024	101-2030-423.31-50	67.80	
			001571		09/12/2024	101-2030-423.31-50	171.20	
			001572		09/12/2024	101-2030-423.31-50	67.80	
			001573		09/12/2024	101-2030-423.31-50	90.40	
			001574		09/12/2024	101-2030-423.31-50	113.00	
			001575		09/12/2024	101-2030-423.31-50	862.00	
			001576		09/12/2024	101-2030-423.31-50	3,761.60	
			001577		09/12/2024	101-2030-423.31-50	158.20	
			001578		09/12/2024	101-2030-423.31-50	4,438.39	
			001579		09/12/2024	101-2030-423.31-50	45.20	
			001580		09/12/2024	101-2030-423.31-50	45.20	
			001581		09/12/2024	101-2030-423.31-50	115.20	
			001582		09/12/2024	101-2030-423.31-50	1,950.60	
			001583		09/12/2024	101-2030-423.31-50	256.20	
							25,641.19 *	25,641.19
22126	3698	SOUTH POINT PRINTING	001440		09/12/2024	508-4810-478.60-26	1,148.00	
							1,148.00 *	1,148.00
22127	284	SOUTHWEST GAS CORP.	001509		09/12/2024	575-5555-485.41-50	13.16	
							13.16 *	13.16
22128	3378	STEWART CONCRETE & BOBCAT	001506		09/12/2024	502-4710-471.31-90	2,350.00	
							2,350.00 *	2,350.00
22129	3631	STOTZ EQUIPMENT	001460		09/12/2024	507-5761-453.43-17	1,012.03	
							1,012.03 *	1,012.03
22130	4172	SUPERB ENGINEERING, INC	PI0047	025023	09/12/2024	507-5761-453.72-07	176,258.18	
							176,258.18 *	176,258.18
22131	4008	THE PRINTER GUYS LLC	001258		09/12/2024	101-2030-423.61-02	49.99	
			001463		09/12/2024	101-1040-417.61-02	89.99	
			001595		09/12/2024	502-4710-471.61-02	530.00	
			001603		09/12/2024	101-1040-417.61-02	49.75	
			001604		09/12/2024	101-1035-416.61-02	49.75	
			001605		09/12/2024	101-2025-424.61-02	49.75	
			001606		09/12/2024	101-2030-423.61-02	868.98	
							868.98 *	868.98
22132	3810	TIREHUB, LLC	001584		09/12/2024	101-2010-421.43-03	1,837.04	
							1,837.04 *	1,837.04

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22133	3917	TOUCHSTONE GOLF LLC	001425		09/12/2024	507-5761-453.31-90	748.59	
			001426		09/12/2024	507-5762-454.31-90	403.08	
			001465		09/12/2024	507-5761-453.31-90	1,482.94	
			001466		09/12/2024	507-5762-454.31-90	1,381.70	
			001467		09/12/2024	507-5761-453.31-90	1,482.94	
			001468		09/12/2024	507-5762-454.31-90	1,381.70	6,880.95
							6,880.95	*
22134	3873	TRANSPORTATION CONCEPTS	001546		09/12/2024	525-4770-461.32-90	35,059.23	
			001547		09/12/2024	525-4770-461.62-00	2,842.01	
			001548		09/12/2024	520-4740-462.32-90	5,965.96	
			001549		09/12/2024	520-4740-462.51-20	1,163.72	
			001550		09/12/2024	520-4740-462.62-00	428.54	
			001551		09/12/2024	521-4740-462.32-90	886.23	
			001552		09/12/2024	521-4740-462.51-20	599.50	
			001553		09/12/2024	521-4740-462.62-00	220.76	47,165.95
							47,165.95	*
22135	2819	TRI-STATE HOSE & FITTINGS	001514		09/12/2024	502-4710-471.60-55	257.05	257.05
							257.05	*
22136	2798	U.S. DEPARTMENT OF ENERGY	001239		09/12/2024	580-4750-473.63-10	15,651.17	
			001258		09/12/2024	580-4750-473.63-10	10,760.48	
			001427		09/12/2024	580-4750-473.63-10	248.12	
			001529		09/12/2024	580-4750-473.63-10	21,792.08	
			001530		09/12/2024	580-4750-473.63-10	6,407.50	54,859.35
							54,859.35	*
22137	3825	ULTRA PEST CONTROL, LLC	001584		09/12/2024	101-5774-452.43-18	50.00	50.00
							50.00	*
22138	315	UNDERGROUND SERVICE ALERT	001444		09/12/2024	503-4720-475.49-14	69.93	69.93
			001445		09/12/2024	580-4750-473.49-14	69.94	69.94
			001446		09/12/2024	502-4710-471.43-04	69.93	69.93
							209.80	209.80
22139	3830	UNIFIRST CORPORATION	001253		09/12/2024	511-3020-432.61-04	156.04	156.04
			001254		09/12/2024	101-5772-452.61-04	24.30	24.30
			001255		09/12/2024	503-4720-475.61-04	27.26	27.26
			001258		09/12/2024	508-4810-478.61-04	10.84	10.84
			001258		09/12/2024	507-5762-454.43-08	26.25	26.25
			001258		09/12/2024	507-5762-454.43-08	26.25	26.25
			001258		09/12/2024	580-4750-473.61-04	184.90	184.90
			001258		09/12/2024	575-5555-485.61-04	16.60	16.60
			001369		09/12/2024	502-4710-471.61-04	41.57	41.57
			001370		09/12/2024	508-4810-478.61-04	10.84	10.84
			001371		09/12/2024	575-5555-485.61-04	16.60	16.60
			001372		09/12/2024	101-5774-452.61-06	11.04	11.04
			001373		09/12/2024	101-5774-452.61-06	11.04	11.04
			001374		09/12/2024	101-5774-452.61-06	11.04	11.04

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER
 PREPARED 09/12/2024, 11:36:59
 PROGRAM: GM346L
 CITY OF NEEDLES
 BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

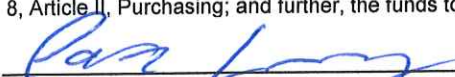
CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC./RETAIN)	CHECK TOTAL
22139	3830	UNIFIRST CORPORATION	001375		09/12/2024	580-4750-473.61-04	184.90	
			001433		09/12/2024	503-4720-475.61-04	27.26	
			001528		09/12/2024	502-4710-471.61-04	41.57	
			001584		09/12/2024	508-4810-478.61-04	10.84	
			001584		09/12/2024	580-4750-473.61-04	184.90	
			001584		09/12/2024	101-3010-431.61-04	193.61	
			001584		09/12/2024	101-5772-452.61-04	24.30	
			001607		09/12/2024	503-4720-475.61-04	27.26	
			001608		09/12/2024	507-5762-454.43-08	26.25	
							1,295.46 *	1,295.46
22140	761	USABLUBOOK	001245		09/12/2024	502-4710-471.60-55	1,616.20	
			001258		09/12/2024	503-4720-475.60-55	54.47	
			001258		09/12/2024	503-4720-475.60-32	144.78	
			001258		09/12/2024	503-4720-475.61-21	67.08	
							1,892.53 *	1,892.53
22141	1917	VIRGINIA TASKER	001554		09/12/2024	101-1025-415.31-90	500.00	
							500.00 *	500.00
22142	4193	WESTERN ARIZONA HUMANE SO	001258		09/12/2024	101-2020-423.31-91	957.00	
			001527		09/12/2024	101-2020-423.31-91	971.00	
							1,928.00 *	1,928.00
22143	3528	WESTERN ENVIRONMENTAL TES	001258		09/12/2024	503-4720-475.59-75	659.00	
			001258		09/12/2024	503-4720-475.59-75	322.00	
							981.00 *	981.00
22144	3967	WILLDAN ENGINEERING	001586		09/12/2024	101-0000-204.03-01	165.00	
			001587		09/12/2024	101-0000-204.03-01	165.00	
			001588		09/12/2024	101-2025-424.31-10	5,635.75	
			001589		09/12/2024	101-2025-424.31-10	2,915.81	
							8,881.56 *	8,881.56
22145	1023	XEROX	001531		09/12/2024	101-1020-413.70-01	37.81	
			001532		09/12/2024	101-1025-415.70-01	37.81	
			001533		09/12/2024	101-1030-414.70-01	60.49	
			001534		09/12/2024	101-1035-416.70-01	37.81	
			001535		09/12/2024	101-1040-417.70-01	37.81	
			001536		09/12/2024	101-2025-424.70-01	37.81	
			001537		09/12/2024	101-2030-423.70-01	37.81	
			001538		09/12/2024	101-3010-431.70-01	15.12	
			001539		09/12/2024	510-4410-405.70-01	75.58	
							378.05 *	378.05
22146	3828	3D-NETWORKS LLC	001441		09/12/2024	509-4910-479.52-13	1,900.78	
			001442		09/12/2024	509-4910-479.31-90	1,825.00	
			001443		09/12/2024	509-4910-479.31-53	525.00	
			001512		09/12/2024	509-4910-479.31-53	575.00	
			001513		09/12/2024	509-4910-479.31-90	1,475.00	

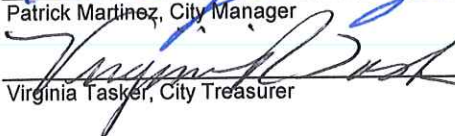
CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22146	3828	3D-NETWORKS LLC					6,300.78 *	6,300.78
BANK/CHECK TOTAL							1,048,225.07	1,048,225.07
ALL BANKS/CHECKS TOTAL							1,048,225.07	1,048,225.07

**CITY OF NEEDLES CITY COUNCIL
WARRANT SUMMARY TOTALS FOR SEPTEMBER 9, 2024**

FUND 101	GENERAL FUND	9/9/2024	FUND AMT.	9-Sep	24-25
		\$ 8,038.19			
101.1015.412	CITY ATTORNEY	\$ -		\$ 5,800.00	\$ 90,000.00
101.1020.413	CITY MANAGER	\$ 184.18		\$ 24,484.57	\$ 230,155.00
101.1025.415	FINANCE DEPT.	\$ 850.45		\$ 82,088.89	\$ 12,215,772.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	\$ 314.56		\$ 31,665.67	\$ 357,148.00
101.1035.416	PLANNING /ZONING	\$ 85.53		\$ 15,399.52	\$ 326,356.00
101.1040.417	ENGINEERING	\$ 333.42		\$ 39,325.48	\$ 412,663.00
101.1060.410	COMMUNITY PROMOTIONS	\$ -		\$ 6,000.00	\$ 103,690.00
101.1070.410	SENIOR CENTER	\$ 70.95		\$ 11,187.06	\$ 80,551.00
101.2010.421	SHERIFF	\$ -		\$ 903,497.80	\$ 3,862,539.00
101.2020.423	ANIMAL SHELTER/CONTROL	\$ 427.95		\$ 49,518.55	\$ 283,098.00
101.2025.424	BULDING & SAFETY	\$ 438.81		\$ 34,565.36	\$ 407,500.00
101.2030.423	CODE ENFORCEMENT	\$ 824.72		\$ 77,310.25	\$ 806,258.00
101.3010.431	PUBLIC WORKS	\$ 3,350.58		\$ 99,995.83	\$ 744,745.00
101.4730.472	SANITATION	\$ 153.97		\$ 12,643.53	\$ 143,822.00
101.5770.452.	AQUATICS	\$ 22.91		\$ 64,935.26	\$ 249,282.00
101.5772.452	PARKS	\$ 858.02		\$ 104,015.57	\$ 819,419.00
101.5773.452	JACK SMITH PARK MARINA	\$ 88.53		\$ 14,733.35	\$ 115,992.00
101.5774.452	RECREATION	\$ 826.56		\$ 59,196.78	\$ 422,094.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS		\$ 16,869.33		\$ 21,671,084.00
FUND 102	GEN. FUND CAPITAL PROJECT		\$ -	\$ 87.10	\$ 4,363,469.00
FUND 205	CDBG		\$ -		\$ 107,900.00
FUND 206	CEMETERY		\$ 623.91	\$ 37,534.68	\$ 235,866.00
FUND 208	CALTRANS GRANTS		\$ -		\$ 1,020,588.00
FUND 210	SPECIAL GAS TAX		\$ -		\$ 256,392.00
FUND 213	DEPT OF HOUSE. & COMM DEVL		\$ -		\$ 19,500.00
FUND 214	SANBAG NEW LOCAL MEAS I		\$ -		\$ 650,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL		\$ -	\$ 32,470.58	\$ 299,354.00
FUND 227	HAZARD MITIGATION		\$ -	\$ 4,280.00	\$ 100,000.00
FUND 233	JACK SMITH PARK MARINA		\$ -		\$ -
FUND 238	STATE RECREATION GRANTS		\$ 26,735.80	\$ 26,735.80	\$ 1,285,000.00
FUND 239	CA.CONSERV RECYLING GRANT		\$ -		\$ 25,436.00
FUND 270	REDEVELOPMENT AGENCY		\$ -		\$ 20,000.00
FUND 470	RDA CAP PROJ.LOW & MOD.		\$ -		\$ 40,000.00
FUND 501	NPUA		\$ -	\$ 237.95	\$ 2,668,939.00
FUND 502	WATER DEPARTMENT		\$ 4,171.04	\$ 220,545.39	\$ 2,222,678.00
FUND 503	WASTEWATER DEPARTMENT		\$ 1,017.90	\$ 137,766.40	\$ 1,329,341.00
FUND 505	SANITATION		\$ -	\$ 118,386.24	\$ 1,563,015.00
FUND 506	ALL AMERICAN CANAL PROJ.		\$ 123.41	\$ 15,349.65	\$ 1,041,800.00
FUND 507	GOLF FUND	\$ 37.21		\$ 3,451.33	
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	\$ 913.02		\$ 27,466.45	\$ 1,376,182.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	\$ -		\$ 28,658.12	\$ 426,928.00
FUND 507	GOLF FUND TOTAL		\$ 950.23		
FUND 508	CUST.SVC/UT BUSINESS OFFICE		\$ 1,167.35	\$ 56,267.48	\$ 477,260.00
FUND 509	MIS		\$ -	\$ 36,311.27	\$ 273,100.00
FUND 510	ADMIN. FACILITY		\$ 171.29	\$ 29,449.84	\$ 254,550.00
FUND 511	FLEET MANAGEMENT		\$ 310.23	\$ 39,671.61	\$ 291,071.00
FUND 512	VEHICLE REPLACEMENT		\$ 6,847.35	\$ 91,665.32	\$ 287,320.05
FUND 520	SR DIAL A RIDE		\$ 18,322.46	\$ 7,590.44	\$ 450,779.00
FUND 521	DIAL-A-RIDE MEDICAL TRANS.		\$ -	\$ 1,988.94	\$ 50,948.00
FUND 525	NEEDLES AREA TRANSIT (NAT)		\$ -	\$ 53,500.51	\$ 477,395.00
FUND 575	HOUSING		\$ -	\$ 198,282.00	\$ 1,311,630.00
FUND 580	ELECTRIC		\$ 8,457.11	\$ 724,985.68	\$ 12,502,385.00
FUND 581	NPUA CAPITAL ELECTRIC		\$ -		\$ 46,073.00
FUND 582	NPUA CAPITAL WATER		\$ -	\$ 198,169.64	\$ 8,084,536.00
FUND 583	NPUA CAPITAL WASTEWATER		\$ -		\$ 69,532.00
FUND 650	IMPACT FEES NORTH NEEDLES		\$ -		\$ 33,708.00
FUND 651	IMPACT FEES SOUTH AREAS		\$ -		\$ 45,912.00
TOTAL	ALL FUNDS & DEPARTMENTS		\$ 85,767.41	\$ 3,727,215.89	\$ 65,230,519.05

I certify that the expenditures/purchases to be paid by the warrants on this list have complied with the provisions of the City Code Chapter 8, Article II, Purchasing; and further, the funds to cover these purchases/expenditures, as City Audited, are included


 Patrick Martinez, City Manager
 Date: 10-2-24


 Virginia Tasker, City Treasurer
 Date: 9-27-24


 Finance Department
 Date: 9/11/24

**CITY OF NEEDLES CITY COUNCIL
WARRANT SUMMARY TOTALS FOR SEPT 09, 2024**

		9/9/2024	FUND AMT.	9-Sep	23-24 BUDGET
FUND 101	GENERAL FUND	\$ -			
101.1015.412	CITY ATTORNEY	\$ -		\$ 82,314.95	\$ 80,000.00
101.1020.413	CITY MANAGER	\$ -		\$ 237,612.81	\$ 230,592.00
101.1025.415	FINANCE DEPT.	\$ -		\$ 1,232,464.07	\$ 1,652,223.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	\$ -		\$ 292,762.74	\$ 329,339.00
101.1035.416	PLANNING /ZONING	\$ -		\$ 163,705.51	\$ 402,016.00
101.1040.417	ENGINEERING	\$ -		\$ 356,450.24	\$ 439,483.00
101.1060.410	COMMUNITY PROMOTIONS	\$ -		\$ 42,025.37	\$ 103,945.00
101.1070.410	SENIOR CENTER	\$ -		\$ 67,945.05	\$ 62,202.00
101.2010.421	SHERIFF	\$ -		\$ 3,753,812.59	\$ 3,759,034.00
101.2020.423	ANIMAL SHELTER/CONTROL	\$ -		\$ 301,466.58	\$ 321,201.00
101.2025.424	BULDING & SAFETY	\$ -		\$ 296,535.75	\$ 488,742.00
101.2030.423	CODE ENFORCEMENT	\$ -		\$ 638,625.84	\$ 806,188.00
101.3010.431	PUBLIC WORKS	\$ -		\$ 715,019.54	\$ 818,943.00
101.4730.472	SANITATION	\$ -		\$ 175,430.58	\$ 177,467.00
101.5770.452.	AQUATICS	\$ -		\$ 218,972.97	\$ 246,913.00
101.5772.452	PARKS	\$ 544.48		\$ 683,862.35	\$ 760,504.00
101.5773.452	JACK SMITH PARK MARINA	\$ -		\$ 95,466.29	\$ 115,646.00
101.5774.452	RECREATION	\$ -		\$ 421,024.44	\$ 469,622.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS		\$ 544.48		\$ 11,264,060.00
FUND 102	GEN. FUND CAPITAL PROJECT		\$ 102,098.63	\$ 2,677,559.18	\$ 4,363,469.00
FUND 205	CDBG		\$ -	\$ 7,996.30	\$ 258,022.00
FUND 206	CEMETERY		\$ -	\$ 201,578.67	\$ 258,022.00
FUND 208	CALTRANS GRANTS		\$ -	\$ 1,035,924.74	\$ 1,996,090.00
FUND 210	SPECIAL GAS TAX		\$ -	\$ 139,164.00	\$ 258,629.00
FUND 213	DEPT OF HOUSE. & COMM DEVL		\$ -	\$ 34,780.00	\$ 48,522.00
FUND 214	SANBAG NEW LOCAL MEAS I		\$ -	\$ -	\$ 450,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL		\$ -	\$ 224,075.44	\$ 395,464.00
FUND 227	HAZARD MITIGATION		\$ -	\$ 4,952.10	\$ 132,285.00
FUND 233	JACK SMITH PARK MARINA		\$ -	\$ 170,078.01	\$ 175,308.00
FUND 238	STATE RECREATION GRANTS		\$ 155,277.98	\$ 1,605,962.83	\$ 2,819,424.00
FUND 239	CA. CONSERV RECYCLING GRANT		\$ -	\$ 5,260.99	\$ 25,436.00
FUND 270	REDEVELOPMENT AGENCY		\$ -	\$ 6,727.69	\$ 202,153.00
FUND 470	RDA CAP PROJ.LOW & MOD.		\$ -	\$ 188,880.69	\$ 100,954.00
FUND 501	NPUA		\$ -	\$ 2,586,218.30	\$ 2,660,851.00
FUND 502	WATER DEPARTMENT		\$ -	\$ 1,831,878.11	\$ 2,161,380.00
FUND 503	WASTEWATER DEPARTMENT		\$ -	\$ 1,213,628.06	\$ 1,312,828.00
FUND 505	SANITATION		\$ -	\$ 1,555,993.71	\$ 1,563,015.00
FUND 506	ALL AMERICAN CANAL PROJ.		\$ -	\$ 1,020,187.19	\$ 1,041,800.00
FUND 507	GOLF FUND	\$ -		\$ -	
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT			\$ 1,215,447.09	\$ 1,509,547.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT			\$ 395,562.60	\$ 422,685.00
FUND 507	GOLF FUND TOTAL		\$ -		
FUND 508	CUST.SVC/UT BUSINESS OFFICE		\$ -	\$ 404,498.78	\$ 496,825.00
FUND 509	MIS		\$ -	\$ 252,460.62	\$ 273,100.00
FUND 510	ADMIN. FACILITY		\$ -	\$ 231,377.98	\$ 244,375.00
FUND 511	FLEET MANAGEMENT		\$ -	\$ 233,234.68	\$ 278,476.00
FUND 512	VEHICLE REPLACEMENT		\$ -	\$ 266,778.00	\$ 287,320.05
FUND 520	SR DIAL A RIDE		\$ -	\$ 98,793.77	\$ 453,450.00
FUND 521	DIAL-A-RIDE MEDICAL TRANS.		\$ -	\$ 19,105.35	\$ 22,320.00
FUND 525	NEEDLES AREA TRANSIT (NAT)		\$ -	\$ 768,353.65	\$ 808,479.00
FUND 575	HOUSING		\$ -	\$ 1,255,330.93	\$ 1,322,653.00
FUND 580	ELECTRIC		\$ -	\$ 11,540,587.14	\$ 12,778,862.00
FUND 581	NPUA CAPITAL ELECTRIC		\$ -	\$ 100,972.81	\$ 46,073.00
FUND 582	NPUA CAPITAL WATER		\$ -	\$ 6,389,497.25	\$ 8,084,536.00
FUND 583	NPUA CAPITAL WASTEWATER		\$ -	\$ 119,026.25	\$ 240,447.00
FUND 650	IMPACT FEES NORTH NEEDLES		\$ -	\$ 26,055.78	\$ 33,708.00
FUND 651	IMPACT FEES SOUTH AREAS		\$ -	\$ 1,428.15	\$ 45,912.00
TOTAL	ALL FUNDS & DEPARTMENTS		\$ 257,921.09	\$ 47,458,344.33	\$ 58,516,413.05

I certify that the expenditures/purchases to be paid by the warrants on this list have complied with the provisions of the City Code Chapter 8, Article II, Purchasing; and further, the funds to cover these purchases/expenditures, as City Audited, are included

Patrick Martinez, City Manager

Date

Virginia Fasker, City Treasurer

Date

Finance Department

Date

Handwritten signature and date: 9/11/24

Handwritten date: 9-17-24

PROGRAM: GM348U
CITY OF NEEDLES
BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/RETAINAGE TAKEN
22029	1924	00	AHA MACAV POWER SERVICE	09/09/2024	564.72	.00
22030	4179	00	ANA M. JOHNSON	09/09/2024	900.00	.00
22031	4112	00	APOMIX, LLC	09/09/2024	860.00	.00
22032	4194	00	AVA GROUP LLC	09/09/2024	2,850.00	.00
22033	4022	00	BENEFIT COORDINATORS CORPORATION	09/09/2024	3,831.00	.00
22034	1213	00	CALIF. DEPT. OF TAX & FEE ADMIN.	09/09/2024	1,135.00	.00
22035	3275	00	CALIFORNIA STATE DISB.UNIT	09/09/2024	255.23	.00
22036	4102	00	CHARLOTTE SCHROEDER	09/09/2024	4,586.00	.00
22037	3286	00	COLONIAL LIFE	09/09/2024	3,782.46	.00
22038	3000	00	DON MCCONE	09/09/2024	1,883.00	.00
22039	3913	00	ENTERPRISE FM TRUST	09/09/2024	6,847.35	.00
22040	227	00	FRANCHISE TAX BOARD	09/09/2024	25.00	.00
22041	1296	00	FRONTIER	09/09/2024	261.84	.00
22042	1305	00	GREAT WEST LIFE	09/09/2024	6,626.00	.00
22043	3634	00	GREAT-WEST LIFE & ANNUITY	09/09/2024	1,048.15	.00
22044	4109	00	HAROLD LAD RASPLICKA 2000 FAM TRUST	09/09/2024	324.00	.00
22045	4103	00	HELEN ELROD	09/09/2024	174.00	.00
22046	4105	00	HENRY BAGHDADY	09/09/2024	1,173.00	.00
22047	1	00	LABOR LAW POSTER SERVICE	09/09/2024	99.50	.00
22048	3458	00	MUTUAL OF OMAHA	09/09/2024	4,188.37	.00
22049	4173	00	NORTHWEST LOCK AND SAFE LLC	09/09/2024	544.48	.00
22050	4104	00	RIVER GARDENS LLC	09/09/2024	1,478.00	.00
22051	4108	00	RIVER PALMS APTS LLC	09/09/2024	670.00	.00
22052	2589	00	SAN BERNARDINO COUNTY	09/09/2024	9,215.78	.00
22053	1199	00	SBPEA TEAMSTERS LOCAL 1932	09/09/2024	1,303.55	.00
22054	1199	00	SBPEA TEAMSTERS LOCAL 1932	09/09/2024	344.39	.00
22055	284	00	SOUTHWEST GAS CORP.	09/09/2024	201.31	.00
22056	4107	00	SYLVIA POLEN	09/09/2024	2,043.00	.00
22057	4139	00	THREE PEAKS CORP	09/09/2024	257,376.61	.00
22058	4139	00	THREE PEAKS CORP	09/09/2024	26,735.80	.00
22059	3014	00	TRI STATE FIRE SYSTEMS, INC.	09/09/2024	469.73	.00
22060	772	00	TRI-STATE ACE HARDWARE	09/09/2024	770.46	.00
22061	1217	00	VISION SERVICE PLAN	09/09/2024	960.77	.00
22062	4187	00	WILLIAM GUZMAN JR.	09/09/2024	160.00	.00

343,688.50

GRAND TOTAL

34

NUMBER OF CHECKS

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER
 PREPARED 09/09/2024, 13:36:45
 PROGRAM: GM346L
 CITY OF NEEDLES
 BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22029	1924	AHA MACAV POWER SERVICE	001361		09/09/2024	580-4750-473.63-12	564.72 *	564.72
22030	4179	ANA M. JOHNSON	001393		09/09/2024	575-5555-485.69-51	900.00 *	900.00
22031	4112	APOMIX, LLC	001393		09/09/2024	575-5555-485.69-51	499.00	361.00
22032	4194	AVA GROUP LLC	001393		09/09/2024	575-5555-485.69-51	860.00 *	860.00
22033	4022	BENEFIT COORDINATORS CORP	001283		09/09/2024	101-1020-413.24-10	72.49	2,850.00 *
			001284		09/09/2024	101-1025-415.24-10	1,027.00	
			001285		09/09/2024	101-1030-414.24-10	150.28	
			001286		09/09/2024	101-1040-417.24-10	77.90	
			001287		09/09/2024	101-1070-410.24-10	33.70	
			001288		09/09/2024	101-2025-424.24-10	67.40	
			001289		09/09/2024	101-2030-423.24-10	265.20	
			001290		09/09/2024	101-3010-431.24-10	198.34	
			001291		09/09/2024	101-4730-472.24-10	26.52	
			001292		09/09/2024	101-5772-452.24-10	271.94	
			001293		09/09/2024	101-5773-452.24-10	44.20	
			001294		09/09/2024	101-5774-452.24-10	167.96	
			001295		09/09/2024	206-5771-452.24-10	122.43	
			001296		09/09/2024	502-4710-471.24-10	298.02	
			001297		09/09/2024	503-4720-475.24-10	148.51	
			001298		09/09/2024	506-4713-477.24-10	39.78	
			001299		09/09/2024	508-4810-478.24-10	332.60	
			001300		09/09/2024	511-3020-432.24-10	60.22	
			001301		09/09/2024	575-5555-485.24-10	176.80	
			001302		09/09/2024	575-5555-485.24-15	122.10	
			001303		09/09/2024	580-4750-473.24-10	643.55	
							3,831.00 *	3,831.00
22034	1213	CALIFORNIA DEPT. OF TAX &	001394		09/09/2024	101-1025-415.61-02	3.80	
			001395		09/09/2024	101-1035-416.61-02	13.70	
			001396		09/09/2024	101-1040-417.61-02	27.65	
			001397		09/09/2024	101-2025-424.61-02	33.54	
			001398		09/09/2024	101-2030-423.61-02	13.70	
			001399		09/09/2024	510-4410-405.61-31	22.65	
			001400		09/09/2024	511-3020-432.59-55	22.86	
			001401		09/09/2024	508-4810-478.61-02	43.79	
			001402		09/09/2024	580-4750-473.60-55	916.10	
			001403		09/09/2024	507-0000-203.00-00	37.21	

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

PREPARED 09/09/2024, 13:36:45
 PROGRAM: GM346L
 CITY OF NEEDLES
 BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22034	1213	CALIFORNIA DEPT. OF TAX &			09/09/2024	575-0000-209.03-01	1,135.00 *	1,135.00
22035	3275	CALIFORNIA STATE DISB.UNI	001356				255.23 *	255.23
22036	4102	CHARLOTTE SCHROEDER	001378		09/09/2024	575-5555-485.69-51	473.00	
			001379		09/09/2024	575-5555-485.69-51	1,331.00	
			001380		09/09/2024	575-5555-485.69-51	776.00	
			001381		09/09/2024	575-5555-485.69-51	1,049.00	
			001382		09/09/2024	575-5555-485.69-51	957.00	
							4,586.00 *	4,586.00
22037	3286	COLONIAL LIFE	001350		09/09/2024	101-0000-209.03-01	2,715.24	
			001351		09/09/2024	502-0000-209.03-01	87.28	
			001352		09/09/2024	503-0000-209.03-01	256.32	
			001353		09/09/2024	508-0000-209.03-01	259.86	
			001354		09/09/2024	580-0000-209.03-01	395.48	
			001355		09/09/2024	511-0000-209.03-01	68.28	
							3,782.46 *	3,782.46
22038	3000	DON MCCONE	001393		09/09/2024	575-5555-485.69-51	822.00	
			001393		09/09/2024	575-5555-485.69-51	1,061.00	
							1,883.00 *	1,883.00
22039	3913	ENTERPRISE FM TRUST	001231		09/09/2024	512-0000-207.02-00	6,847.35	
							6,847.35 *	6,847.35
22040	227	FRANCHISE TAX BOARD	001357		09/09/2024	575-0000-209.03-01	25.00	
							25.00 *	25.00
22041	1296	FRONTIER	001482		09/09/2024	510-4410-405.52-10	120.64	
			001483		09/09/2024	101-5772-452.52-10	141.20	
							261.84 *	261.84
22042	1305	GREAT WEST LIFE & ANNUITY	001358		09/09/2024	101-0000-209.03-01	3,942.00	
			001359		09/09/2024	502-0000-209.03-01	435.00	
			001360		09/09/2024	580-0000-209.03-01	2,249.00	
							6,626.00 *	6,626.00
22043	3634	GREAT-WEST LIFE & ANNUITY	001273		09/09/2024	101-0000-209.03-01	44.27	
			001274		09/09/2024	101-0000-209.03-01	213.04	
			001275		09/09/2024	101-0000-209.03-01	161.01	
			001276		09/09/2024	101-0000-209.03-01	97.57	
			001277		09/09/2024	101-0000-209.03-01	15.27	
			001278		09/09/2024	502-0000-209.03-01	94.89	
			001279		09/09/2024	502-0000-209.03-01	59.39	
			001280		09/09/2024	580-0000-209.03-01	174.52	
			001281		09/09/2024	580-0000-209.03-01	60.36	
			001282		09/09/2024	580-0000-209.03-01	127.83	
							1,048.15 *	1,048.15

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

PREPARED 09/09/2024, 13:36:45
 PROGRAM: GM3461
 CITY OF NEEDLES
 BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22044	4109	HAROLD LAD RASPLICKA	2000 001393		09/09/2024	575-5555-485.69-51	324.00 *	324.00
22045	4103	HELEN ELROD	001390		09/09/2024	575-5555-485.69-51	174.00 *	174.00
22046	4106	HENRY BAGHDADY	001387		09/09/2024	575-5555-485.69-51	442.00	
			001388		09/09/2024	575-5555-485.69-51	359.00	
			001389		09/09/2024	575-5555-485.69-51	372.00	
							1,173.00 *	1,173.00
22047	1	LABOR LAW POSTER SERVICE	001252		09/09/2024	575-5555-485.31-90	99.50 *	99.50
22048	3458	MUTUAL OF OMAHA	001326		09/09/2024	101-1020-413.24-10	98.39	
			001327		09/09/2024	101-1025-415.24-10	273.28	
			001328		09/09/2024	101-1030-414.24-10	124.90	
			001329		09/09/2024	101-1035-416.24-10	64.75	
			001330		09/09/2024	101-1040-417.24-10	197.09	
			001331		09/09/2024	101-1070-410.24-10	26.36	
			001332		09/09/2024	101-2020-423.24-10	116.35	
			001333		09/09/2024	101-2025-424.24-10	149.01	
			001334		09/09/2024	101-2030-423.24-10	276.44	
			001335		09/09/2024	101-3010-431.24-10	285.19	
			001336		09/09/2024	101-4730-472.24-10	28.14	
			001337		09/09/2024	101-5770-452.24-10	22.91	
			001338		09/09/2024	101-5772-452.24-10	256.79	
			001339		09/09/2024	101-5773-452.24-10	35.18	
			001340		09/09/2024	101-5774-452.24-10	135.06	
			001341		09/09/2024	206-5771-452.24-10	80.30	
			001342		09/09/2024	502-4710-471.24-10	540.68	
			001343		09/09/2024	503-4720-475.24-10	130.70	
			001344		09/09/2024	506-4713-477.24-10	72.30	
			001345		09/09/2024	508-4810-478.24-10	219.74	
			001346		09/09/2024	511-3020-432.24-10	104.29	
			001347		09/09/2024	575-5555-485.24-10	135.63	
			001348		09/09/2024	575-5555-485.24-15	87.72	
			001349		09/09/2024	580-4750-473.24-10	727.17	
							4,188.37 *	4,188.37
22049	4173	NORTHWEST LOCK AND SAFE L	008281		09/09/2024	101-5770-452.43-04	544.48 *	544.48
22050	4104	RIVER GARDENS LLC	001383		09/09/2024	575-5555-485.69-51	375.00	
			001384		09/09/2024	575-5555-485.69-51	384.00	
			001385		09/09/2024	575-5555-485.69-51	414.00	
			001386		09/09/2024	575-5555-485.69-51	305.00	
							1,478.00 *	1,478.00
22051	4108	RIVER PALMS APTS LLC	001393		09/09/2024	575-5555-485.69-51	670.00	

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

PREPARED 09/09/2024, 13:36:45
 PROGRAM: GM3461
 CITY OF NEEDLES
 BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22051	4108	RIVER PALMS APTS LLC					670.00 *	670.00
22052	2589	SAN BERNARDINO COUNTY	001470		09/09/2024	101-2020-423.62-00	311.60	
			001471		09/09/2024	101-2030-423.62-00	189.86	
			001472		09/09/2024	101-3010-431.62-00	2,421.02	
			001473		09/09/2024	101-4730-472.62-00	93.32	
			001474		09/09/2024	101-5772-452.62-00	121.96	
			001475		09/09/2024	575-5555-485.62-00	184.87	
			001476		09/09/2024	502-4710-471.62-00	2,359.46	
			001477		09/09/2024	503-4720-475.62-00	406.43	
			001478		09/09/2024	507-5761-453.62-00	894.29	
			001479		09/09/2024	508-4810-478.62-00	131.49	
			001480		09/09/2024	580-4750-473.62-00	2,101.48	
							9,215.78 *	9,215.78
22053	1199	SBPEA TEAMSTERS LOCAL 193	001262		09/09/2024	101-0000-209.03-01	667.64	
			001263		09/09/2024	502-0000-209.03-01	171.16	
			001264		09/09/2024	503-0000-209.03-01	35.96	
			001265		09/09/2024	508-0000-209.03-01	73.13	
			001266		09/09/2024	511-0000-209.03-01	38.95	
			001267		09/09/2024	580-0000-209.03-01	263.70	
			001268		09/09/2024	575-0000-209.03-01	53.01	
							1,303.55 *	1,303.55
22054	1199	SBPEA TEAMSTERS LOCAL 193	001269		09/09/2024	101-0000-209.03-01	182.15	
			001270		09/09/2024	502-0000-209.03-01	54.08	
			001271		09/09/2024	575-0000-209.03-01	40.16	
			001272		09/09/2024	580-0000-209.03-01	68.00	
							344.39 *	344.39
22055	284	SOUTHWEST GAS CORP.	001258		09/09/2024	575-5555-485.41-50	19.03	
			001260		09/09/2024	507-5761-453.41-50	18.73	
			001260		09/09/2024	101-3010-431.41-60	23.95	
			001404		09/09/2024	575-5555-485.41-50	24.82	
			001405		09/09/2024	575-5555-485.41-50	45.00	
			001406		09/09/2024	575-5555-485.41-50	17.83	
			001407		09/09/2024	575-5555-485.41-50	23.95	
			001484		09/09/2024	510-4410-405.41-60	28.00	
							201.31 *	201.31
22056	4107	SYLVIA POLEN	001259		09/09/2024	575-5555-485.69-58	1,100.00	
			001391		09/09/2024	575-5555-485.69-51	481.00	
			001392		09/09/2024	575-5555-485.69-58	462.00	
							2,043.00 *	2,043.00
22057	4139	THREE PEAKS CORP	PI0040	024047	09/09/2024	102-5772-452.72-18	2,019.53	
			PI0041	024047	09/09/2024	102-5772-452.72-18	102,098.63	
			PI0043	024048	09/09/2024	238-5772-452.72-18	155,277.98	
			008282	09/09/2024	102-5772-452.72-18	2,019.53-	257,376.61 *	257,376.61

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22058	4139	THREE PEAKS CORP	PI0044	025001	09/09/2024	238-5772-452.72-18	26,735.80 *	26,735.80
22059	3014	TRI STATE FIRE SYSTEMS, I	001041		09/09/2024	101-5774-452.43-18	469.73 *	469.73
22060	772	TRI-STATE ACE HARDWARE	001162		09/09/2024	101-3010-431.60-11	372.03	372.03
			001162		09/09/2024	206-5771-452.43-18	398.43	398.43
							770.46 *	770.46
22061	1217	VISION SERVICE PLAN	001304		09/09/2024	101-1020-413.24-10	13.30	13.30
			001305		09/09/2024	101-1025-415.24-10	62.31	62.31
			001306		09/09/2024	101-1030-414.24-10	39.38	39.38
			001307		09/09/2024	101-1035-416.24-10	7.08	7.08
			001308		09/09/2024	101-1040-417.24-10	30.78	30.78
			001309		09/09/2024	101-1070-410.24-10	10.89	10.89
			001310		09/09/2024	101-2025-424.24-10	28.86	28.86
			001311		09/09/2024	101-2030-423.24-10	79.52	79.52
			001312		09/09/2024	101-3010-431.24-10	50.05	50.05
			001313		09/09/2024	101-4730-472.24-10	5.99	5.99
			001314		09/09/2024	101-5772-452.24-10	66.13	66.13
			001315		09/09/2024	101-5773-452.24-10	9.15	9.15
			001316		09/09/2024	101-5774-452.24-10	53.81	53.81
			001317		09/09/2024	206-5771-452.24-10	22.75	22.75
			001318		09/09/2024	502-4710-471.24-10	71.08	71.08
			001319		09/09/2024	503-4720-475.24-10	39.98	39.98
			001320		09/09/2024	506-4713-477.24-10	11.33	11.33
			001321		09/09/2024	508-4810-478.24-10	106.74	106.74
			001322		09/09/2024	511-3020-432.24-10	15.63	15.63
			001323		09/09/2024	575-5555-485.24-10	44.12	44.12
			001324		09/09/2024	575-5555-485.24-15	26.69	26.69
			001325		09/09/2024	580-4750-473.24-10	165.20	165.20
							960.77 *	960.77
22062	4187	WILLIAM GUZMAN JR.	001469		09/09/2024	101-2025-424.31-40	160.00	160.00
							160.00 *	160.00

BANK/CHECK TOTAL 343,688.50

ALL BANKS/CHECKS TOTAL 343,688.50

**CITY OF NEEDLES CITY COUNCIL
WARRANT SUMMARY TOTALS FOR SEPTEMBER 9, 2024**

		9/9/2024	FUND AMT.	9-Sep	24-25
FUND 101	GENERAL FUND	\$ -		\$ 5,800.00	\$ 90,000.00
101.1015.412	CITY ATTORNEY	\$ -		\$ 24,484.57	\$ 230,155.00
101.1020.413	CITY MANAGER	\$ -		\$ 82,088.89	\$ 12,215,772.00
101.1025.415	FINANCE DEPT.	\$ -		\$ 31,665.67	\$ 357,148.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	\$ -		\$ 15,399.52	\$ 326,356.00
101.1035.416	PLANNING /ZONING	\$ -		\$ 39,325.48	\$ 412,663.00
101.1040.417	ENGINEERING	\$ -		\$ 6,000.00	\$ 103,690.00
101.1060.410	COMMUNITY PROMOTIONS	\$ -		\$ 11,187.06	\$ 80,551.00
101.1070.410	SENIOR CENTER	\$ -		\$ 903,497.80	\$ 3,862,539.00
101.2010.421	SHERIFF	\$ -		\$ 49,518.55	\$ 283,098.00
101.2020.423	ANIMAL SHELTER/CONTROL	\$ -		\$ 34,565.36	\$ 407,500.00
101.2025.424	BULDING & SAFETY	\$ -		\$ 77,310.25	\$ 806,258.00
101.2030.423	CODE ENFORCEMENT	\$ -		\$ 99,995.83	\$ 744,745.00
101.3010.431	PUBLIC WORKS	\$ -		\$ 12,643.53	\$ 143,822.00
101.4730.472	SANITATION	\$ -		\$ 64,935.26	\$ 249,282.00
101.5770.452.	AQUATICS	\$ -		\$ 104,015.57	\$ 819,419.00
101.5772.452	PARKS	\$ -		\$ 14,733.35	\$ 115,992.00
101.5773.452	JACK SMITH PARK MARINA	\$ -		\$ 59,196.78	\$ 422,094.00
101.5774.452	RECREATION	\$ -			
GENERAL FUND	TOTAL ALL GF DEPARTMENTS		\$ -	\$ 87.10	\$ 21,671,084.00
FUND 102	GEN. FUND CAPITAL PROJECT		\$ -		\$ 4,363,469.00
FUND 205	CDBG		\$ -		\$ 107,900.00
FUND 206	CEMETERY		\$ -	\$ 37,534.68	\$ 235,866.00
FUND 208	CALTRANS GRANTS		\$ -		\$ 1,020,588.00
FUND 210	SPECIAL GAS TAX		\$ -		\$ 256,392.00
FUND 213	DEPT OF HOUSE. & COMM DEVL		\$ -		\$ 19,500.00
FUND 214	SANBAG NEW LOCAL MEAS I		\$ -		\$ 650,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL		\$ -	\$ 32,470.58	\$ 299,354.00
FUND 227	HAZARD MITIGATION		\$ -	\$ 4,280.00	\$ 100,000.00
FUND 233	JACK SMITH PARK MARINA		\$ -		\$ -
FUND 238	STATE RECREATION GRANTS		\$ -	\$ 26,735.80	\$ 1,285,000.00
FUND 239	CA.CONSERV RECYLING GRANT		\$ -		\$ 25,436.00
FUND 270	REDEVELOPMENT AGENCY		\$ -		\$ 20,000.00
FUND 470	RDA CAP PROJ.LOW & MOD.		\$ -		\$ 40,000.00
FUND 501	NPUA		\$ -	\$ 237.95	\$ 2,668,939.00
FUND 502	WATER DEPARTMENT		\$ -	\$ 220,545.39	\$ 2,222,678.00
FUND 503	WASTEWATER DEPARTMENT		\$ -	\$ 137,766.40	\$ 1,329,341.00
FUND 505	SANITATION		\$ -	\$ 118,386.24	\$ 1,563,015.00
FUND 506	ALL AMERICAN CANAL PROJ.		\$ -	\$ 15,349.65	\$ 1,041,800.00
FUND 507	GOLF FUND	\$ -		\$ 3,451.33	
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	\$ -		\$ 27,466.45	\$ 1,376,182.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	\$ -		\$ 28,658.12	\$ 426,928.00
FUND 507	GOLF FUND TOTAL		\$ -		
FUND 508	CUST.SVC/UT BUSINESS OFFICE		\$ -	\$ 56,267.48	\$ 477,260.00
FUND 509	MIS		\$ -	\$ 36,311.27	\$ 273,100.00
FUND 510	ADMIN. FACILITY		\$ -	\$ 29,449.84	\$ 254,550.00
FUND 511	FLEET MANAGEMENT		\$ -	\$ 39,671.61	\$ 291,071.00
FUND 512	VEHICLE REPLACEMENT		\$ -	\$ 91,665.32	\$ 287,320.05
FUND 520	SR DIAL A RIDE		\$ -	\$ 7,590.44	\$ 450,779.00
FUND 521	DIAL-A-RIDE MEDICAL TRANS.		\$ -	\$ 1,988.94	\$ 50,948.00
FUND 525	NEEDLES AREA TRANSIT (NAT)		\$ -	\$ 53,500.51	\$ 477,395.00
FUND 575	HOUSING		\$ 2,850.00	\$ 201,132.00	\$ 1,311,630.00
FUND 580	ELECTRIC		\$ -	\$ 724,985.68	\$ 12,502,385.00
FUND 581	NPUA CAPITAL ELECTRIC		\$ -		\$ 46,073.00
FUND 582	NPUA CAPITAL WATER		\$ -	\$ 198,169.64	\$ 8,084,536.00
FUND 583	NPUA CAPITAL WASTEWATER		\$ -		\$ 69,532.00
FUND 650	IMPACT FEES NORTH NEEDLES		\$ -		\$ 33,708.00
FUND 651	IMPACT FEES SOUTH AREAS		\$ -		\$ 45,912.00
TOTAL	ALL FUNDS & DEPARTMENTS		\$ 2,850.00	\$ 3,730,065.89	\$ 65,230,519.05

I certify that the expenditures/purchases to be paid by the warrants on this list have complied with the provisions of the City Code Chapter 8, Article II, Purchasing; and further, the funds to cover these purchases/expenditures, as City Audited, are included

Patrick Martinez, City Manager

Date

10-2-24

Finance Department

Date

9/11/24

Virginia Tasker, City Treasurer

Date

9-17-24

ACCOUNTS PAYABLE PRELIMINARY CHECK REGISTER

PREPARED 9/09/2024. 15:54:01
PROGRAM: GM348U
CITY OF NEEDLES
BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/TAKEN	RETAINAGE
22063	4194	00	AVA GROUP LLC	09/09/2024	2,571.00		.00
22064	4183	00	LATIARRA HAAR	09/09/2024	279.00		.00
NUMBER OF CHECKS					2	GRAND TOTAL	
					2,850.00		

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

PREPARED 09/09/2024, 15:56:03
 PROGRAM: GM346L
 CITY OF NEEDLES
 BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22063	4194	AVA GROUP LLC	001259		09/09/2024	575-5555-485.69-58	144.00	
			001393		09/09/2024	575-5555-485.69-58	1,027.00	
			001393		09/09/2024	575-5555-485.69-58	496.00	
			001393		09/09/2024	575-5555-485.69-58	904.00	
							2,571.00 *	2,571.00
22064	4183	LATIARRA HAAR	001393		09/09/2024	575-5555-485.69-51	279.00	279.00
							279.00 *	
							2,850.00	2,850.00
							2,850.00	2,850.00

BANK/CHECK TOTAL

ALL BANKS/CHECKS TOTAL

**CITY OF NEEDLES CITY COUNCIL
WARRANT SUMMARY TOTALS FOR SEPTEMBER 13, 2024**

FUND 101	GENERAL FUND	9/13/2024	FUND AMT.	13-Sep	24-25
101.1015.412	CITY ATTORNEY	\$ 2,750.00			
101.1020.413	CITY MANAGER	\$ -		\$ 11,600.00	\$ 90,000.00
101.1025.415	FINANCE DEPT.	\$ -		\$ 24,718.31	\$ 230,155.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	\$ -		\$ 83,214.30	\$ 12,215,772.00
101.1035.416	PLANNING /ZONING	\$ -		\$ 32,638.58	\$ 357,148.00
101.1040.417	ENGINEERING	\$ -		\$ 16,002.70	\$ 326,356.00
101.1060.410	COMMUNITY PROMOTIONS	\$ -		\$ 39,413.04	\$ 412,663.00
101.1070.410	SENIOR CENTER	\$ -		\$ 8,000.00	\$ 103,690.00
101.2010.421	SHERIFF	\$ -		\$ 12,137.06	\$ 80,551.00
101.2020.423	ANIMAL SHELTER/CONTROL	\$ -		\$ 905,508.12	\$ 3,862,539.00
101.2025.424	BULDING & SAFETY	\$ -		\$ 51,449.06	\$ 283,098.00
101.2030.423	CODE ENFORCEMENT	\$ -		\$ 45,954.48	\$ 407,500.00
101.3010.431	PUBLIC WORKS	\$ -		\$ 93,060.40	\$ 806,258.00
101.4730.472	SANITATION	\$ -		\$ 100,374.56	\$ 744,745.00
101.5770.452.	AQUATICS	\$ -		\$ 12,643.53	\$ 143,822.00
101.5772.452	PARKS	\$ -		\$ 68,822.36	\$ 249,282.00
101.5773.452	JACK SMITH PARK MARINA	\$ -		\$ 104,336.06	\$ 819,419.00
101.5774.452	RECREATION	\$ -		\$ 14,733.35	\$ 115,992.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS	\$ -	\$ 2,750.00	\$ 59,455.51	\$ 422,094.00
FUND 102	GEN. FUND CAPITAL PROJECT		\$ -		\$ 21,671,084.00
FUND 205	CDBG		\$ -	\$ 87.10	\$ 4,363,469.00
FUND 206	CEMETERY		\$ -		\$ 107,900.00
FUND 208	CALTRANS GRANTS		\$ -	\$ 37,534.68	\$ 235,866.00
FUND 210	SPECIAL GAS TAX		\$ -		\$ 1,020,588.00
FUND 213	DEPT OF HOUSE. & COMM DEVL		\$ -		\$ 256,392.00
FUND 214	SANBAG NEW LOCAL MEAS I		\$ -		\$ 19,500.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL		\$ -		\$ 650,000.00
FUND 227	HAZARD MITIGATION		\$ -	\$ 32,470.58	\$ 299,354.00
FUND 233	JACK SMITH PARK MARINA		\$ -	\$ 4,280.00	\$ 100,000.00
FUND 238	STATE RECREATION GRANTS		\$ -		\$ -
FUND 239	CA.CONSERV RECYCLING GRANT		\$ -	\$ 26,735.80	\$ 1,285,000.00
FUND 270	REDEVELOPMENT AGENCY		\$ -		\$ 25,436.00
FUND 470	RDA CAP PROJ.LOW & MOD.		\$ -		\$ 20,000.00
FUND 501	NPUA		\$ -		\$ 40,000.00
FUND 502	WATER DEPARTMENT		\$ -	\$ 237.95	\$ 2,668,939.00
FUND 503	WASTEWATER DEPARTMENT		\$ -	\$ 242,918.09	\$ 2,222,678.00
FUND 505	SANITATION		\$ -	\$ 184,035.22	\$ 1,329,341.00
FUND 506	ALL AMERICAN CANAL PROJ.		\$ -	\$ 122,161.33	\$ 1,563,015.00
FUND 507	GOLF FUND		\$ -	\$ 15,349.65	\$ 1,041,800.00
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	\$ -		\$ 3,451.33	
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	\$ -		\$ 204,976.30	\$ 1,376,182.00
FUND 507	GOLF FUND TOTAL	\$ -		\$ 29,450.59	\$ 426,928.00
FUND 508	CUST.SVC/UT BUSINESS OFFICE		\$ -		
FUND 509	MIS		\$ -	\$ 56,364.39	\$ 477,260.00
FUND 510	ADMIN. FACILITY		\$ -	\$ 38,361.27	\$ 273,100.00
FUND 511	FLEET MANAGEMENT		\$ -	\$ 37,542.10	\$ 254,550.00
FUND 512	VEHICLE REPLACEMENT		\$ -	\$ 42,225.65	\$ 291,071.00
FUND 520	SR DIAL A RIDE		\$ -	\$ 91,665.32	\$ 287,320.05
FUND 521	DIAL-A-RIDE MEDICAL TRANS.		\$ -	\$ 15,148.66	\$ 450,779.00
FUND 525	NEEDLES AREA TRANSIT (NAT)		\$ -	\$ 3,695.43	\$ 50,948.00
FUND 575	HOUSING		\$ -	\$ 91,401.75	\$ 477,395.00
FUND 580	ELECTRIC		\$ -	\$ 209,336.06	\$ 1,311,630.00
FUND 581	NPUA CAPITAL ELECTRIC		\$ 702,882.31	\$ 1,542,409.75	\$ 12,502,385.00
FUND 582	NPUA CAPITAL WATER		\$ -		\$ 46,073.00
FUND 583	NPUA CAPITAL WASTEWATER		\$ -	\$ 344,800.58	\$ 8,084,536.00
FUND 650	IMPACT FEES NORTH NEEDLES		\$ -		\$ 69,532.00
FUND 651	IMPACT FEES SOUTH AREAS		\$ -		\$ 33,708.00
TOTAL	ALL FUNDS & DEPARTMENTS		\$ 705,632.31	\$ 5,060,701.00	\$ 65,230,519.05

I certify that the expenditures/purchases to be paid by the warrants on this list have complied with the provisions of the City Code Chapter 8, Article II, Purchasing; and further, the funds to cover these purchases/expenditures, as City Audited, are included

Patrick Martinez 10-2-24
 Patrick Martinez, City Manager Date
Virginia Tasker 9-17-24
 Virginia Tasker, City Treasurer Date

W. Hall 9/17/2024
 Finance Department Date

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/TAKEN	RETAINAGE
22147	2895	00	AGGREGATED ENERGY SERVICES	09/13/2024	702,882.31		.00
22148	3967	00	WILLDAN ENGINEERING	09/13/2024	2,750.00		.00
NUMBER OF CHECKS				2	GRAND TOTAL		705,632.31

PREPARED 09/13/2024, 9:12:08
 PROGRAM: GM346L
 CITY OF NEEDLES
 BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

PAGE 1
 ACCOUNTING PERIOD 2025/03
 REPORT NUMBER 28

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22147	2895	AGGREGATED ENERGY SERVICE	001610		09/13/2024	580-4750-473.63-10	702,882.31	702,882.31
22148	3967	WILLDAN ENGINEERING	PI0048	025041	09/13/2024	101-2025-424.31-10	1,000.00	
			PI0049	025041	09/13/2024	101-2025-424.31-10	1,750.00	
							2,750.00 *	2,750.00
BANK/CHECK TOTAL							705,632.31	705,632.31
ALL BANKS/CHECKS TOTAL							705,632.31	705,632.31



City of Needles, California Request for City Council Action

CITY COUNCIL NPUA

Regular Special

Meeting Date: October 08, 2024

Title: Warrants

Background: n/a

Fiscal Impact: See attached Warrant Registers

Environmental Impact: n/a

Recommended Action: Approve the Warrant Registers through October 08, 2024.

Submitted By: Ken McDonald, Interim Director of Finance

City Manager Approval: *Ken McDonald*

Date: 10-2-24

Other Department Approval (when required): _____

Date: _____

Approved:

Not Approved:

Tabled:

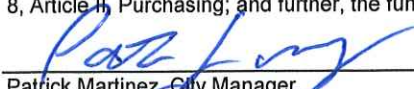
Other:

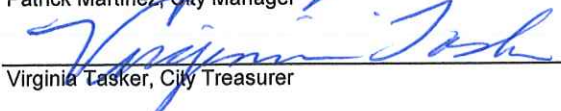
Agenda Item: _____

**CITY OF NEEDLES CITY COUNCIL
WARRANT SUMMARY TOTALS FOR OCTOBER 08, 2024**

FUND 101	GENERAL FUND	10/8/2024	FUND AMT.	8-Oct	24-25
		\$ 2,322.50			
101.1015.412	CITY ATTORNEY	\$ 641.14		\$ 11,600.00	\$ 90,000.00
101.1020.413	CITY MANAGER	\$ -		\$ 27,881.81	\$ 230,155.00
101.1025.415	FINANCE DEPT.	\$ 1,676.84		\$ 92,553.19	\$ 12,215,772.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	\$ 3,018.98		\$ 39,277.07	\$ 357,148.00
101.1035.416	PLANNING /ZONING	\$ 104.25		\$ 17,169.50	\$ 326,356.00
101.1040.417	ENGINEERING	\$ 179.25		\$ 42,789.20	\$ 412,663.00
101.1060.410	COMMUNITY PROMOTIONS	\$ 3,521.44		\$ 11,521.44	\$ 103,690.00
101.1070.410	SENIOR CENTER	\$ 4,834.32		\$ 18,747.45	\$ 80,551.00
101.2010.421	SHERIFF	\$ -		\$ 905,508.12	\$ 3,862,539.00
101.2020.423	ANIMAL SHELTER/CONTROL	\$ 1,839.20		\$ 54,198.59	\$ 283,098.00
101.2025.424	BULDING & SAFETY	\$ 104.25		\$ 48,304.54	\$ 407,500.00
101.2030.423	CODE ENFORCEMENT	\$ 350.88		\$ 100,175.41	\$ 806,258.00
101.3010.431	PUBLIC WORKS	\$ 1,727.11		\$ 108,364.33	\$ 744,745.00
101.4730.472	SANITATION	\$ -		\$ 13,144.45	\$ 143,822.00
101.5770.452.	AQUATICS	\$ 12,842.86		\$ 81,921.25	\$ 249,282.00
101.5772.452	PARKS	\$ 20,527.54		\$ 134,029.72	\$ 819,419.00
101.5773.452	JACK SMITH PARK MARINA	\$ 291.54		\$ 15,953.83	\$ 115,992.00
101.5774.452	RECREATION	\$ 9,818.27		\$ 74,777.38	\$ 422,094.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS		\$ 63,800.37		\$ 21,671,084.00
FUND 102	GEN. FUND CAPITAL PROJECT		\$ 8,709.31	\$ 8,796.41	\$ 4,363,469.00
FUND 205	CDBG		\$ 200.00	\$ 200.00	\$ 107,900.00
FUND 206	CEMETERY		\$ 26,490.82	\$ 66,665.64	\$ 235,866.00
FUND 208	CALTRANS GRANTS		\$ 200.00	\$ 200.00	\$ 1,020,588.00
FUND 210	SPECIAL GAS TAX		\$ -		\$ 256,392.00
FUND 213	DEPT OF HOUSE. & COMM DEVL		\$ -		\$ 19,500.00
FUND 214	SANBAG NEW LOCAL MEAS I		\$ -		\$ 650,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL		\$ -	\$ 32,470.58	\$ 299,354.00
FUND 227	HAZARD MITIGATION		\$ -	\$ 4,280.00	\$ 100,000.00
FUND 233	JACK SMITH PARK MARINA		\$ -		\$ -
FUND 238	STATE RECREATION GRANTS		\$ 14,276.26	\$ 41,012.06	\$ 1,285,000.00
FUND 239	CA.CONSERV RECYLING GRANT		\$ 894.22	\$ 894.22	\$ 25,436.00
FUND 270	REDEVELOPMENT AGENCY		\$ 370.00	\$ 370.00	\$ 20,000.00
FUND 470	RDA CAP PROJ.LOW & MOD.		\$ -		\$ 40,000.00
FUND 501	NPUA		\$ -	\$ -	\$ 2,668,939.00
FUND 502	WATER DEPARTMENT		\$ 16,294.39	\$ 269,970.93	\$ 2,222,678.00
FUND 503	WASTEWATER DEPARTMENT		\$ 29,618.90	\$ 218,178.71	\$ 1,329,341.00
FUND 505	SANITATION		\$ 107,521.61	\$ 229,610.53	\$ 1,563,015.00
FUND 506	ALL AMERICAN CANAL PROJ.		\$ -	\$ 15,979.22	\$ 1,041,800.00
FUND 507	GOLF FUND	\$ -		\$ 3,451.33	
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	\$ 162,285.27		\$ 367,397.81	\$ 1,376,182.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	\$ 14,359.73		\$ 44,875.34	\$ 426,928.00
FUND 507	GOLF FUND TOTAL		\$ 176,645.00		
FUND 508	CUST.SVC/UT BUSINESS OFFICE		\$ 1,228.80	\$ 71,111.55	\$ 477,260.00
FUND 509	MIS		\$ 5,682.50	\$ 44,043.77	\$ 273,100.00
FUND 510	ADMIN. FACILITY		\$ 8,996.15	\$ 47,933.94	\$ 254,550.00
FUND 511	FLEET MANAGEMENT		\$ -	\$ 44,426.65	\$ 291,071.00
FUND 512	VEHICLE REPLACEMENT		\$ -	\$ 91,665.32	\$ 287,320.05
FUND 520	SR DIAL A RIDE		\$ -	\$ 15,148.66	\$ 450,779.00
FUND 521	DIAL-A-RIDE MEDICAL TRANS.		\$ -	\$ 3,695.43	\$ 50,948.00
FUND 525	NEEDLES AREA TRANSIT (NAT)		\$ -	\$ 91,401.75	\$ 477,395.00
FUND 575	HOUSING		\$ 10,989.11	\$ 231,469.46	\$ 1,311,630.00
FUND 580	ELECTRIC		\$ 45,489.98	\$ 1,607,557.52	\$ 12,502,385.00
FUND 581	NPUA CAPITAL ELECTRIC		\$ -		\$ 46,073.00
FUND 582	NPUA CAPITAL WATER		\$ 3,470.00	\$ 348,270.58	\$ 8,084,536.00
FUND 583	NPUA CAPITAL WASTEWATER		\$ -		\$ 69,532.00
FUND 650	IMPACT FEES NORTH NEEDLES		\$ 9,021.65	\$ 9,021.65	\$ 33,708.00
FUND 651	IMPACT FEES SOUTH AREAS		\$ 599.70	\$ 599.70	\$ 45,912.00
TOTAL	ALL FUNDS & DEPARTMENTS		\$ 530,498.77	\$ 5,708,616.04	\$ 65,230,519.05

I certify that the expenditures/purchases to be paid by the warrants on this list have complied with the provisions of the City Code Chapter 8, Article II, Purchasing; and further, the funds to cover these purchases/expenditures, as City Audited, are included


Patrick Martinez, City Manager
Date 10-7-24


Virginia Tasker, City Treasurer
Date 10-7-2024


Finance Department
Date 9/26/24

ACCOUNTS PAYABLE PRELIMINARY CHECK REGISTER

PREPARED 9/26/2024, 14:17:04

PROGRAM: GM348U
CITY OF NEEDLES

BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/RETAINAGE TAKEN
22197	2345	00	A-B COMMUNICATIONS	10/08/2024	192.04	.00
22198	480	00	BEST BEST & KRIEGER LLP	10/08/2024	28.30	.00
22199	178	00	BIG O TIRES & NAPA AUTO PARTS	10/08/2024	85.15	.00
22200	3946	00	BLACK CLOVER ENTERPRISES, LLC	10/08/2024	859.42	.00
22201	3595	00	BOOT BARN	10/08/2024	700.97	.00
22202	3479	00	BRAUN BLAISING & WYNNE P.C.	10/08/2024	2,459.33	.00
22203	3392	00	BUG EMERGENCY INC.	10/08/2024	124.00	.00
22204	709	00	CALLAWAY	10/08/2024	798.36	.00
22205	3035	00	CENTURY LINK CORP.	10/08/2024	10.66	.00
22206	4138	00	CLUB CADDIE	10/08/2024	449.00	.00
22207	2012	00	CRAIG PLUMBING CONTRACTORS, INC	10/08/2024	1,626.46	.00
22208	3974	00	CUTTER & BUCK	10/08/2024	35.20	.00
22209	440	00	DECO FOODSERVICE INCORP.	10/08/2024	37.36	.00
22210	4054	00	DESERT SUN OIL CORP.	10/08/2024	68.61	.00
22211	3523	00	DEVELOPMENT MANAGEMENT GROUP INC.	10/08/2024	11,004.50	.00
22212	3580	00	DIAMOND PURE WATER	10/08/2024	48.00	.00
22213	3462	00	EFSI LLC	10/08/2024	26,177.24	.00
22214	615	00	FEDEX	10/08/2024	5.36	.00
22215	2077	00	GOLDEN WEST INDUSTRIAL SUPPLY CORP.	10/08/2024	6.81	.00
22216	3451	00	GREENS ELECTRIC, LLC	10/08/2024	136.80	.00
22217	2612	00	HARDWARE EXPRESS	10/08/2024	882.85	.00
22218	2612	00	HARDWARE EXPRESS	10/08/2024	1,003.30	.00
22219	3719	00	HEALTH TECHNOLOGY PROF. PRODUCTS	10/08/2024	165.56	.00
22220	4078	00	HENRY LONGBRAKE	10/08/2024	443.01	.00
22221	3593	00	HINDERLITER DE LLAMAS & ASSOCIATES	10/08/2024	1,275.00	.00
22222	4076	00	JAMIE MCCORKLE	10/08/2024	929.03	.00
22223	3949	00	JANET JERNIGAN	10/08/2024	1,550.95	.00
22224	4000	00	JARROD DELEON	10/08/2024	1,356.36	.00
22225	1	00	KEN MANN	10/08/2024	412.00	.00
22226	61	00	KNORR SYSTEMS, INT'L	10/08/2024	7,685.96	.00
22227	3836	00	LOUI'S GLOVES, INC.	10/08/2024	157.00	.00
22228	3783	00	MARK MARNATI	10/08/2024	85.00	.00
22229	3610	00	MOHAVE SHRED	10/08/2024	1,020.00	.00
22230	4144	00	NAN KAY AND ASSOCIATES, INC.	10/08/2024	239.00	.00
22231	218	00	NEWS WEST PUBLISHING CO.	10/08/2024	264.25	.00
22232	1786	00	NPUA	10/08/2024	VOID	.00
22233	1786	00	NPUA	10/08/2024	62,502.61	.00
22234	3324	00	OFFICE EXPRESS	10/08/2024	95.29	.00
22235	740	00	OUR TOWN MAGAZINE	10/08/2024	372.30	.00
22236	3767	00	PATRICK MARTINEZ	10/08/2024	660.76	.00
22237	240	00	PITNEY BOWES GLOBAL FINANCIAL LLC	10/08/2024	3,006.25	.00
22238	1763	00	PITNEY BOWES INC	10/08/2024	822.71	.00
22239	15	00	QUILL LLC	10/08/2024	3,381.15	.00
22240	818	00	R & R PRODUCTS INC.	10/08/2024	429.07	.00
22241	4169	00	RDO AGRICULTURE EQUIPMENT CO.	10/08/2024	19,108.13	.00
22242	2861	00	REINKE A/C CORP.	10/08/2024	12,306.52	.00
22243	309	00	REPUBLIC SERVICES #785	10/08/2024	107,521.61	.00
22244	3938	00	RIVER ROCK PROMOTIONS & PRINTING	10/08/2024	94.99	.00
22245	3796	00	ROUTE 66 BROADBAND LLC	10/08/2024	1,406.26	.00
22246	4058	00	S-NET COMMUNICATIONS INC.	10/08/2024	1,691.45	.00
22247	3437	00	SIGNS BY SUNDOWN	10/08/2024	600.00	.00

PROGRAM: GM348U
CITY OF NEEDLES
BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/RETAINAGE TAKEN
22248	4001	00	SIMPLOT TURF & HORTICULTURE	10/08/2024	33,025.38	.00
22249	4121	00	SMART DOCUMENT SOLUTIONS	10/08/2024	213.28	.00
22250	3959	00	SRIXON/CLEVELAND GOLF/XXIO	10/08/2024	1,704.00	.00
22251	481	00	STAPLES	10/08/2024	1,344.37	.00
22252	3631	00	STOTZ EQUIPMENT	10/08/2024	3,251.86	.00
22253	4172	00	SUPERB ENGINEERING, INC	10/08/2024	36,365.11	.00
22254	4172	00	SUPERB ENGINEERING, INC	10/08/2024	74,278.05	.00
22255	1649	00	SWRCB	10/08/2024	759.50	.00
22256	1006	00	TAYLOR MADE	10/08/2024	487.56	.00
22257	779	00	THATCHER COMPANY OF NEVADA, INC	10/08/2024	2,531.16	.00
22258	4008	00	THE PRINTER GUYS LLC	10/08/2024	843.00	.00
22259	3950	00	TKE ENGINEERING INC	10/08/2024	39,663.40	.00
22260	1	00	TONI MCDONALD	10/08/2024	1,000.00	.00
22261	3917	00	TOUCHSTONE GOLF LLC	10/08/2024	7,080.37	.00
22262	3266	00	TRI STATE TOOL REPAIR	10/08/2024	102.95	.00
22263	772	00	TRI-STATE ACE HARDWARE	10/08/2024	291.02	.00
22264	2798	00	U.S. DEPARTMENT OF ENERGY	10/08/2024	35,109.72	.00
22265	3830	00	UNIFIRST CORPORATION	10/08/2024	821.83	.00
22266	761	00	USABLUEBOOK	10/08/2024	237.59	.00
22267	326	00	WESTERN ALARM SERVICE INC.	10/08/2024	60.00	.00
22268	4193	00	WESTERN ARIZONA HUMANE SOCIETY	10/08/2024	1,485.00	.00
22269	3528	00	WESTERN ENVIRONMENTAL TESTING LAB.	10/08/2024	1,980.00	.00
22270	3573	00	WREGIS	10/08/2024	120.00	.00
22271	1023	00	XEROX	10/08/2024	99.18	.00
22272	3842	00	XIO, INC.	10/08/2024	5,837.00	.00
22273	4170	00	ZEREK PHILLIPS	10/08/2024	112.00	.00
22274	3828	00	3D-NETWORKS LLC	10/08/2024	5,362.50	.00

NUMBER OF CHECKS 78 GRAND TOTAL 530,498.77

BANK TRANSFER LIST

PREPARED 9/26/24, 14:24:14
PROGRAM GM347U
CITY OF NEEDLES

BANK DESCRIPTION	ACCOUNT NO	** CHECK/PAYMENT ** NO	DATE	NO	**** VOUCHER **** DATE	DISBURSEMENT AMOUNT	VENDOR REFERENCE
FUND 575 HOUSING BANK							
04 WELLS FARGO BANK - CITY GENERAL CHECKING							
	575-5555-485.31-90	22249	10/08/2024	001714	9/10/2024	213.28	0004121 SMART DOCUMENT SOLUTION
	575-5555-485.31-90	22230	10/08/2024	001892	9/16/2024	239.00	0004144 NAN MCKAY AND ASSOCIATES,
					ACCOUNT TOTAL	452.28	*
	575-5555-485.43-02	22242	10/08/2024	001630	9/12/2024	407.50	0002861 REINKE A/C CORP.
	575-5555-485.43-02	22218	10/08/2024	001641	9/03/2024	19.39	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001642	9/04/2024	40.94	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001643	9/04/2024	45.23	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001644	9/05/2024	62.49	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001645	9/05/2024	43.30	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001646	9/06/2024	22.60	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001647	9/06/2024	41.98	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001648	9/06/2024	25.96	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001649	9/06/2024	28.01	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001650	9/06/2024	9.25	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001651	9/09/2024	80.80	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001652	9/09/2024	11.85	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001653	9/10/2024	10.00	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001654	9/10/2024	103.42	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001655	9/12/2024	78.19	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001656	9/12/2024	24.54	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001657	9/12/2024	17.64	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001707	9/18/2024	32.32	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001708	9/17/2024	7.68	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001709	9/16/2024	24.78	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001710	9/16/2024	29.28	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001711	9/13/2024	144.30	0002612 HARDWARE EXPRESS GRP-1
	575-5555-485.43-02	22218	10/08/2024	001712	9/19/2024	99.35	0002612 HARDWARE EXPRESS GRP-1
					ACCOUNT TOTAL	1,410.80	*
	575-5555-485.52-10	22245	10/08/2024	001899	9/22/2024	316.26	0003796 ROUTE 66 BROADBAND LLC
					ACCOUNT TOTAL	316.26	*
	575-5555-485.61-04	22265	10/08/2024	001634	9/10/2024	16.60	0003830 UNIFIRST CORPORATION
	575-5555-485.61-04	22265	10/08/2024	001715	9/17/2024	16.60	0003830 UNIFIRST CORPORATION
					ACCOUNT TOTAL	33.20	*
	575-5555-485.72-17	22242	10/08/2024	001713	9/18/2024	8,776.57	0002861 REINKE A/C CORP.
					ACCOUNT TOTAL	8,776.57	*
					WELLS FARGO BANK - CITY GENERAL CHECKING TOTAL	10,989.11	**
					TOTAL DUE FROM THIS FUND FOR THIS PERIOD	10,989.11	***

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 CITY OF NEEDLES
 BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22197	2345	A-B COMMUNICATIONS	001888		10/08/2024	510-4410-405.30-25	192.04 *	192.04
22198	480	BEST BEST & KRIEGER LLP	001611		10/08/2024	502-4710-471.31-50	28.30 *	28.30
22199	178	BIG O TIRES & NAPA AUTO P	001612		10/08/2024	502-4710-471.43-03	25.85	
			001613		10/08/2024	507-5761-453.43-04	28.60	
			001687		10/08/2024	507-5761-453.43-04	30.70	
							85.15 *	85.15
22200	3946	BLACK CLOVER ENTERPRISES,	001732		10/08/2024	507-5762-454.44-10	859.42 *	859.42
22201	3595	BOOT BARN	001683		10/08/2024	502-4710-471.60-28	136.54	
			001684		10/08/2024	580-4750-473.60-28	219.45	
			001684		10/08/2024	502-4710-471.60-28	170.68	
			001733		10/08/2024	502-4710-471.60-28	174.30	
							700.97 *	700.97
22202	3479	BRAUN BLAISING & WYNNE P.	001884		10/08/2024	580-4750-473.31-50	264.03	
			001885		10/08/2024	580-4750-473.31-50	302.51	
			001886		10/08/2024	580-4750-473.31-50	1,892.79	
							2,459.33 *	2,459.33
22203	3392	BUG EMERGENCY INC.	001686		10/08/2024	507-5762-454.43-08	72.00	
			001734		10/08/2024	503-4720-475.43-02	52.00	
							124.00 *	124.00
22204	709	CALLAWAY	001736		10/08/2024	507-5762-454.41-10	507.00	
			001737		10/08/2024	507-5762-454.41-10	291.36	
							798.36 *	798.36
22205	3035	CENTURY LINK CORP.	001614		10/08/2024	507-5762-454.52-10	10.66 *	10.66
22206	4138	CLUB CADDIE	001735		10/08/2024	507-5762-454.61-09	449.00	
							449.00 *	449.00
22207	2012	CRAIG PLUMBING CONTRACTOR	001684		10/08/2024	101-1070-410.43-04	1,626.46 *	1,626.46
22208	3974	CUTTER & BUCK INC	001936		10/08/2024	507-5761-453.61-04	35.20 *	35.20
							35.20 *	35.20
22209	440	DECO FOODSERVICE INCORP.	001693		10/08/2024	507-5762-454.61-06	37.36 *	37.36
							37.36 *	37.36
22210	4054	DESERT SUN OIL CORP.	008283		10/08/2024	580-4750-473.62-00	68.61 *	68.61
							68.61 *	68.61

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22211	3523	DEVELOPMENT MANAGEMENT	GR PI0067	025037	10/08/2024	101-1060-410.53-05	3,521.44	
			PI0068	025037	10/08/2024	502-4710-471.53-05	1,870.77	
			PI0069	025037	10/08/2024	503-4720-475.53-05	990.40	
			PI0070	025037	10/08/2024	580-4750-473.53-05	4,621.89	
							11,004.50 *	11,004.50
22212	3580	DIAMOND PURE WATER	001706		10/08/2024	510-4410-405.61-01	36.00	
			001718		10/08/2024	503-4720-475.43-02	6.00	
			001889		10/08/2024	101-5774-452.61-01	6.00	
							48.00 *	48.00
22213	3462	EUSI LLC	PI0065	025004	10/08/2024	503-4720-475.31-98	26,177.24	
							26,177.24 *	26,177.24
22214	615	FEDEX	001615		10/08/2024	101-1025-415.52-20	5.36	
							5.36 *	5.36
22215	2077	GOLDEN WEST INDUSTRIAL SU	001684		10/08/2024	507-5761-453.43-17	6.81	
							6.81 *	6.81
22216	3451	GREENS ELECTRIC, LLC	001688		10/08/2024	580-4750-473.41-11	136.80	
							136.80 *	136.80
22217	2612	HARDWARE EXPRESS	001616		10/08/2024	503-4720-475.43-14	26.59	
			001617		10/08/2024	503-4720-475.61-33	13.29	
			001618		10/08/2024	101-1070-410.43-01	5.96	
			001619		10/08/2024	503-4720-475.43-02	26.59	
			001684		10/08/2024	503-4720-475.43-02	15.35	
			001738		10/08/2024	101-3010-431.60-11	1.74	
			001739		10/08/2024	101-3010-431.60-11	1.02	
			001740		10/08/2024	101-3010-431.60-11	13.30	
			001741		10/08/2024	101-3010-431.60-12	14.31	
			001742		10/08/2024	101-3010-431.60-12	11.25	
			001743		10/08/2024	206-5771-452.43-18	10.22	
			001744		10/08/2024	101-5772-452.61-12	16.28	
			001745		10/08/2024	101-5772-452.61-12	153.54	
			001746		10/08/2024	101-3010-431.60-12	32.72	
			001747		10/08/2024	101-1070-410.43-01	24.55	
			001748		10/08/2024	101-1070-410.43-01	24.55	
			001749		10/08/2024	503-4720-475.43-02	98.25	
			001750		10/08/2024	503-4720-475.43-02	11.65	
			001751		10/08/2024	503-4720-475.43-02	35.82	
			001752		10/08/2024	507-5761-453.43-04	20.01	
			001753		10/08/2024	502-4710-471.60-55	53.68	
			001754		10/08/2024	502-4710-471.60-55	3.66	
			001876		10/08/2024	101-5774-452.43-18	38.88	
			001926		10/08/2024	101-5770-452.43-02	133.07	
			001931		10/08/2024	101-2020-423.61-01	28.64	
			001933		10/08/2024	507-5761-453.43-04	34.95	
			001934		10/08/2024	507-5761-453.43-04	48.08	

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22217	2612	HARDWARE EXPRESS					882.85 *	882.85
22218	2612	HARDWARE EXPRESS	001641		10/08/2024	575-5555-485.43-02	19.39	40.94
			001642		10/08/2024	575-5555-485.43-02	45.23	62.49
			001643		10/08/2024	575-5555-485.43-02	43.30	22.60
			001644		10/08/2024	575-5555-485.43-02	41.98	25.96
			001645		10/08/2024	575-5555-485.43-02	9.25	80.80
			001646		10/08/2024	575-5555-485.43-02	11.85	10.00
			001647		10/08/2024	575-5555-485.43-02	103.42	78.19
			001648		10/08/2024	575-5555-485.43-02	24.54	17.64
			001649		10/08/2024	575-5555-485.43-02	32.32	7.68
			001650		10/08/2024	575-5555-485.43-02	24.78	29.28
			001651		10/08/2024	575-5555-485.43-02	144.30	99.35
			001652		10/08/2024	575-5555-485.43-02	1,003.30 *	1,003.30
			001653		10/08/2024	575-5555-485.43-02	165.56	165.56
			001654		10/08/2024	575-5555-485.43-02	443.01	443.01
			001655		10/08/2024	575-5555-485.43-02	1,275.00	1,275.00
			001656		10/08/2024	575-5555-485.43-02	929.03	929.03
			001657		10/08/2024	575-5555-485.43-02	929.03	929.03
			001707		10/08/2024	575-5555-485.43-02	929.03	929.03
			001708		10/08/2024	575-5555-485.43-02	929.03	929.03
			001709		10/08/2024	575-5555-485.43-02	621.92	1,550.95
			001710		10/08/2024	575-5555-485.43-02	446.13	808.39
			001711		10/08/2024	575-5555-485.43-02	808.39	101.84
			001712		10/08/2024	575-5555-485.43-02	1,356.36 *	1,356.36
22219	3719	HEALTH TECHNOLOGY PROF. P	001620		10/08/2024	101-2020-423.61-36	165.56	165.56
22220	4078	HENRY LONGBRAKE	001945		10/08/2024	101-1030-414.55-00	443.01	443.01
22221	3593	HINDERLITER DE LLAMAS & A	001684		10/08/2024	101-1025-415.31-47	1,275.00	1,275.00
22222	4076	JAMIE MCCORKLE	001944		10/08/2024	101-1030-414.55-00	929.03	929.03
22223	3949	JANET JERNIGAN	001943		10/08/2024	101-1030-414.55-00	929.03	929.03
			001946		10/08/2024	101-1030-414.55-00	621.92	1,550.95
22224	4000	JARROD DELEON	001691		10/08/2024	507-5761-453.43-04	446.13	808.39
			001692		10/08/2024	507-5761-453.43-17	808.39	101.84
			001755		10/08/2024	507-5762-454.55-00	1,356.36 *	1,356.36
22225	1	KEN MANN	001621		10/08/2024	101-3010-431.55-00	412.00	412.00

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22226	61	KNORR SYSTEMS, INT'L	001914 001915		10/08/2024 10/08/2024	101-5770-452.60-32 101-5770-452.60-32	3,842.98 3,842.98 7,685.96 *	7,685.96
22227	3836	LOU'S GLOVES INC.	001685		10/08/2024	503-4720-475.43-02	157.00 157.00 *	157.00
22228	3783	MARK MARNATI	001930		10/08/2024	101-2030-423.31-90	85.00 85.00 *	85.00
22229	3610	MOHAVE SHRED	001893		10/08/2024	508-4810-478.49-02	1,020.00 1,020.00 *	1,020.00
22230	4144	NAN MCKAY AND ASSOCIATES,	001892		10/08/2024	575-5555-485.31-90	239.00 239.00 *	239.00
22231	218	NEWS WEST PUBLISHING CO.	001685 001685 001685 001916		10/08/2024 10/08/2024 10/08/2024 10/08/2024	580-4750-473.53-00 502-4710-471.53-00 503-4720-475.53-00 101-3010-431.53-00	33.44 33.43 33.43 163.95 264.25 *	264.25
22232	1786	NEUA	001623		10/08/2024	101-1070-410.41-10	2,739.17	VOIDED
22233	1786	NEUA	001624 001625 001626 001627 001628 001629 001685 001685 001685 001689 001689 001689 001689 001771 001772 001773 001774 001775 001776 001777 001778 001779		10/08/2024 10/08/2024	101-1070-410.41-20 101-1070-410.41-30 507-5762-454.41-10 502-4710-471.41-10 502-4710-471.41-10 502-4710-471.41-10 580-4750-473.41-11 580-4750-473.41-11 580-4750-473.41-11 502-4710-471.41-10 502-4710-471.41-10 503-4720-475.41-10 503-4720-475.41-10 206-5771-452.41-20 206-5771-452.41-20 507-5761-453.41-20 507-5762-454.41-10 507-5762-454.41-20 507-5762-454.41-30 507-5762-454.41-10 507-5761-453.41-20 507-5761-453.41-20 507-5761-453.41-20 507-5761-453.41-20	320.63 84.83 125.28 333.61 3,079.01 66.25 34.59 38.70 35.23 317.95 38.22 47.27 48.49 37.46 49.77 7,238.64 84.83 80.11 177.54 254.49 304.37 12,333.48 227.75 38.45 48.55	

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22233	1786	NPUA	001780		10/08/2024	580-4750-473.41-11	37.75	
			001781		10/08/2024	580-4750-473.41-11	60.34	
			001782		10/08/2024	503-4720-475.41-10	48.15	
			001783		10/08/2024	503-4720-475.41-20	49.48	
			001785		10/08/2024	101-5774-452.41-20	1,483.68	
			001786		10/08/2024	101-5772-452.41-20	978.87	
			001790		10/08/2024	101-5772-452.41-10	49.14	
			001794		10/08/2024	101-5772-452.41-10	38.81	
			001797		10/08/2024	101-5772-452.41-20	2,824.90	
			001801		10/08/2024	101-5772-452.41-10	50.49	
			001803		10/08/2024	101-5772-452.41-10	233.46	
			001808		10/08/2024	101-5772-452.41-10	99.97	
			001809		10/08/2024	101-5772-452.41-20	288.17	
			001810		10/08/2024	101-5772-452.41-20	1,274.27	
			001811		10/08/2024	101-5772-452.41-20	4,503.26	
			001812		10/08/2024	101-5772-452.41-10	324.49	
			001813		10/08/2024	101-5772-452.41-10	65.56	
			001814		10/08/2024	101-5772-452.41-20	69.53	
			001815		10/08/2024	101-5772-452.41-20	404.36	
			001817		10/08/2024	101-5772-452.41-10	654.58	
			001820		10/08/2024	101-5772-452.41-10	223.36	
			001822		10/08/2024	101-3010-431.41-10	741.05	
			001823		10/08/2024	101-5772-452.41-20	47.53	
			001824		10/08/2024	101-5772-452.41-10	563.45	
			001825		10/08/2024	101-5772-452.41-10	37.01	
			001826		10/08/2024	101-5772-452.41-20	2,408.91	
			001832		10/08/2024	101-5772-452.41-30	84.83	
			001837		10/08/2024	101-5772-452.41-20	298.46	
			001838		10/08/2024	101-5772-452.41-20	47.53	
			001839		10/08/2024	101-5772-452.41-10	1,420.85	
			001840		10/08/2024	101-5772-452.41-10	35.23	
			001841		10/08/2024	101-5772-452.41-20	98.41	
			001842		10/08/2024	101-5772-452.41-10	2,661.58	
			001852		10/08/2024	101-5772-452.41-20	104.97	
			001853		10/08/2024	101-5772-452.41-30	424.15	
			001904		10/08/2024	101-5774-452.41-10	3,712.17	
			001905		10/08/2024	101-5774-452.41-20	234.50	
			001906		10/08/2024	101-5774-452.41-30	169.66	
			001907		10/08/2024	101-5770-452.41-10	3,136.15	
			001908		10/08/2024	101-5770-452.41-20	1,372.85	
			001909		10/08/2024	101-5770-452.41-30	84.83	
			001910		10/08/2024	101-5774-452.41-10	431.40	
			001911		10/08/2024	101-5774-452.41-20	236.98	
			001912		10/08/2024	101-5773-452.41-10	76.54	
							62,502.61	*
22234	3324	OFFICE EXPRESS	001927		10/08/2024	101-5774-452.61-01	96.29	
							96.29	*
22235	740	OUR TOWN MAGAZINE	001937		10/08/2024	507-5762-454.53-00	372.30	

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22235	740	OUR TOWN MAGAZINE					372.30 *	372.30
22236	3767	PATRICK MARTINEZ	001690		10/08/2024	101-2030-423.61-01	161.63	
			001690		10/08/2024	101-1020-413.61-02	53.86	
			001690		10/08/2024	101-1020-413.61-01	96.95	
			001759		10/08/2024	101-1020-413.55-00	53.81	
			001760		10/08/2024	502-4710-471.55-00	53.82	
			001761		10/08/2024	503-4720-475.55-00	53.81	
			001762		10/08/2024	580-4750-473.55-00	53.81	
			001763		10/08/2024	101-1020-413.55-00	10.52	
			001764		10/08/2024	502-4710-471.55-00	10.52	
			001765		10/08/2024	503-4720-475.55-00	10.52	
			001766		10/08/2024	580-4750-473.55-00	10.52	
			001767		10/08/2024	101-1030-414.55-00	90.99	
							660.76 *	660.76
22237	240	PITNEY BOWES GLOBAL FINAN	001689		10/08/2024	510-4410-405.52-20	3,006.25	3,006.25
							3,006.25 *	3,006.25
22238	1763	PITNEY BOWES INC	001894		10/08/2024	510-4410-405.61-02	822.71	822.71
							822.71 *	822.71
22239	15	QUILL LLC	001703		10/08/2024	508-4810-478.61-01	43.93	
			001704		10/08/2024	510-4410-405.61-01	93.71	
			001705		10/08/2024	510-4410-405.61-01	2,650.64	
			001881		10/08/2024	510-4410-405.61-01	53.20	
			001882		10/08/2024	508-4810-478.61-01	103.33	
			001883		10/08/2024	508-4810-478.61-01	39.86	
			001925		10/08/2024	101-1025-415.61-01	396.48	
							3,381.15 *	3,381.15
22240	818	R & R PRODUCTS INC.	001632		10/08/2024	507-5761-453.43-17	429.07	429.07
							429.07 *	429.07
22241	4169	RDO AGRICULTURE EQUIPMENT	PI0050	025046	10/08/2024	206-5771-452.70-00	19,108.13	19,108.13
							19,108.13 *	19,108.13
22242	2861	REINKE A/C CORP.	001630		10/08/2024	575-5555-485.43-02	407.50	
			001713		10/08/2024	575-5555-485.72-17	8,776.57	
			001890		10/08/2024	101-5774-452.43-18	2,431.45	
			001891		10/08/2024	101-5774-452.43-18	691.00	
							12,306.52 *	12,306.52
22243	309	REPUBLIC SERVICES #78	PI0066	025027	10/08/2024	505-4730-472.31-87	107,521.61	107,521.61
							107,521.61 *	107,521.61
22244	3938	RIVER ROCK PROMOTIONS & P	001631		10/08/2024	507-5762-454.61-01	94.99	94.99
							94.99 *	94.99
22245	3796	ROUTE 66 BROADBAND LLC	001768		10/08/2024	101-1030-414.52-10	5.00	5.00

PREPARED 09/26/2024, 14:24:14
 PROGRAM: GM346L
 CITY OF NEEDLES
 BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22245	3796	ROUTE 66 BROADBAND LLC	001877		10/08/2024	101-5773-452.52-10	155.00	
			001878		10/08/2024	101-5774-452.52-10	165.00	
			001895		10/08/2024	101-2020-423.52-10	160.00	
			001896		10/08/2024	580-4750-473.52-10	200.00	
			001897		10/08/2024	503-4720-475.52-10	85.00	
			001898		10/08/2024	509-4910-479.52-12	320.00	
			001899		10/08/2024	575-5555-485.52-10	316.26	
							1,406.26	1,406.26
22246	4058	S-NET COMMUNICATIONS INC.	001727		10/08/2024	510-4410-405.52-10	1,691.45	1,691.45
22247	3437	SIGNS BY SUNDOWN	001723		10/08/2024	102-3010-431.71-22	200.00	
			001724		10/08/2024	208-3010-431.71-22	200.00	
			001725		10/08/2024	205-0000-333.02-00	200.00	
							600.00	600.00
22248	4001	SIMPLOT TURF & HORTICULTURE	PI0051	025047	10/08/2024	507-5761-453.61-07	33,025.38	33,025.38
22249	4121	SMART DOCUMENT SOLUTION	001714		10/08/2024	575-5555-485.31-90	213.28	213.28
22250	3959	SRIXON/CLEVELAND GOLF/XXI	001690		10/08/2024	507-5762-454.60-50	1,704.00	1,704.00
22251	481	STAPLES	001932		10/08/2024	239-4730-472.60-00	894.22	
			001941		10/08/2024	510-4410-405.61-01	221.68	
			001942		10/08/2024	510-4410-405.61-01	228.47	
							1,344.37	1,344.37
22252	3631	STOTZ EQUIPMENT	001633		10/08/2024	507-5761-453.43-04	3,251.86	3,251.86
22253	4172	SUPERB ENGINEERING, INC	PI0063	025023	10/08/2024	507-5761-453.72-07	36,365.11	36,365.11
22254	4172	SUPERB ENGINEERING, INC	PI0062	025023	10/08/2024	507-5761-453.72-07	74,278.05	74,278.05
22255	1649	SWRCB	001924		10/08/2024	502-4710-471.69-03	769.50	769.50
22256	1006	TAYLOR MADE	001694		10/08/2024	507-5762-454.44-10	487.56	487.56
22257	779	THATCHER COMPANY OF NEVAD	001758		10/08/2024	502-4710-471.60-32	2,531.16	2,531.16
22258	4008	THE PRINTER GUYS LLC	001719		10/08/2024	101-1040-417.61-02	104.25	104.25

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22258	4008	THE PRINTER GUYS LLC	001720	025007	10/08/2024	101-1035-416.61-02	104.25	
			001721	025008	10/08/2024	101-2025-424.61-02	104.25	
			001722	025031	10/08/2024	101-2030-423.61-02	104.25	
			001917	025031	10/08/2024	101-1020-413.61-02	426.00	
							843.00 *	843.00
22259	3950	TKE ENGINEERING INC	PI0052	025007	10/08/2024	238-5772-452.31-16	14,276.26	
			PI0053	025008	10/08/2024	582-4710-471.71-08	3,470.00	
			PI0054	025031	10/08/2024	650-4720-475.69-82	3,618.72	
			PI0055	025031	10/08/2024	650-4720-475.69-87	193.54	
			PI0056	025031	10/08/2024	650-4720-475.69-88	1,779.25	
			PI0057	025031	10/08/2024	650-4720-475.69-89	3,430.14	
			PI0058	025031	10/08/2024	651-4720-475.69-82	297.31	
			PI0059	025031	10/08/2024	651-4720-475.69-87	264.09	
			PI0060	025031	10/08/2024	651-4720-475.69-88	38.30	
			PI0061	025048	10/08/2024	101-1040-417.31-16	75.00	
			001695		10/08/2024	101-0000-204.03-01	1,255.00	
			001696		10/08/2024	101-0000-204.03-01	140.00	
			001697		10/08/2024	101-5770-452.31-90	430.00	
			001698		10/08/2024	101-0000-204.03-01	140.00	
			001699		10/08/2024	101-0000-204.03-01	70.00	
			001700		10/08/2024	101-0000-204.03-01	70.00	
			001701		10/08/2024	101-0000-204.03-01	70.00	
			001702		10/08/2024	101-0000-204.03-01	507.50	
			001918		10/08/2024	270-4631-463.31-90	92.50	
			001919		10/08/2024	270-4631-463.31-90	277.50	
			PI0071	025011	10/08/2024	102-5772-452.72-18	8,218.29	
			PI0072	025051	10/08/2024	580-4750-473.31-16	880.00	
							39,663.40 *	39,663.40
22260	1	TONI MCDONALD	001913		10/08/2024	580-4750-473.54-62	1,000.00	
							1,000.00 *	1,000.00
22261	3917	TOUCHSTONE GOLF LLC	001938		10/08/2024	507-5762-454.61-01	928.70	
			001939		10/08/2024	507-5761-453.31-90	748.59	
			001940		10/08/2024	507-5762-454.31-90	403.08	
			PI0073	025002	10/08/2024	507-5762-454.31-89	5,000.00	
							7,080.37 *	7,080.37
22262	3266	TRI STATE TOOL REPAIR	001726		10/08/2024	101-3010-431.43-04	102.95	
							102.95 *	102.95
22263	772	TRI-STATE ACE HARDWARE	001756		10/08/2024	102-3010-431.71-22	205.48	
			001757		10/08/2024	102-3010-431.71-22	85.54	
							291.02 *	291.02
22264	2798	U.S. DEPARTMENT OF ENERGY	001635		10/08/2024	580-4750-473.63-10	17,876.92	
			001728		10/08/2024	580-4750-473.63-10	10,434.21	
			001729		10/08/2024	580-4750-473.63-10	6,798.59	
							35,109.72 *	35,109.72

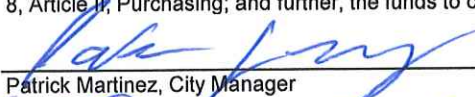
CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22265	3830	UNIFIRST CORPORATION	001634		10/08/2024	575-5555-485.61-04	16.60	
			001636		10/08/2024	507-5762-454.43-08	26.25	
			001690		10/08/2024	580-4750-473.61-04	184.90	
			001690		10/08/2024	502-4710-471.61-04	41.57	
			001690		10/08/2024	508-4810-478.61-04	10.84	
			001715		10/08/2024	575-5555-485.61-04	16.60	
			001716		10/08/2024	503-4720-475.61-04	27.26	
			001730		10/08/2024	101-5772-452.61-04	160.61	
			001731		10/08/2024	101-5772-452.61-04	24.30	
			001880		10/08/2024	508-4810-478.61-04	10.84	
			001902		10/08/2024	101-5774-452.61-06	11.04	
			001903		10/08/2024	101-5774-452.61-06	11.04	
			001920		10/08/2024	502-4710-471.61-04	41.57	
			001921		10/08/2024	503-4720-475.61-04	27.26	
			001922		10/08/2024	580-4750-473.61-04	184.90	
			001935		10/08/2024	507-5762-454.43-08	26.25	
							821.83	821.83
22266	761	USABLUEBOOK	001770		10/08/2024	503-4720-475.59-75	237.59	
							237.59	237.59
22267	326	WESTERN ALARM SERVICE INC	001879		10/08/2024	101-5773-452.43-40	60.00	
							60.00	60.00
22268	4193	WESTERN ARIZONA HUMANE SO	001637		10/08/2024	101-2020-423.31-91	488.00	
			001717		10/08/2024	101-2020-423.31-91	997.00	
							1,485.00	1,485.00
22269	3528	WESTERN ENVIRONMENTAL TES	001639		10/08/2024	503-4720-475.59-75	322.00	
			001640		10/08/2024	503-4720-475.59-75	322.00	
			001690		10/08/2024	502-4710-471.59-75	72.00	
			001769		10/08/2024	503-4720-475.59-75	659.00	
			001923		10/08/2024	502-4710-471.59-75	605.00	
							1,980.00	1,980.00
22270	3573	WREGIS	001638		10/08/2024	580-4750-473.63-08	120.00	
							120.00	120.00
22271	1023	XEROX	001887		10/08/2024	101-5774-452.74-20	99.18	
							99.18	99.18
22272	3842	XIO, INC.	PI0064	025049	10/08/2024	502-4710-471.31-90	5,837.00	
							5,837.00	5,837.00
22273	4170	ZEREK PHILLIPS	001622		10/08/2024	101-3010-431.55-00	112.00	
							112.00	112.00
22274	3828	3D-NETWORKS LLC	001690		10/08/2024	509-4910-479.31-53	525.00	
			001690		10/08/2024	509-4910-479.31-90	2,512.50	
			001900		10/08/2024	509-4910-479.31-90	1,775.00	


CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22274	3828	3D-NETWORKS LLC	001901		10/08/2024	509-4910-479.31-53	550.00	5,362.50
							5,362.50 *	5,362.50
						BANK/CHECK TOTAL	530,498.77	530,498.77
						ALL BANKS/CHECKS TOTAL	530,498.77	530,498.77

**CITY OF NEEDLES CITY COUNCIL
WARRANT SUMMARY TOTALS FOR SEPTEMBER 20, 2024**

		9/20/2024	FUND AMT.	20-Sep	24-25
FUND 101	GENERAL FUND	\$ 19,655.94			
101.1015.412	CITY ATTORNEY	\$ -		\$ 11,600.00	\$ 90,000.00
101.1020.413	CITY MANAGER	\$ 1,692.36		\$ 24,410.67	\$ 230,155.00
101.1025.415	FINANCE DEPT.	\$ 5,969.35		\$ 89,189.01	\$ 12,215,772.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	\$ 2,649.97		\$ 35,288.55	\$ 357,148.00
101.1035.416	PLANNING /ZONING	\$ -		\$ 16,002.70	\$ 326,356.00
101.1040.417	ENGINEERING	\$ 1,977.93		\$ 41,390.97	\$ 412,663.00
101.1060.410	COMMUNITY PROMOTIONS	\$ -		\$ 8,000.00	\$ 103,690.00
101.1070.410	SENIOR CENTER	\$ 769.76		\$ 16,267.25	\$ 80,551.00
101.2010.421	SHERIFF	\$ -		\$ 905,508.12	\$ 3,862,539.00
101.2020.423	ANIMAL SHELTER/CONTROL	\$ 50.00		\$ 52,152.62	\$ 283,098.00
101.2025.424	BULDING & SAFETY	\$ 1,388.03		\$ 47,342.51	\$ 407,500.00
101.2030.423	CODE ENFORCEMENT	\$ 5,736.28		\$ 98,796.68	\$ 806,258.00
101.3010.431	PUBLIC WORKS	\$ 4,970.61		\$ 105,869.17	\$ 744,745.00
101.4730.472	SANITATION	\$ 311.48		\$ 12,955.01	\$ 143,822.00
101.5770.452.	AQUATICS	\$ -		\$ 68,822.36	\$ 249,282.00
101.5772.452	PARKS	\$ 6,883.21		\$ 111,219.27	\$ 819,419.00
101.5773.452	JACK SMITH PARK MARINA	\$ 778.68		\$ 15,512.03	\$ 115,992.00
101.5774.452	RECREATION	\$ 3,491.08		\$ 62,946.59	\$ 422,094.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS		\$ 56,324.68		\$ 21,671,084.00
FUND 102	GEN. FUND CAPITAL PROJECT		\$ -	\$ 87.10	\$ 4,363,469.00
FUND 205	CDBG		\$ -		\$ 107,900.00
FUND 206	CEMETERY		\$ 2,746.43	\$ 58,661.90	\$ 235,866.00
FUND 208	CALTRANS GRANTS		\$ -		\$ 1,020,588.00
FUND 210	SPECIAL GAS TAX		\$ -		\$ 256,392.00
FUND 213	DEPT OF HOUSE. & COMM DEVL		\$ -		\$ 19,500.00
FUND 214	SANBAG NEW LOCAL MEAS I		\$ -		\$ 650,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL		\$ -	\$ 32,470.58	\$ 299,354.00
FUND 227	HAZARD MITIGATION		\$ -	\$ 4,280.00	\$ 100,000.00
FUND 233	JACK SMITH PARK MARINA		\$ -		\$ -
FUND 238	STATE RECREATION GRANTS		\$ -	\$ 26,735.80	\$ 1,285,000.00
FUND 239	CA.CONSERV RECYLING GRANT		\$ -		\$ 25,436.00
FUND 270	REDEVELOPMENT AGENCY		\$ -		\$ 20,000.00
FUND 470	RDA CAP PROJ.LOW & MOD.		\$ -		\$ 40,000.00
FUND 501	NPUA		\$ -		\$ 2,668,939.00
FUND 502	WATER DEPARTMENT		\$ 9,260.74	\$ 252,926.77	\$ 2,222,678.00
FUND 503	WASTEWATER DEPARTMENT		\$ 3,871.26	\$ 187,517.05	\$ 1,329,341.00
FUND 505	SANITATION		\$ -	\$ 122,161.33	\$ 1,563,015.00
FUND 506	ALL AMERICAN CANAL PROJ.		\$ 137.92	\$ 15,451.63	\$ 1,041,800.00
FUND 507	GOLF FUND	\$ -		\$ 3,451.33	
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	\$ -		\$ 241,711.21	\$ 1,376,182.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	\$ 1,065.02		\$ 30,772.79	\$ 426,928.00
FUND 507	GOLF FUND TOTAL		\$ 1,065.02		
FUND 508	CUST.SVC/UT BUSINESS OFFICE		\$ 13,765.79	\$ 68,169.29	\$ 477,260.00
FUND 509	MIS		\$ -	\$ 38,361.27	\$ 273,100.00
FUND 510	ADMIN. FACILITY		\$ -	\$ 37,542.10	\$ 254,550.00
FUND 511	FLEET MANAGEMENT		\$ 1,999.75	\$ 43,607.25	\$ 291,071.00
FUND 512	VEHICLE REPLACEMENT		\$ -	\$ 91,665.32	\$ 287,320.05
FUND 520	SR DIAL A RIDE		\$ -	\$ 15,148.66	\$ 450,779.00
FUND 521	DIAL-A-RIDE MEDICAL TRANS.		\$ -	\$ 3,695.43	\$ 50,948.00
FUND 525	NEEDLES AREA TRANSIT (NAT)		\$ -	\$ 91,401.75	\$ 477,395.00
FUND 575	HOUSING		\$ 7,343.50	\$ 215,633.47	\$ 1,311,630.00
FUND 580	ELECTRIC		\$ 19,293.56	\$ 1,571,725.50	\$ 12,502,385.00
FUND 581	NPUA CAPITAL ELECTRIC		\$ -		\$ 46,073.00
FUND 582	NPUA CAPITAL WATER		\$ -	\$ 344,800.58	\$ 8,084,536.00
FUND 583	NPUA CAPITAL WASTEWATER		\$ -		\$ 69,532.00
FUND 650	IMPACT FEES NORTH NEEDLES		\$ -		\$ 33,708.00
FUND 651	IMPACT FEES SOUTH AREAS		\$ -		\$ 45,912.00
TOTAL	ALL FUNDS & DEPARTMENTS		\$ 115,808.65	\$ 5,221,251.62	\$ 65,230,519.05

I certify that the expenditures/purchases to be paid by the warrants on this list have complied with the provisions of the City Code Chapter 8, Article II, Purchasing; and further, the funds to cover these purchases/expenditures, as City Audited, are included:

 10-7-24
 Patrick Martinez, City Manager Date

 10-1-24
 Virginia Tasker, City Treasurer Date

 9/26/24
 Finance Department Date

PROGRAM: GM348U
 CITY OF NEEDLES
 BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/TAKEN	RETAINAGE
22149	3709	00	ADRIAN CHAVEZ	09/20/2024	50.00		.00
22150	3688	00	ALBERT PONCE	09/20/2024	50.00		.00
22151	4084	00	ANTHONY GIERSCH	09/20/2024	50.00		.00
22152	3897	00	BENEBLOC, LLC	09/20/2024	299.22		.00
22153	3808	00	HATZ, BERNARD	09/20/2024	50.00		.00
22154	3870	00	BRYAN HICKSTEIN	09/20/2024	50.00		.00
22155	3275	00	CALIFORNIA STATE DISB.UNIT	09/20/2024	255.23		.00
22156	4126	00	CASE BRUFFETT	09/20/2024	50.00		.00
22157	3286	00	COLONIAL LIFE	09/20/2024	3,782.46		.00
22158	2931	00	DALE JONES	09/20/2024	50.00		.00
22159	4088	00	DYLAN HETRICK	09/20/2024	50.00		.00
22160	227	00	FRANCHISE TAX BOARD	09/20/2024	25.00		.00
22161	322	00	FRANK VALENZUELA JR.	09/20/2024	50.00		.00
22162	1305	00	GREAT WEST LIFE	09/20/2024	6,626.00		.00
22163	3634	00	GREAT - WEST LIFE & ANNUITY	09/20/2024	1,048.15		.00
22164	2879	00	JENNIFER VALENZUELA	09/20/2024	50.00		.00
22165	638	00	JESSE FRAGOSO	09/20/2024	50.00		.00
22166	325	00	JIM WILLIS	09/20/2024	50.00		.00
22167	2222	00	JUSTIN SCOTT	09/20/2024	50.00		.00
22168	4070	00	KATHY RAASCH	09/20/2024	50.00		.00
22169	3512	00	KIMBERLY KRASINSKI	09/20/2024	50.00		.00
22170	4140	00	LORENCE DELEON	09/20/2024	50.00		.00
22171	3889	00	MICHAEL WILLIS	09/20/2024	50.00		.00
22172	3767	00	PATRICK MARTINEZ	09/20/2024	50.00		.00
22173	3654	00	RAINIE TORRANCE	09/20/2024	50.00		.00
22174	3953	00	RONNY SOMMERS	09/20/2024	50.00		.00
22175	1199	00	SBPEA TEAMSTERS LOCAL 1932	09/20/2024	1,270.60		.00
22176	1199	00	SBPEA TEAMSTERS LOCAL 1932	09/20/2024	344.39		.00
22177	3242	00	SDRMA	09/20/2024	100,857.60		.00
22178	3851	00	SY FOLEY	09/20/2024	50.00		.00
22179	3622	00	TAYLOR MILLER	09/20/2024	50.00		.00
22180	2744	00	THOMAS DELEON	09/20/2024	50.00		.00
22181	2817	00	TONY RUBALCABA	09/20/2024	50.00		.00
22182	3695	00	VINCE GARZA	09/20/2024	50.00		.00
22183	4187	00	WILLIAM GUZMAN JR.	09/20/2024	50.00		.00

NUMBER OF CHECKS 35 GRAND TOTAL 115,808.65

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22149	3709	ADRIAN CHAVEZ	003584		09/20/2024	101-2030-423.52-10	50.00 *	50.00
22150	3688	ALBERT PONCE	003593		09/20/2024	502-4710-471.52-10	50.00 *	50.00
22151	4084	ANTHONY GEIRSCH	003611 003612		09/20/2024 09/20/2024	580-4750-473.52-10 502-4710-471.52-10	25.00 25.00 50.00 *	50.00
22152	3897	BENEBLOC LLC	001677 001677 001677		09/20/2024 09/20/2024 09/20/2024	101-0000-209.03-01 502-0000-209.03-01 580-0000-209.03-01	213.78 71.44 14.00 299.22 *	299.22
22153	3808	BERNARD J. HATZ	003613		09/20/2024	101-2030-423.52-10	50.00 *	50.00
22154	3870	BRYAN HICKSTEIN	003590		09/20/2024	502-4710-471.52-10	50.00 *	50.00
22155	3275	CALIFORNIA STATE DISB.UNI	001677		09/20/2024	575-0000-209.03-01	255.23 255.23 *	255.23
22156	4126	CASE BRUFFETT	003594		09/20/2024	575-5555-485.52-10	50.00 *	50.00
22157	3286	COLONIAL LIFE	001677 001677 001677 001677 001677		09/20/2024 09/20/2024 09/20/2024 09/20/2024 09/20/2024	101-0000-209.03-01 502-0000-209.03-01 503-0000-209.03-01 508-0000-209.03-01 580-0000-209.03-01 511-0000-209.03-01	2,715.24 87.28 256.32 259.86 395.48 68.28 3,782.46 *	3,782.46
22158	2931	DALE JONES	003599		09/20/2024	101-1030-414.52-10	50.00 *	50.00
22159	4088	DYLAN HETRICK	003614		09/20/2024	580-4750-473.52-10	50.00 *	50.00
22160	227	FRANCHISE TAX BOARD	001677		09/20/2024	575-0000-209.03-01	25.00 *	25.00
22161	322	FRANK VALENZUELA JR.	003597		09/20/2024	502-4710-471.52-10	50.00 *	50.00
22162	1305	GREAT WEST LIFE & ANNUITY	001680 001680 001680		09/20/2024 09/20/2024 09/20/2024	101-0000-209.03-01 502-0000-209.03-01 580-0000-209.03-01	3,942.00 435.00 2,249.00	3,942.00 435.00 2,249.00

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22162	1305	GREAT WEST LIFE & ANNUITY					6,626.00 *	6,626.00
22163	3634	GREAT-WEST LIFE & ANNUITY	001679		09/20/2024	101-0000-209.03-01	44.27	
			001680		09/20/2024	101-0000-209.03-01	213.04	
			001680		09/20/2024	101-0000-209.03-01	161.01	
			001680		09/20/2024	101-0000-209.03-01	97.57	
			001680		09/20/2024	101-0000-209.03-01	15.27	
			001680		09/20/2024	502-0000-209.03-01	94.89	
			001680		09/20/2024	502-0000-209.03-01	59.39	
			001680		09/20/2024	580-0000-209.03-01	174.52	
			001680		09/20/2024	580-0000-209.03-01	60.36	
			001680		09/20/2024	580-0000-209.03-01	127.83	
			001680		09/20/2024	580-0000-209.03-01	1,048.15 *	1,048.15
22164	2879	JENNIFER VALENZUELA	003595		09/20/2024	101-5774-452.52-10	50.00 *	50.00
22165	638	JESSE FRAGOSO	003588		09/20/2024	101-3010-431.52-10	50.00 *	50.00
22166	325	JIM WILLIS	003598		09/20/2024	580-4750-473.52-10	50.00 *	50.00
22167	2222	JUSTIN SCOTT	003592		09/20/2024	580-4750-473.52-10	50.00 *	50.00
22168	4070	KATHY RAASCH	003609		09/20/2024	101-1040-417.52-10	50.00 *	50.00
22169	3512	KIMBERLY KRASINSKI	003610		09/20/2024	508-4810-478.52-10	50.00 *	50.00
22170	4140	LORENCE DELEON	003615		09/20/2024	575-5555-485.52-10	50.00 *	50.00
22171	3889	MICHAEL WILLIS	003601		09/20/2024	580-4750-473.52-10	50.00 *	50.00
22172	3767	PATRICK MARTINEZ	003602		09/20/2024	580-4750-473.52-10	16.50	
			003603		09/20/2024	101-1020-413.52-10	20.00	
			003604		09/20/2024	502-4710-471.52-10	9.50	
			003605		09/20/2024	503-4720-475.52-10	4.00 *	50.00
22173	3654	RAINIE TORRANCE	003606		09/20/2024	502-4710-471.52-10	16.67	
			003607		09/20/2024	503-4720-475.52-10	16.66	
			003608		09/20/2024	580-4750-473.52-10	16.67	
22174	3953	RONNY SOMMERS	003596		09/20/2024	502-4710-471.52-10	50.00 *	50.00

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22174	3953	RONNY SOMMERS					50.00 *	50.00
22175	1199	SBPEA TEAMSTERS LOCAL 193	001681		09/20/2024	101-0000-209.03-01	634.69	
			001681		09/20/2024	502-0000-209.03-01	171.16	
			001681		09/20/2024	503-0000-209.03-01	35.96	
			001681		09/20/2024	508-0000-209.03-01	73.13	
			001681		09/20/2024	511-0000-209.03-01	38.95	
			001681		09/20/2024	580-0000-209.03-01	263.70	
			001681		09/20/2024	575-0000-209.03-01	53.01	
							1,270.60 *	1,270.60
22176	1199	SBPEA TEAMSTERS LOCAL 193	001680		09/20/2024	101-0000-209.03-01	182.15	
			001680		09/20/2024	502-0000-209.03-01	54.08	
			001680		09/20/2024	575-0000-209.03-01	40.16	
			001680		09/20/2024	580-0000-209.03-01	68.00	
							344.39 *	344.39
22177	3242	SPECIAL DISTRICT RISK	001660		09/20/2024	101-1020-413.24-10	1,672.36	
			001661		09/20/2024	101-1025-415.24-10	5,969.35	
			001662		09/20/2024	101-1030-414.24-10	2,599.97	
			001663		09/20/2024	101-1040-417.24-10	1,927.93	
			001664		09/20/2024	101-1070-410.24-10	769.76	
			001665		09/20/2024	101-2025-424.24-10	1,338.03	
			001666		09/20/2024	101-2030-423.24-10	5,636.28	
			001667		09/20/2024	101-3010-431.24-10	4,920.61	
			001668		09/20/2024	101-4730-472.24-10	311.48	
			001669		09/20/2024	101-5772-452.24-10	6,883.21	
			001670		09/20/2024	101-5773-452.24-10	778.68	
			001671		09/20/2024	101-5774-452.24-10	3,441.08	
			001672		09/20/2024	101-0000-209.03-01	11,436.92	
			001673		09/20/2024	205-5771-452.24-10	2,019.09	
			001674		09/20/2024	206-0000-209.03-01	727.34	
			001675		09/20/2024	502-4710-471.24-10	6,174.49	
			001676		09/20/2024	502-0000-209.03-01	1,811.84	
			001677		09/20/2024	503-4720-475.24-10	2,700.70	
			001677		09/20/2024	503-0000-209.03-01	807.62	
			001677		09/20/2024	506-4713-477.24-10	101.98	
			001677		09/20/2024	506-0000-209.03-01	35.94	
			001677		09/20/2024	507-5762-454.24-10	1,065.02	
			001677		09/20/2024	508-4810-478.24-10	11,754.90	
			001677		09/20/2024	508-0000-209.03-01	1,627.90	
			001677		09/20/2024	511-3020-432.24-10	1,381.60	
			001677		09/20/2024	511-0000-209.03-01	510.92	
			001677		09/20/2024	575-5555-485.24-10	3,188.71	
			001677		09/20/2024	575-5555-485.24-15	1,919.01	
			001677		09/20/2024	575-0000-209.03-01	1,762.38	
			001677		09/20/2024	580-4750-473.24-10	10,960.66	
			001677		09/20/2024	580-0000-209.03-01	4,621.84	
							100,857.60 *	100,857.60

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22178	3851	SY FOLEY	003587		09/20/2024	503-4720-475.52-10	50.00 *	50.00
22179	3622	TAYLOR MILLER	003591		09/20/2024	502-4710-471.52-10	50.00 *	50.00
22180	2744	THOMAS DELEON	003586		09/20/2024	580-4750-473.52-10	50.00 *	50.00
22181	2817	TONY RUBALCABA	003600		09/20/2024	101-2020-423.52-10	50.00 *	50.00
22182	3695	VINCE GARZA	003589		09/20/2024	580-4750-473.52-10	50.00 *	50.00
22183	4187	WILLIAM GUZMAN JR.	007760		09/20/2024	101-2025-424.52-10	50.00 *	50.00

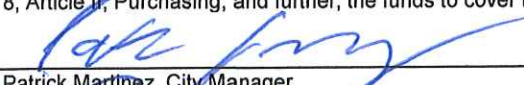
BANK/CHECK TOTAL 115,808.65


ALL BANKS/CHECKS TOTAL 115,808.65

**CITY OF NEEDLES CITY COUNCIL
WARRANT SUMMARY TOTALS FOR SEPTEMBER 24, 2024**

		9/24/2024	FUND AMT.	24-Sep	24-25
FUND 101	GENERAL FUND	\$ 415.91			
101.1015.412	CITY ATTORNEY	\$ -		\$ 11,600.00	\$ 90,000.00
101.1020.413	CITY MANAGER	\$ 12.50		\$ 27,391.48	\$ 230,155.00
101.1025.415	FINANCE DEPT.	\$ -		\$ 92,156.71	\$ 12,215,772.00
101.1030.414	CITY CLERK/COUNCIL/MAYOR	\$ 100.00		\$ 36,258.09	\$ 357,148.00
101.1035.416	PLANNING /ZONING	\$ 631.18		\$ 17,169.50	\$ 326,356.00
101.1040.417	ENGINEERING	\$ -		\$ 42,789.20	\$ 412,663.00
101.1060.410	COMMUNITY PROMOTIONS	\$ -		\$ 8,000.00	\$ 103,690.00
101.1070.410	SENIOR CENTER	\$ 909.84		\$ 18,747.45	\$ 80,551.00
101.2010.421	SHERIFF	\$ -		\$ 905,508.12	\$ 3,862,539.00
101.2020.423	ANIMAL SHELTER/CONTROL	\$ 117.15		\$ 54,177.95	\$ 283,098.00
101.2025.424	BULDING & SAFETY	\$ -		\$ 48,318.54	\$ 407,500.00
101.2030.423	CODE ENFORCEMENT	\$ -		\$ 100,090.41	\$ 806,258.00
101.3010.431	PUBLIC WORKS	\$ 175.51		\$ 107,264.17	\$ 744,745.00
101.4730.472	SANITATION	\$ -		\$ 13,144.45	\$ 143,822.00
101.5770.452.	AQUATICS	\$ -		\$ 69,508.39	\$ 249,282.00
101.5772.452	PARKS	\$ 46.42		\$ 113,687.09	\$ 819,419.00
101.5773.452	JACK SMITH PARK MARINA	\$ -		\$ 15,662.29	\$ 115,992.00
101.5774.452	RECREATION	\$ 825.93		\$ 64,959.11	\$ 422,094.00
GENERAL FUND	TOTAL ALL GF DEPARTMENTS		\$ 3,234.44		\$ 21,671,084.00
FUND 102	GEN. FUND CAPITAL PROJECT		\$ -	\$ 287.10	\$ 4,363,469.00
FUND 205	CDBG		\$ -		\$ 107,900.00
FUND 206	CEMETERY		\$ -	\$ 66,656.19	\$ 235,866.00
FUND 208	CALTRANS GRANTS		\$ -	\$ 200.00	\$ 1,020,588.00
FUND 210	SPECIAL GAS TAX		\$ -		\$ 256,392.00
FUND 213	DEPT OF HOUSE. & COMM DEVL		\$ -		\$ 19,500.00
FUND 214	SANBAG NEW LOCAL MEAS I		\$ -		\$ 650,000.00
FUND 225	COPS-AB 3229 SUPPLEMENTAL		\$ -	\$ 32,470.58	\$ 299,354.00
FUND 227	HAZARD MITIGATION		\$ -	\$ 4,280.00	\$ 100,000.00
FUND 233	JACK SMITH PARK MARINA		\$ -		\$ -
FUND 238	STATE RECREATION GRANTS		\$ -	\$ 41,012.06	\$ 1,285,000.00
FUND 239	CA.CONSERV RECYLING GRANT		\$ -		\$ 25,436.00
FUND 270	REDEVELOPMENT AGENCY		\$ -		\$ 20,000.00
FUND 470	RDA CAP PROJ.LOW & MOD.		\$ -		\$ 40,000.00
FUND 501	NPUA		\$ -	\$ -	\$ 2,668,939.00
FUND 502	WATER DEPARTMENT		\$ 570.69	\$ 258,019.95	\$ 2,222,678.00
FUND 503	WASTEWATER DEPARTMENT		\$ 827.98	\$ 189,642.54	\$ 1,329,341.00
FUND 505	SANITATION		\$ -	\$ 122,161.33	\$ 1,563,015.00
FUND 506	ALL AMERICAN CANAL PROJ.		\$ 19.99	\$ 15,979.22	\$ 1,041,800.00
FUND 507	GOLF FUND	\$ -		\$ 3,451.33	
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	\$ 136.24		\$ 353,782.64	\$ 1,376,182.00
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	\$ -		\$ 33,073.71	\$ 426,928.00
FUND 507	GOLF FUND TOTAL		\$ 136.24		
FUND 508	CUST.SVC/UT BUSINESS OFFICE		\$ -	\$ 69,937.52	\$ 477,260.00
FUND 509	MIS		\$ -	\$ 41,398.77	\$ 273,100.00
FUND 510	ADMIN. FACILITY		\$ 1,395.69	\$ 46,415.84	\$ 254,550.00
FUND 511	FLEET MANAGEMENT		\$ 56.56	\$ 44,426.65	\$ 291,071.00
FUND 512	VEHICLE REPLACEMENT		\$ -	\$ 91,665.32	\$ 287,320.05
FUND 520	SR DIAL A RIDE		\$ -	\$ 15,148.66	\$ 450,779.00
FUND 521	DIAL-A-RIDE MEDICAL TRANS.		\$ -	\$ 3,695.43	\$ 50,948.00
FUND 525	NEEDLES AREA TRANSIT (NAT)		\$ -	\$ 91,401.75	\$ 477,395.00
FUND 575	HOUSING		\$ 4,449.88	\$ 230,914.20	\$ 1,311,630.00
FUND 580	ELECTRIC		\$ 2,023.95	\$ 1,598,048.98	\$ 12,502,385.00
FUND 581	NPUA CAPITAL ELECTRIC		\$ -		\$ 46,073.00
FUND 582	NPUA CAPITAL WATER		\$ -	\$ 348,270.58	\$ 8,084,536.00
FUND 583	NPUA CAPITAL WASTEWATER		\$ -		\$ 69,532.00
FUND 650	IMPACT FEES NORTH NEEDLES		\$ -	\$ 9,021.65	\$ 33,708.00
FUND 651	IMPACT FEES SOUTH AREAS		\$ -	\$ 599.70	\$ 45,912.00
TOTAL	ALL FUNDS & DEPARTMENTS		\$ 12,715.42		\$ 65,230,519.05

I certify that the expenditures/purchases to be paid by the warrants on this list have complied with the provisions of the City Code Chapter 8, Article II, Purchasing; and further, the funds to cover these purchases/expenditures, as City Audited, are included

 10-7-24
 Patrick Martinez, City Manager Date

 10-1-24
 Virginia Tasker, City Treasurer Date

 9/26/24
 Finance Department Date

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/TAKEN	RETAINAGE
22184	1296	00	FRONTIER	09/24/2024	3,258.04		.00
22185	4203	00	GLASS DOCTOR	09/24/2024	209.84		.00
22186	4133	00	WELLS FARGO (ACCT # 1013)	09/24/2024	270.86		.00
22187	4130	00	WELLS FARGO (ACCT # 1203)	09/24/2024	1,241.84		.00
22188	4127	00	WELLS FARGO (ACCT # 1732)	09/24/2024	651.17		.00
22189	4129	00	WELLS FARGO (ACCT # 2756)	09/24/2024	807.63		.00
22190	4149	00	WELLS FARGO (ACCT # 3439)	09/24/2024	1,514.21		.00
22191	4134	00	WELLS FARGO (ACCT # 5148)	09/24/2024	50.00		.00
22192	4128	00	WELLS FARGO (ACCT # 5585)	09/24/2024	1,447.27		.00
22193	4132	00	WELLS FARGO (ACCT # 5775)	09/24/2024	211.74		.00
22194	4131	00	WELLS FARGO (ACCT # 6047)	09/24/2024	117.15		.00
22195	4116	00	WELLS FARGO (ACCT# 0806)	09/24/2024	2,346.44		.00
22196	4115	00	WELLS FARGO (ACCT# 3866)	09/24/2024	589.23		.00

NUMBER OF CHECKS 13 GRAND TOTAL 12,715.42

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22184	1296	FRONTIER	001861		09/24/2024	502-4710-471.52-10	346.45	
			001862		09/24/2024	503-4720-475.52-10	435.08	
			001863		09/24/2024	503-4720-475.52-10	380.40	
			001864		09/24/2024	507-5761-453.52-10	136.24	
			001865		09/24/2024	510-4410-405.52-10	112.69	
			001866		09/24/2024	510-4410-405.52-10	242.87	
			001867		09/24/2024	510-4410-405.52-10	323.00	
			001868		09/24/2024	510-4410-405.52-10	717.13	
			001869		09/24/2024	580-4750-473.52-10	398.98	
			001870		09/24/2024	580-4750-473.52-10	165.20	
							3,258.04 *	3,258.04
22185	4203	GLASS DOCTOR	001658		09/24/2024	101-1070-410.43-01	209.84	
							209.84 *	209.84
22186	4133	WELLS FARGO (ACCT # 1013)	001854		09/24/2024	101-3010-431.59-55	12.38	
			001854		09/24/2024	511-3020-432.43-57	176.68-	
			001854		09/24/2024	101-5772-452.61-06	38.79	
			001854		09/24/2024	101-3010-431.43-57	163.13	
			001854		09/24/2024	511-3020-432.43-29	233.24	
							270.86 *	270.86
22187	4130	WELLS FARGO (ACCT # 1203)	001856		09/24/2024	101-0000-204.10-00	415.91	
			001857		09/24/2024	101-5774-452.60-24	440.34	
			001858		09/24/2024	101-5774-452.61-06	335.58	
			001859		09/24/2024	101-5774-452.62-00	50.01	
							1,241.84 *	1,241.84
22188	4127	WELLS FARGO (ACCT # 1732)	001851		09/24/2024	101-1035-416.31-40	270.00	
			001851		09/24/2024	101-1035-416.56-00	150.00	
			001851		09/24/2024	101-1035-416.61-03	211.18	
			001851		09/24/2024	506-4713-477.61-01	19.99	
							651.17 *	651.17
22189	4129	WELLS FARGO (ACCT # 2756)	001818		09/24/2024	101-1030-414.55-00	100.00	
			001819		09/24/2024	101-1070-410.43-01	700.00	
			001821		09/24/2024	101-5772-452.52-10	7.63	
							807.63 *	807.63
22190	4149	WELLS FARGO (ACCT # 3439)	001833		09/24/2024	575-5555-485.43-03	150.53	
			001834		09/24/2024	575-5555-485.31-90	19.99	
			001835		09/24/2024	575-5555-485.43-02	868.69	
			001836		09/24/2024	575-5555-485.31-40	475.00	
							1,514.21 *	1,514.21
22191	4134	WELLS FARGO (ACCT # 5148)	001847		09/24/2024	101-1020-413.31-40	12.50	
			001848		09/24/2024	502-4710-471.31-40	12.50	
			001849		09/24/2024	503-4720-475.31-40	12.50	
			001850		09/24/2024	580-4750-473.31-40	12.50	
							50.00 *	50.00

CHECK NO	VENDOR NO	VENDOR NAME	ACCT #	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
22192	4128	WELLS FARGO	(ACCT # 5585)	001827		09/24/2024	580-4750-473.43-13	516.02	
				001828		09/24/2024	580-4750-473.61-21	472.38	
				001829		09/24/2024	580-4750-473.43-57	165.92	
				001830		09/24/2024	580-4750-473.60-28	166.95	
				001831		09/24/2024	580-4750-473.31-90	126.00	
								1,447.27 *	1,447.27
22193	4132	WELLS FARGO	(ACCT # 5775)	001851		09/24/2024	502-4710-471.31-90	19.99	
				001851		09/24/2024	502-4710-471.31-40	51.38	
				001851		09/24/2024	502-4710-471.43-03	42.60	
				001851		09/24/2024	502-4710-471.62-00	84.00	
				001851		09/24/2024	502-4710-471.69-22	13.77	
								211.74 *	211.74
22194	4131	WELLS FARGO	(ACCT # 6047)	001851		09/24/2024	101-2020-423.61-21	85.07	
				001851		09/24/2024	101-2020-423.61-36	32.08	
								117.15 *	117.15
22195	4116	WELLS FARGO	(ACCT# 0806)	001871		09/24/2024	575-5555-485.43-02	2,202.60	
				001872		09/24/2024	575-5555-485.62-00	30.80	
				001873		09/24/2024	575-5555-485.41-30	42.55	
				001874		09/24/2024	575-5555-485.61-01	70.49	
								2,346.44 *	2,346.44
22196	4115	WELLS FARGO	(ACCT# 3866)	001843		09/24/2024	575-5555-485.56-00	28.05	
				001844		09/24/2024	575-5555-485.61-29	17.18	
				001845		09/24/2024	575-5555-485.43-02	524.01	
				001846		09/24/2024	575-5555-485.31-90	19.99	
								589.23 *	589.23
BANK/CHECK TOTAL								12,715.42	12,715.42
ALL BANKS/CHECKS TOTAL								12,715.42	12,715.42



MINUTES

REGULAR MEETING OF THE CITY COUNCIL
NEEDLES PUBLIC UTILITY AUTHORITY
HOUSING AUTHORITY CITY OF NEEDLES
CITY OF NEEDLES, CALIFORNIA

EL GARCES – 950 FRONT STREET, NEEDLES

THE 5:00 P.M. PORTION OF THE CITY COUNCIL MEETING WAS RECESSED BY
THE CITY CLERK TO 6:00 P.M.

TUESDAY, SEPTEMBER 10, 2024
COUNCIL EXECUTIVE SESSION – NONE
CITY COUNCIL MEETING – 6:00 PM

CALL TO ORDER - Mayor Jernigan called the meeting to order at 6:00 pm

ROLL CALL

PRESENT

Council Member Ellen Campbell
Council Member Jamie McCorkle
Vice Mayor Kirsten Merritt
Mayor Janet Jernigan
Council Member JoAnne Pogue
Council Member Tona Belt
Council Member Henry Longbrake

Also present City Manager Patrick Martinez, Utility Manager Rainie Torrance, City Attorney John Pinkney via teams, and Assistant City Clerk Candace Clark

PLEDGE OF ALLEGIANCE - Led by Mayor Jernigan

INVOCATION - Given by Council Member Campbell

APPROVAL OF AGENDA

Council Member Campbell made a motion, second by Council Member Pogue, to approve the agenda. Motion carried by the following roll call vote:

Ayes: Council Members Campbell, McCorkle, Vice Mayor Merritt, Council Members Pogue, Belt, and Longbrake
Noes: None
Absent: None
Abstain: None

CONFLICT OF INTEREST - None

CORRESPONDENCE - None

INTRODUCTIONS - Mayor Jernigan acknowledged former Council Members Tim Terral, Zachery Longacre, and Robert Yee in attendance.

CITY ATTORNEY – Parliamentary Procedures given by City Attorney Pinkney.

PUBLIC APPEARANCE

Robert Yee announced the upcoming 10-10 Celebration to take place on October 10, at 10am, at the City County Complex by the flagpole.

David Cairns asked about installing a speed bump on Casa Linda, citing excessive speeding.

Nancy Greenwood expressed concern over the delinquent 501 status of a local business.

PRESENTATIONS

1. Presentation by Erin Fox, Disaster Program Manager for American Red Cross San Bernardino Chapter - **rescheduled to October 8 due to a fire emergency.**
2. Presentation given by Cheryl DeBatt, Vice President WestCare Arizona I, Inc., and Stephanie S. Bethards, Advocate AZ & NV, Housing Coordinator, Program Facilitor, West Care Arizona

PUBLIC COMMENTS PERTAINING TO THE COUNCIL ITEMS - None

PUBLIC HEARINGS

3. An Ordinance of the City Council of the City of Needles, California, Adopting the California Building Standards Code 2022 Edition; Rescinding Ordinance No. 635-AC adopting the CBSC 2019 Edition; Amending Municipal Code Article IV "Uniform Administrative Code" and Section 2-10 "Adopted by Reference Where Filed" and Amending Sections of Chapter 6 "Building Regulations."

City Manager Martinez gave staff report.

Minimal discussion ensued.

Mayor Jernigan opened the public hearing at 6:29 pm

No Public comment

Mayor Jernigan closed the public hearing at 6:29 pm

Council Member Campbell made a motion, second by Council Member McCorkle to adopt City Council Ordinance No. 667-AC Adopting the California Building Standards Code 2022 Edition; Rescinding Ordinance No. 635-AC adopting the California Building Stands Code 2019 Edition; Amending Municipal Code Article IV "Uniform Administrative Code" and Chapter 2 "Administration" Section 2-10 "Adopted by Reference Where Filed" and Amending Sections of Chapter 6 "Building Regulations."

Motion carried by the following roll call vote:

Ayes: Council Members Campbell, McCorkle, Vice Mayor Merritt, Council Members Pogue, Belt, and Longbrake

Noes: None

Absent: None

Abstain: None

4. Public hearing noticed to consider all evidence and testimony for or against adopting an Amended Appendix to the Conflict of Interest Code pursuant to the Political reform Act of 1974 **has been continued to October 8, 2024.**
5. Public Hearing noticed to consider all evidence and testimony for or against approval of City Council Resolution No. 2024-37 amending Resolution 2023-41 and adopting a new fee structure at the Rivers Edge Golf Course.

City Manager Martinez gave staff report.

Minimal discussion ensued.

Mayor Jernigan opened the public hearing at 6:36 pm

No Public comment

Mayor Jernigan closed the public hearing at 6:36 pm

Council Member Campbell made a motion, second by Vice Mayor Merritt to adopt City Council Resolution No. 2024-37 amending Resolution 2023-41 and adopting a new fee structure at the Rivers Edge Golf Course.

Motion carried by the following roll call vote:

Ayes: Council Members Campbell, McCorkle, Vice Mayor Merritt, Council Members Pogue, Belt, and Longbrake

Noes: None

Absent: None

Abstain: None

6. Public Hearing noticed to consider all evidence and testimony for or against approval of Resolution No. 2024-39 of the City Council of the City of Needles, California approving the Measure I Five Year Local Street Capital Improvement for Fiscal Years 2024/2025 - 2028/2029.

City Manager Martinez gave staff report.

There were no questions of staff

Mayor Jernigan opened the public hearing at 6:38 pm

No Public comment

Mayor Jernigan closed the public hearing at 6:38 pm

Council Member Pogue made a motion, second by Vice Mayor Merritt to adopt Resolution No. 2024-39 of the City Council of the City of Needles, California approving the Measure I Five Year Local Street Capital Improvement for Fiscal Years 2024/2025 - 2028/2029.

Motion carried by the following roll call vote:

Ayes: Council Members Campbell, McCorkle, Vice Mayor Merritt, Council Members Pogue, Belt, and Longbrake
Noes: None
Absent: None
Abstain: None

RECESSED THE CITY COUNCIL MEETING AND CONVENED A JOINT COUNCIL / NPUA MEETING by Mayor Jernigan at 6:40 pm

NPUA / COUNCIL CONSENT CALENDAR

Member/Vice Mayor Merritt made a motion, second by Member/Council Member Pogue to approve NPUA consent calendar items 7 through 8.

Motion carried by the following roll call vote:

Ayes: Members/Council Members Campbell, McCorkle, Member/Vice Mayor Merritt, Member/Mayor Jernigan, Members/Council Members Pogue, Belt, and Longbrake
Noes: None
Absent: None
Abstain: None

7. Authorized the purchase of a Digger Derrick Model TLL-300D electric bucket truck from LineWise at a cost not to exceed \$33,500 using Electric Asset Replacement Funds
8. Accepted the AB32 Greenhouse Gas (GHG) Emissions Verification Report 2023 Emissions prepared by WZI, Inc.

END OF NPUA CONSENT CALENDAR

REGULAR NPUA / COUNCIL ITEMS

9. Approve a 2.8.% cost-of-living (COLA) increase in water and wastewater basic service rates effective October 1, 2024.

Utility Manager Torrance gave staff report.

Minimal discussion ensued.

Member/Council Member Campbell made a motion, second by Member/Council Member McCorkle to approve a 2.8.% cost-of-living (COLA) increase in water and wastewater basic service rates effective October 1, 2024.

Motion carried by the following roll call vote:

Ayes: Members/Council Members Campbell, McCorkle, Member/Vice Mayor Merritt, Member/Mayor Jernigan, Members/Council Members Pogue, Belt, and Longbrake
Noes: None
Absent: None
Abstain: None

10. Approve a 2.8% cost-of-living (COLA) increase in electric basic service charge rate as of October 1, 2024; approve an over-hydro rate of \$0.1423 effective October 1, 2024; eliminate the \$.0100 Power Cost Adjustment and approve the methodology to calculate the annual electric base rate and the power cost adjustment rate based on the rate calculation spreadsheets

Utility Manager Torrance gave staff report.

Minimal discussion ensued.

Member/Council Member Campbell made a motion, second by Member/Council Member McCorkle to approve a 2.8% cost-of-living (COLA) increase in electric basic service charge rate as of October 1, 2024; approve an over-hydro rate of \$0.1423 effective October 1, 2024; eliminate the \$.0100 Power Cost Adjustment and approve the methodology to calculate the annual electric base rate and the power cost adjustment rate based on the rate calculation spreadsheets.

Motion carried by the following roll call vote:

Ayes: Members/Council Members Campbell, McCorkle, Member/Vice Mayor Merritt,
Member/Mayor Jernigan, Members/Council Members Pogue, Belt, and Longbrake
Noes: None
Absent: None
Abstain: None

ADJOURNED THE JOINT NPUA/COUNCIL MEETING AND RECONVENED THE COUNCIL MEETING by Mayor Jernigan at 6:53 pm

PUBLIC COMMENTS PERTAINING TO THE COUNCIL ITEMS - None

COUNCIL CONSENT CALENDAR

Council Member Campbell pulled Items 17 and 24 for clarification

City Manager Martinez gave staff report on both items.

Vice Mayor Merritt made a motion, second by Council Member Campbell to approve consent calendar items 11 through 25.

Motion carried by the following roll call vote:

Ayes: Council Members Campbell, McCorkle, Vice Mayor Merritt, Council Members
Pogue, Belt, and Longbrake
Noes: None
Absent: None
Abstain: None

11. Approved the Warrants Registers through September 10, 2024
12. Approved the Minutes of August 13, 2024
13. Adopted Resolution No. 2024-38 of the City Council of the City of Needles, California accepting the purchase offer from Columbus Drive, LLC for all rights and interest in the 8' wide Sewer Easement located along the south property line of Parcel A of Parcel Map 14798 and authorized the City Manager to execute a Purchase and Sale Agreement and escrow documents for said sale of easement to Columbus Drive LLC.
14. Ordinance 666-AC Speed Study - 2nd read adopted
15. Accepted the work completed by Three Peaks Corporation for the Duke Watkins Park Pump Track Project and authorized a NOTICE OF COMPLETION to record with the San Bernardino County Recorder's Office.
16. Authorized the annual seed purchase from Simplot Turf & Horticulture, Las Vegas, in the amount of \$33,025.37
17. Accepted Change Order No. 1 in the amount of \$15,814.72 for a total contract amount of \$727,302.17 for the work completed by Superb Engineering, Inc. for the Golf Course Irrigation and Efficiency Project, Phase 1 and authorized staff to execute said Change Order.

18. Approved a budget revision for the 2024-2025 fiscal year to increase fund 520 (Dial-a-Ride - Transit) State Transit Assistance - Capital revenues and Property-Capital / Vehicles expenditures by \$180,857 for the purchase of a new Dial-a-Ride transit vehicle
19. Approved filing of a revised claim for State Transit Assistance (STA) capital funds for the 2024-2025 fiscal year for the purchase of a new Dial-a-Ride transit vehicle
20. Adopted Resolution No. 2024-36 authorizing destruction of certain city records pursuant to Government Code Section 34090
21. Awarded bid to Phillips Excavating, Inc. for the Phase IV-B Water Service Lateral Replacement Project in the amount of \$388,293 plus 5% contingency for a total project cost of \$407,707.65 and authorized staff to execute a Public Works Agreement with Phillips Excavating, Inc. and move forward with the Notice of Award and Notice to Proceed.
22. Authorized the City Manager to execute a Facility Use Agreement with the American Red Cross for declared emergencies
23. Accepted 2025 Employee Benefits plan for Dental & Vision only
24. Adopted Resolution 2024-40 Approving a Lease Extension with Tri-State Alano Club for the Building at 801 Third Street Until September 10, 2025
25. Approved a Grant Agreement with "Data for Social Good" (DSG) acting on behalf of the California Air Resources Board (CARB) for a Statewide Planning and Capacity Building project in Needles to develop a comprehensive Active Transportation Plan (ATP) and authorized the City Manager to execute the agreement.

END OF COUNCIL CONSENT CALENDAR

CITY MANAGER REPORT given by City Manager Martinez

MANAGERS REPORTS of August 23 and August 30, 2024

COUNCIL REQUESTS

Council Member Campbell - Expressed concern over those affected by the wildfires in San Bernardino County; reminded staff about the need for walls along our freeway to prevent debris landing in neighborhoods and potentially causing another fire as it did in June; praised city residents for conserving water; acknowledged that the city does not charge higher utility rates for peak hours; informed staff that the trash can by the wagon is overflowing; reported on the success of the Women's Club lunch today and announced the next lunch on October 8 will be tacos; announced that the Women's Club is hosting a golf tournament in November.

Council Member McCorkle had no requests

Vice Mayor Merritt had no requests

Council Member Pogue asked about the DMV opening; reported that the sidewalk in front of the Women's Club is still a trip hazard.

Council Member Belt - announced the 911 National Day of Service CPR event for 8th graders; announced the upcoming State of the College at Palo Verde on Thursday, September 12, applauded the Pump Track being the only one in the area.

Council Member Longbrake - Announced the WestCare Recovery event at Rotary Park in Bullhead City on September 14 from 11am to 1pm; asked about the recently burned house and the owner bringing in more recycling items and not cleaning up the property.

Mayor Jernigan announced the 911 ceremony at the Elks Lodge

ADJOURNMENT - Mayor Jernigan adjourned the September 10, 2024 meeting at 7:13 pm

ATTEST: _____
 Mayor Janet Jernigan

 Assistant City Clerk Candace Clark, CPMC

ORDINANCE 667-AC

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEEDLES, ADOPTING THE CALIFORNIA BUILDING STANDARDS CODE 2022 EDITION, RESCINDING ORD 635-AC ADOPTING THE CBSC 2019 EDITION; AMENDING MUNICIPAL CODE ARTICLE IV "UNIFORM ADMINISTRATIVE CODE" AMENDING SECTION 2-10 "ADOPTED BY REFERENCE WHERE FILED" CHAPTER 2 ADMINISTRATION AND AMENDING SECTIONS OF CHAPTER 6 "BUILDING REGULATIONS"

SECTION 1. All ordinances and parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict, but no further.

SECTION 2. The State of California adopts a set of new construction codes every three years.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NEEDLES AS FOLLOWS:

WHEREAS: The City Council HEREBY FINDS AND DETERMINES that this Ordinance is not subject to the California Environmental Quality Act ("CEQA") as it will not result in a direct or reasonably foreseeable indirect physical change in the environment. (14C.C.R. § 15060 (c)(2).)

WHEREAS: The City Council HEREBY FINDS AND DETERMINES that it is in the interests of the health, safety, and general welfare of the City and its residents to amend Article IV and Section 2-10 and sections of Chapter 6 of the Needles Municipal Code as follows:

WHEREAS: The City Council HEREBY FINDS AND DETERMINES that it is in the interests of the health, safety, and general welfare of the City and its residents to approve rescinding Ordinance No. 635-AC and approve adopting the California Building Standard Code.

WHEREAS: the City Council of the City of Needles conducted and concluded a public hearing concerning the amendment as fully set forth below; and

WHEREAS: The action shall become final and effective thirty (30) days after this decision by the City Council as provided for by the Code.

WHEREAS: The City Clerk shall certify to the adoption of this Ordinance.

Sec. 2-10. California Building Standard Code

ARTICLE IV
California Building Standards Code, 2022 Edition

Sec 2-10 Adopted by reference where filed
California Building Standards Code

Sec. 2-10 California Building Standards Code

- 1) 2022 California Administrative Code
- 2) 2022 California Building Code
- 3) 2022 California Residential
- 4) 2022 California Electrical Code
- 5) 2022 California Mechanical Code
- 6) 2022 California Plumbing Code
- 7) 2022 California Energy Code
- 8) 2022 California Historical Building Code – No Referenced Model Code
- 9) California Fire Code (Adopted San Bernardino Fire Code)
- 10) 2022 California Existing Building Code
- 11) 2022 California Green Building Standards Code -No referenced Model Code
- 12) 2022 California Referenced Standard Code – No Referenced Model Code
- 13) 2021 IPMC Property Maintenance Code

Reference Model Code

2021 International Building Code (ICC)
2021 International Residential Code (ICC)
2020 National Electrical Code (NFPA)
2021 Uniform Mechanical Code (IAPMO)
2021 Uniform Plumbing Code (IAPMO)
2021 International Energy Conservation Code (IECC)
2021 International Fire Code
2021 International Existing Building Code (IEBC)

Of which not less than three copies have been filed for use and examination by the public in the office of the city clerk, is hereby adopted by reference, without publication in the manner provided by Needles City Charter Section 523.

CHAPTER 6. **AMENDED** - BUILDING REGULATIONS.¹

Sections

~~NOTE: Ordinance 635-AC see Chapter 2-10~~

~~California Building Standards Code~~
1) ~~2019 California Building Code~~
2) ~~2019 California Residential Code~~
3) ~~2019 California Plumbing Code~~
4) ~~2019 California Mechanical Code~~
5) ~~2019 California Electrical Code~~
6) ~~2019 California Energy Code~~
7) ~~2019 California Green Building Standards Code~~

~~Reference Model Code
2018 International Building Code (IGC)
2018 International Residential Code (IGC)
2018 Uniform Plumbing Code (IAPMO)
2018 Uniform Mechanical Code (IAPMO)
2017 National Electrical Code (NFPA)
2012 IMPC Property Maintenance Code~~

Sec. 6-2. Amendments, additions and deletions. The following amendments, additions and deletions are hereby made to the Building Code adopted by this article:

(9) Amending the following portion:

“Every permit issued under this article shall expire by limitation and become null and void if the work authorized by such permit is not commenced within **12 months** from the date of such permit, or if the work authorized by such permit is suspended or abandoned at any time after the work is commenced, for a period of **12 months**. However, the permittee may apply with the Building Inspector for an extension of the permit prior to its expiration. If the permit becomes expired, a new permit shall be obtained before work can be recommenced.”

Article II. Electrical Code.

Sec. 6-4. Adopted by reference; where filed. The National Electrical Code, Copyright **2022**, by the **California Building Standards Code and subsequent years**, of which not less than three copies have been filed for use and examination by the public in the office of the city clerk, is hereby adopted by reference, without publication in the manner provided by Needles City Charter Section 523

Article III. Plumbing Code.

Sec. 6-12. Adopted by reference. The Uniform Plumbing Code, **2022 Edition and subsequent editions and IAPMO** Installation standards, **Copyright 2022** by the International Association of Plumbing and Mechanical Officials, of which not less than three copies have been filed for use and examination by the public in the office of the city clerk, is hereby adopted by reference, without publication in the manner provided by Needles City Charter Section 523

Article V. Mechanical Code.

Sec. 6-17. Adopted by reference; where filed. The Uniform Mechanical Code, and appendix, Copyright **2022 and subsequent editions**, of the **California Building Standard Code and the International Conference of Building Officials and the International Association of Plumbing and Mechanical Officials**, of which not less than three copies have been filed for use and examination by the public in the office of the city clerk, is

hereby adopted by reference, without publication in the manner provided in Needles City Charter Section 523.

Article VI. Dangerous Buildings Code

Sec. 6-18. Adopted by reference; where filed. **2022 and subsequent editions of the International Property Maintenance Code of the Existing Building Code**, of which not less than three copies have been filed for use and examination by the public in the office of the city clerk, is hereby adopted by reference, without publication in the manner provided by Needles City Charter Section 523

Sec.6-19 Adopted by reference; where filed. **2022 and subsequent editions of the International Residential Code of the California Building Standards** of which not less than three copies have been filed for use and examination by the public in the office of the city clerk, is hereby adopted by reference, without publication in the manner provided by Needles City Charter Section 523

Article VIII. **California Building Code.**

Sec. 6-30. Adopted by reference; where filed. The Uniform Building Security Code, 1988 Edition, Copyright **2022 and subsequent editions by the California Building Standards Code** , of which not less than three copies have been filed for use and examination by the public in the office of the city clerk, is hereby adopted by reference, without publication in the manner provided by Needles City Charter Section 523.

INTRODUCED AND READ for the first time and ordered posted at a regular meeting of the City Council of the City of Needles, California, held on the 10th day of September 2024, by the following roll call vote:

AYES: Council Members Campbell, McCorkle, Merritt, Pogue, Belt, and Longbrake
NOES None
ABSENT None
ABSTAIN None


Mayor Jan Jernigan

Attest: Candace Clark for Dale Jones
City Clerk, Dale Jones. CMC

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Needles, California, held on the 8th day of October 2024.

AYES:
NOES:
ABSENT:
ABSTAIN:

Mayor Jan Jernigan

(Seal)

Attest: _____
City Clerk

Approved as to form:

City Attorney John Pinkney



City of Needles, California Request for City Council Action

CITY COUNCIL NPUA

Regular Special

Meeting Date: October 8, 2024

Title: Removal of Parks and Recreation Commissioner due to excessive unexcused absences.

Background: The City of Needles Charter, Section 905 states “if a member of a board or commission shall absent himself from three regular meetings of such board or commission, consecutively, unless by permission of such board or commission expressed in its official minutes, ... his office shall become vacant and shall be so declared by the council.”

Parks and Recreation Commissioner Ashley Renfro was appointed on December 12, 2023. There have been 4 regularly scheduled Parks and Recreation meetings since that time, and Commissioner Renfro has not attended any of the meetings. City Staff has reached out to Commissioner Renfro and has not received a response.

City Staff has advertised in the Needles Desert Star to fill vacancies and interviews are scheduled to be held at the City Council meeting on October 22, 2024. This additional vacancy could be filled at that time.

Fiscal Impact: None

Environmental Impact: None

Recommended Action: Approve the removal of Commissioner Renfro from the Parks and Recreation Commission due to excessive unexcused absences.

Submitted By: Jennifer Valenzuela

City Manager Approval: Patrick J. Martinez

Date: 10/3/2024

Other Department Approval (when required): _____

Date: _____

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
			Agenda Item: _____



City of Needles, California Request for City Council Action

CITY COUNCIL NPUA

Regular Special

Meeting Date: October 8, 2024

Title: Accept the Best Friends Animal Society Grant Agreement dated September 24, 2024 and adopt an FY 25 budget adjustment of \$8,000

Background: Best Friends Animal Society is an organization that provides aid to community shelters nationwide. Best Friends Animal Society awarded the Needles Animal Shelter with a funding agreement through December 31, 2024, for the following

- \$8,000 in funding to support and continue the trap, neuter, and release program
- Training and education for staff at no cost

The grant agreement had to be executed by September 25, 2024, to receive the funds. Management proceeded with execution.

Fiscal Impact: An additional \$8,000 in to the FY 25 budget to fund the Needles Animal Shelter Trap, Neuter, and Release Program.

Environmental Impact: Additional feral cat management is needed to reduce feral cat populations and the risk of diseases.

Recommended Action: Accept the Best Friends Animal Society Grant Agreement dated September 24, 2024 and adopt an FY 25 budget adjustment of \$8,000 and Authorize the City Manager to sign the agreement.

Submitted By: Tony Rubalcaba, Animal Control Officer

City Manager Approval: *Patrick J Martinez* Date: 10/3/2024

Other Department Approval (when required): *Kenneth McDonald* Date: 10/03/2024

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
			Agenda Item: _____

Needles Animal Shelter Offer of Support EIN: 95-2549493

Partnership Goals:

The goal of this partnership is to work toward closing the gap of 15 cats and 18 dogs being killed at Needles Animal Shelter, leading to the achievement of a save rate of at least 90%.

How We Can Support You:

Needles Animal Shelter had an intake rate of 148 dogs and 58 cats in 2023, while they saw a positive outcome rate of 142 animals, their euthanasia rate was 33 dogs and 18 cats, creating a save rate gap of 18 dogs and 15 cats. In 2024, Needles Animal Shelter has taken steps to mitigate unwanted cats from entering their shelter, by launching a community cat program thanks to a grant from a third-party source. When meeting with the leadership of Needles Animal Shelter, they noted their interest in continuing the community cat program, as well as finding new ways to create more positive outcomes for the dogs entering their care.

Best Friends can provide training and support to implement or level up programming that is designed to better their services, therefore increasing the cat and dog save rate. This training and support would be offered to Needles Animal Shelter through ongoing virtual support and in-person support **at no cost to the shelter.**

Training and support could include the following:

- **TNR Support**
 - Best Friends will fund \$8,000.00 to supplement the already successful TNR program Needles Animal Shelter launched in June 2024. These funds will help fund spay/neuter surgeries until December 31, 2025.

- **Canine Managed Intake Training and Transfer Support:**
 - Specific training on Managed/Diverted Intake will be provided to staff with an *emphasis on canine diversion and supported self-rehoming/owner retention.* This will deepen the team's understanding and implementation of this transformative approach to shelter services designed to optimize resources, minimize stress on animals, and enhance overall welfare by thoughtfully redirecting incoming animals to alternative programs and community resources.



- **Finder Foster Program**
 - Train staff on how to implement a finder-foster program to help actively reduce the number of animals entering Needles Animal Shelter through support of the public, mainly those finding lost or stray pets in their community.
 - Training will be provided for creating an SOP on the program, how to process an animal through the shelter software for the finder-foster program, and various outcomes for the animal.
- **Sanctuary Transfer Support**
 - Best Friends Animal Sanctuary in Kanab, UT may be able to provide supplementary canine transfer support to Needles Animal Shelter. The Sanctuary may be able to transfer at least 18 dogs but cannot specify the frequency of when transfer pulls will happen.

How We Can Achieve These Goals Together:

Together we can achieve the programming goals above by working on the development of and commitment to following a lifesaving training plan and mutually committing to attending regular leadership calls to monitor progress. These meetings will initially be scheduled monthly for the first three months of the partnership with further continuance of meetings to be later identified together.

What is Required from Needles Animal Shelter:

- Submit monthly data to Shelter Pet Data Alliance (SPDA).
- Reporting on how many cats TNR'd each month to help gauge success and inform further needed adjustments.
- Cooperation and transparency from shelter leadership and staff, including attending meetings and training as scheduled.

This offer of support expires on 9/25/24.

Best Friends is happy to extend timelines as necessary, provided that there is a path to move the offer forward.



Atlanta • Kanab • Los Angeles • New York City • Salt Lake City

BEST FRIENDS ANIMAL SOCIETY GRANT AGREEMENT

BACKGROUND

Best Friends Animals Society (“BFAS”) is a 501(c)(3) nonprofit corporation based in Kanab, Utah, whose mission is No More Homeless Pets®. Best Friends feels privileged to help save lives by working with organizations and agencies by providing funding for specific projects and/or needs in our commitment to No Kill 2025.

Recipient is a 501(c)(3) nonprofit animal welfare charity or a municipal shelter which has submitted a grant request to Best Friends requesting to be awarded a grant pursuant to the scope of the program below. The funds shall be disbursed upon receipt of the signed agreement and copy of the Recipient’s IRS FORM W9.

This grant agreement (“Agreement”) will govern the terms of the Grant. The Parties hereby agree to the following terms and conditions as of the date on which it is fully executed by both parties (the “Effective Date”).

Grant Agreement Reference:

Recipient Organization Business Name: Needles Animal Shelter

EIN: 95-2549493

Name of Project: TNR Support for Needles Animal Shelter

Amount: \$8,000.00

The term of this Agreement, unless terminated pursuant to Section 8 below will be from the Effective Date through Grant Project Deadline (the “Grant Period”).
12/31/2024

Recipient acknowledges that BFAS and its representatives have made no actual or implied promise of funding except for the amount specified in this Agreement.

Grant will be provided in payment(s) with Best Friends’ obligation to disburse funds conditional upon receipt of Recipient’s IRS Form W-9.

Section 1. Use of Grant Fund.

Recipient agrees to use the Grant for the program or project as described below and for no other purposes.

All grant funds must be spent by:

12/31/2024

Recipient agrees that funding provided is to achieve:

- To provide funding for at least 14 spay/neuter clinics resulting in TNR for at least 108 community cats.

Section 2. Grantee Requirements and Reports

- Recipient agrees to provide Monthly grant reports using forms provided by Best Friends that outline the use of the Grant funds.
- Number of clinics each month
- Number of cats spayed or neutered each month
- Any notable stories relating to the grant
- Register and submit MONTHLY DATA REPORTING INTO SHELTER PET DATA ALLIANCE (SPDA) website by the 15th of the month through December 31, 2025.
- With the final grant report, Recipient will provide any relevant success stories of animals helped through the program, or descriptions of how the Grant has impacted the target community.

Section 3. Grant Branding Terms and Promotion

Recipient shall cooperate with Best Friends regarding the promotion of the Grant. Both Parties may issue reports or statements to its members, the media, and the public about the Grant. This includes, but is not limited to websites, newsletters, press releases, magazine articles, blogs, and podcasts. Recipient shall reasonably cooperate with Best Friends staff, volunteer team leaders, and news or magazine writers in the production of such news content. Recipient agrees to cooperate with Best Friends and facilitate promotion of the Grant through the Best Friends website, newsletters, electronic news distributions, press releases, and other media outlets.

Section 4. Photo, Video, Digital and Audio Release

Recipient grants to BFAS permission and rights to photograph, video, and audio record any of Recipient's programs or events for the duration of the Grant. Recipient grants BFAS the right to indefinitely use such photographs, videos or digital images and voices. This release covers all photos, videos, and audio recordings made by BFAS or its employees, contractors, or agents. Recipient understands and agrees that these photographs, videos, or digital images and recordings may be used by BFAS in its sole discretion including for identification purposes, to promote or report about BFAS events, activities, and mission; to raise donations, or for other purposes. This includes, but is not limited to, any royalties, proceeds, or other benefits derived from such images or recordings. This release remains in effect even after the end of the Grant Period.

Recipient further agrees not to make any claim against BFAS or its employees, contractors, or agents for the use of these photographs, videos or digital image or voice recordings. Recipient understands this agreement releases and forever discharges BFAS from any liability to Recipient, its successors, and assigns with respect to personal injury, property damage or other loss or damages that may result as a result from the making and use of photographs, videos or digital image or voice recordings.

Section 5. Non-Disparagement

During the term of this agreement and for a period of one year, Recipient agrees to take reasonable commercial measures to ensure that its representatives and official media outlets do not make statements, including but not limited to social media posts, regarding the activities covered by this Agreement that are intended to or likely to bring Best Friends into disrepute.

Standard Terms and Agreement

Section 6. Grant Recipient Representations and Warranties Recipient represents and warrants as follows during the Term of this Agreement:

- Recipient is a qualified 501(c)(3) entity or government organization.

- B. Recipient acknowledges that its animal welfare activities may be governed by a variety of federal, state, and local laws. Recipient hereby warrants that it shall use its best efforts to comply with all applicable laws and shall not knowingly violate same.
- C. There are no claims, investigations, or proceedings in progress, pending or threatened against Recipient which, if determined adversely, would have a material effect on Recipient's ability to fulfill its obligations pursuant to this Agreement and there are no claims, investigations, or proceedings in progress, pending or threatened against Recipient which involve animal neglect or abuse.
- D. The individual signing this Agreement on behalf of Recipient is legally competent to enter into this Agreement duly authorized to do so by the Recipient.

Section 7. Grant Restrictions

In addition to abiding by the requirement that the Grant funds be used in furtherance of the program described in Recipient's grant application, Recipient specifically agrees that no portion of the Grant funds will be used for any of the following: (i) to lobby or otherwise attempt to influence legislation; (ii) to influence outcome of any specific public election or participate or intervene in any political campaign on behalf of any candidate for public office or conduct, directly or indirectly; (iii) to support or oppose any elected official or candidate for public office or on any particular issue.

Section 8. Termination

Recipient may terminate this Agreement upon providing ten (10) business days written notice to Best Friends in the event of the following events of default:

- (i) By its actions or statements, Best Friends materially harms Recipient as determined by Recipient in its reasonable judgment;
- (ii) Best Friends files for bankruptcy, sells, assigns, or transfers the majority of its assets to another entity, or ceases to operate as a nonprofit corporation.

Best Friends may terminate this Agreement upon providing ten (10) business days written notice to the Recipient in the event of the following events of default:

- (i) By its actions or statements, Recipient materially harms Best Friends as determined by Best Friends in its reasonable judgment;
- (ii) Recipient files for bankruptcy, sells, assigns, or transfers the majority of its assets to another entity, or ceases to operate as a nonprofit corporation (if a nonprofit corporation); or
- (iii) Recipient fails to perform its commitments as set out in this Agreement, including, in the reasonable judgment of Best Friends, failing to carry out the Project with reasonable diligence to meet the goal of saving as many animal lives as possible or has not worked in good faith with professionalism to achieve the mutually agreed upon Goals.

In the event Best Friends terminates this Agreement pursuant to this section, Best Friends has no obligation to pay Recipient any grant payment not yet due at the time of the notice of such termination.

Section 9. Intellectual Property License

For the Term of this Agreement, Recipient grants Best Friends a non-exclusive, royalty free license to use Agency's name and/or logo to promote Agency's lifesaving activities associated with the Grant. Other than the forgoing, neither Party may use the other Party's logos, trademarks, or other intellectual property without express written permission of the other Party.

Section 10. Release

To the full extent permitted by law, the Grant Recipient, their directors, officers, employees,

representatives, agents, successors, and assigns, agree never to bring a claim or suit against Best Friends relating to the Grant and its receipt of service. The Recipient agrees Best Friends and its directors, officers, employees, representatives, agents, representatives, contractors, successors and assigns (“Releasees”) are not responsible for any of the decisions, plans, guidelines, work, or activities related to or arising from the Grant. The Recipient releases Best Friends and its directors, founders, employees, officers, agents, representatives, contractors, volunteers, successors and assigns from all liability arising from any work or activities related to the Grant. The Recipient understands this agreement discharges Releasees from any liability to the Recipients with respect to bodily injury, personal injury, illness, death, property damage or other loss of any kind or nature whatsoever, direct, or indirect, known or unknown, that may result as a result of the Recipient’s work, participation and activities related to this Grant.

Section 11. Indemnity Agreement

To the full extent permitted by law, the Recipient and its directors, officers, agents, employees, representatives, successors and assigns, agree to indemnify and hold Releasees harmless for all bodily injury, personal injury, illness, death, property damage or other losses of any kind or nature whatsoever, direct or indirect, known or unknown, including attorney’s fees and costs of litigation that result to anyone else or any other entity because of Recipient’s actions or omissions related to the Project or any breach by Recipient of this Agreement. This includes lone acts or omissions by the Recipient as well as the combined acts of the Recipient with others.

Section 12. No Third-Party Beneficiaries

Nothing in this Agreement shall be construed to give any person or entity other than the Parties to this Agreement any legal or equitable claim, right or remedy; rather, this Agreement is intended to be for the sole and exclusive benefit of the Parties hereto.

Section 13. Survival of Terms

The intellectual property rights, including the rights to use photos, digital, audio and video materials, agreed to in this agreement are perpetual. The releases are perpetual. The agreement to maintain Proprietary Information confidential is perpetual. The Non-Disparagement clause survives for one year following the disbursement of funds from BFAS to Recipient.

Section 14. Other Terms

The provisions in this Agreement bind the successors and assigns of Recipient. Each term of this Agreement is material. Recipient agrees that in the event that any clause or provision of this agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not otherwise affect the remaining provisions of this agreement. This is the entire agreement between the Parties and supersedes any other verbal or written statements, representations, or promises.

This Agreement shall not be construed to constitute any form of partnership, agency, or joint venture between BFAS and Recipient. Neither Party is responsible in any way for the debts of the other or any other party, or any breach of any law, rule, regulation, complaint, grievance, custom, or guideline of the other. Neither Party has authority to bind the other to any contractual or other agreements and in no event shall either Party represent or hold itself out as acting on behalf of the other Party hereto.

[The remainder of this page is left intentionally blank. The signature page follows.]

By signing below, Recipient and Best Friends acknowledge and agree to the terms of this Agreement. If signing electronically, the Parties acknowledge that they have read this Agreement and indicate their intent to electronically sign and be bound by the terms and conditions therein. They agree that their electronic signatures are intended to authenticate this writing and to have the same force and effect as a manual signature for purposes of validity, enforceability, and admissibility.

Needles Animal Shelter

By: Rainie Torrance

Printed Name: RAINIE TORRANCE

Title: Acting City Manager

Date: 9/24/24

Best Friends Animal Society

By: _____

DocuSigned by:
Caitlin Thompson
271FCB79F3CE4E8...

Printed Name: Caitlin Thompson

Title: Senior Specialist, Pacific Region

Date: September 24, 2024

Tony Rubdack
TR
SR Animal control officer

Christina Ferritt
Christina Ferritt



City of Needles, California Request for City Council Action

CITY COUNCIL NPUA

Regular Special

Meeting Date: October 8, 2024

Title: Authorize the purchase of 1 used John Deere 2500B to Storz Equipment not to exceed \$24,243.75 utilize the adopted FY 25 Golf Course Budget

Background: The Golf Course has not purchased a piece of new or used mower equipment in over a decade. The existing equipment is past its useful life and requires much maintenance to continue operating. The Golf Course requires a newer piece of equipment to continue maintenance of the River's Edge Golf Course.

Fiscal Impact: The adopted FY 25 Golf Course budget had a savings of \$27,000 from seed purchase. The proposed equipment will be purchased utilizing the savings.

Environmental Impact: None

Recommended Action: Authorize the purchase of 1 used John Deere 2500B to Storz Equipment not to exceed \$24,243.75 utilize the adopted FY 25 Golf Course Budget

Submitted By: JJ Deleon, Golf Course Pro

City Manager Approval: Patrick J Martinez Date: 10/3/2024

Other Department Approval (when required): Kenneth McDonald Date: 10/03/2024

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
			Agenda Item: _____

Specifications Compliance

The Bidder shall note their compliance with each specification in the box provided with an X or check mark. Each line item requires an X or check mark. **Any specification left blank shall be considered a non-responsive Bid and will be rejected.** Any deviations from the specifications or where submitted literature does not fully support the meeting of the specifications, must be clearly cited and explained by the Bidder in the comment section following the specifications. The City will be responsible for determining specifications compliance.

Check the box for each line specification below if included in the specification:

one new or used large area greens mower

- Fuel Capacity: up to 10 U.S. Gal
- Reel Drive: Electric or Hydraulic
- 2-wheel drive
- Mow speed: 0-10 mph
- Width of cut: variable
- 3-cylinder
- Warranty included

Note: please provide a picture, the full specification, warranty details and a detailed quote for the proposed unit

THIS PAGE MUST BE COMPLETED AND RETURNED WITH BID PROPOSAL FORM

Specifications Compliance – Continued

Comments:

Bidder shall fully describe every variance, exception, and /or deviation. If none, please enter "NONE"

FUEL CAPACITY : 7.9 US GALLONS

MOW SPEED : 0-4.4 mph.

TRANSPORT SPEED : 0-8.0 mph.

WARRANTY: SOLD AS-IS , FULL REFUND IF RETURNED WITHIN
30 DAYS FROM DATE OF DELIVERY.

Bid Form

TO: CITY
CITY OF NEEDLES
817 Third Street
Needles, CA 92363

DATE: 9-24-2024

In compliance with the Invitation for Sealed Bids for one new or used large area reel mower. the undersigned, as Bidder, hereby offers to sell to the City, in accordance with the terms, conditions, requirements and specifications set forth in the Bid documents for the price quoted on this Bid Form for one new or used large area greens mower.

MODEL: JOHN DEERE 2500b

WARRANTY: AS-IS

TOTAL BID PRICE - \$ 24,243.75

Total Bid Price includes California Sales Tax, California Tire Recycling Fee, DMV documentation fees, freight, and delivery charges but excludes Federal Excise Tax, if any.

DELIVERY DATE NO LATER THAN 10-31-2024

The undersigned certifies under penalty of perjury that the quotation on this Bid Form constitutes a bona-fide offer to sell, that he/she is an authorized representative of the company listed, that the quotation is in no way sham or collusive, and that issuance of a Purchase Order by City constitutes acceptance of bidder's offer on the terms and conditions stated in the Bid documents, and forms a contract. Bidder will not withdraw its Bid for at least ninety (90) calendar days from the date and time of the bid opening.

BIDDER'S COMPANY STOTZ EQUIPMENT

PRINT NAME - AUTHORIZED

6361 DEAN MARTIN DR.
ADDRESS

MIGUEL MUÑOZ

LAS VEGAS, NV 89118

AUTHORIZED SIGNATURE

TELEPHONE NUMBER

[Signature]

(702) 263-4512

ARE YOU CLAIMING A LOCAL BUSINESS PREFERENCE? YES NO

If yes submit written proof of the address of your principle place of business and a copy of your current City business license.

THIS PAGE MUST BE COMPLETED AND RETURNED WITH BID PROPOSAL FORMS

Purchase Agreement

#10655058 Revision #Original Sep 10, 2024
 Quote ID: 30809947



Customer Information

RIVERS EDGE GOLF COURSE

144 MARINA DR
 NEEDLES, CA 92363
 GILFILLEN@TOUCHSTONEGOLF.COM
 760-326-3931

Customer Account

RIVER029

Customer Sales Tax Exempt

Use County/State

SAN BERNARDINO, CA

Purchaser Type

1 Commercial

Rewards

Transaction Type

Cash Sale

Market Use

Golf Courses

94

Seller Information

Stotz Equipment
 6361 Dean Martin Drive
 Las Vegas, NV 89118
 702-263-4512
 Dealer Account #: 078686

I (We), the undersigned, hereby order from Dealer the Equipment described below, to be delivered as shown below. This order is subject to Dealer's ability to obtain such Equipment from the manufacturer and Dealer shall be under no liability if delivery of the Equipment is delayed or prevented due to labor disturbances, transportation difficulties, or for any reason beyond Dealer's control. The price shown below is subject to Dealer's receipt of the Equipment prior to any change in price by the manufacturer. It is also subject to any new or increased taxes imposed upon the sale of the Equipment after the date of this order.

Equipment

Qty	New	Used	Equipment & Value Added Services	Meter	Product ID #	Price
1		x	**USED** 2018 JOHN DEERE 2500B PrecisionCut Diesel Riding Greens Mower Stock # C22S1789	12345	1TC250BDVJT110160	\$ 17,500.00
1			C22C271A QA5 USED REELS (3)			\$ 5,000.00

Comments:

Customer agrees to read Operator's Manual before operation of equipment.
****QUOTED USED EQUIPMENT LIMITED TO DEALERSHIP INVENTORY ON A FIRST COME FIRST SERVE BASIS - SOLD-AS-IS****

Summary

Selling Price of Purchases	\$ 22,500.00
Total Trade-In Allowance	\$ 0.00
Total Trade-In Pay-Off	\$ 0.00
Balance	\$ 22,500.00
SALES TAX - (7.75%)	\$ 1,743.75

Customer Signature

Customer Signature

Accepted By

Date Accepted

Salesperson

MUZIO, MIKIAL Y

Delivered On

Warranty Begins

Date

Delivery Signature

Sub-Total

\$ 24,243.75

Cash With Order

\$ 0.00

Rental Applied

\$ 0.00

Balance Due

\$ 24,243.75

IMPORTANT WARRANTY NOTICE: The John Deere warranty applicable to new John Deere Equipment is printed and included with this document. There is no warranty on used equipment. The new equipment warranty is part of this contract. Please read it carefully. **YOUR RIGHTS AND REMEDIES PERTAINING TO THIS PURCHASE ARE LIMITED AS SET FORTH IN THE WARRANTY AND THIS CONTRACT. IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS ARE NOT MADE AND ARE EXCLUDED UNLESS SPECIFICALLY PROVIDED IN THE JOHN DEERE WARRANTY.**

Telematics: Orders of telematic devices include only the hardware. Where available, telematics software, including JDLink™ connectivity service, may be enabled from your local John Deere Operations Center or JDLink website. Please see your authorized John Deere dealer for assistance.

DISCLOSURE OF REGULATION APPLICABILITY: When operated in California, any off-road diesel vehicle may be subject to the California Air Resources Board. In-Use Off-Road Diesel Vehicle Regulation. It therefore could be subject to retrofit or accelerated turnover requirements to reduce emissions of air pollutants.

ACKNOWLEDGEMENTS- I (We) promise to pay the Balance Due shown above in cash, or to execute a Time Sale Agreement (Retail Installment Contract), or a Loan Agreement, for the purchase price of the Equipment, plus additional charges shown thereon or execute a Lease Agreement, on or before delivery of the Equipment ordered herein. Despite physical delivery of the Equipment, title shall remain in the seller until one of the foregoing is accomplished.

USE OF INFORMATION/PRIVACY NOTICE I understand that Deere & Company and its affiliates ("John Deere") and Dealer collect information, including my personal information and machine data to provide warranty, customer service, product and customer support, marketing and promotional information about Dealer, John Deere and their equipment, products and services and to support other business processes and purposes. See the John Deere Privacy Statement (<https://www.deere.com/en/privacy-and-data/>) for additional information on the types of personal information and machine data John Deere collects, how it is collected, used and disclosed. See Dealer directly for information about its privacy policy.

The Purchaser(s) and the Dealer acknowledge that while this document is defined herein as a "Purchase Agreement", it serves as both a purchase agreement for the Equipment and/or a commitment to lease the Equipment. In addition, the defined term "Purchaser" extends to and includes both a purchaser of the Equipment and/or a lessee of the Equipment. Furthermore, this Purchase Agreement is deemed to constitute a "Purchase Order" or a "Customer Purchase Order for John Deere Products" for the purposes of any other John Deere documents, including, without limitation, any dealer terms schedules.



City of Needles, California Request for Commission Action

CITY COUNCIL PARKS AND RECREATION

Regular Special

Meeting Date: October 8, 2024

Title: Review and approve rules for the Pump Track, Art Wall & Splash Pad at Duke Watkins Park

Background: Attached is an example of common regulatory rules for the new pump track, art wall and splash pad.

Fiscal Impact: Cost of New Signs

Environmental Impact: N/A

Critical Timeline: New Park features to open to the public mid-October/November

Recommended Action: Review and approve new rules/regulations for Duke Watkins Parks Pump Track, Art Wall and Splash Pad.

Submitted By: Jennifer Valenzuela, Recreation Services Manager

City Manager Approval: *Patrick J. Martinez*

Date: 10/3/2024

Other Department Approval (when required): _____

Date: _____

Approved:

Not Approved:

Tabled:

Other:

Agenda Item: _____

4'



PUMP TRACK

RULES

These facilities are not supervised.
Use at your own Risk.

1. Pump Track hours are normally 7:00 a.m. to 8:00 p.m. daily.
2. The Pump Track is intended for use by children 12 years of age and over.
3. Track is for Bicycle use only. No motorized vehicles / devices on the Pump Track.
4. Please respect others space. Don't ride too close.
5. Riders must wear helmets and protected gear at all times while on the track.
6. No more than six (6) riders on the track at a time.
7. Stay in control and ride with in your limits.
8. All riders must travel in the same direction around the track.
9. All riders must always ride with caution for, and yield the right of way to younger or less skilled riders.
10. Visitors / Spectators not riding are required to remain outside cabled area.
11. Do your part to help keep YOUR Park clean. Always pick up after yourself and encourage other to do the same.

In Case of Emergency call 911 or Report anything problematic to:
info@cityofneedles.com or call (760) 326-5700
For Special Event Planning contact Needles Recreation at (760) 326-2814

4'

$\frac{3}{4}$ " thick exterior grade plywood
attached to 4 x 4 wood posts.

4'



SPLASH PAD RULES

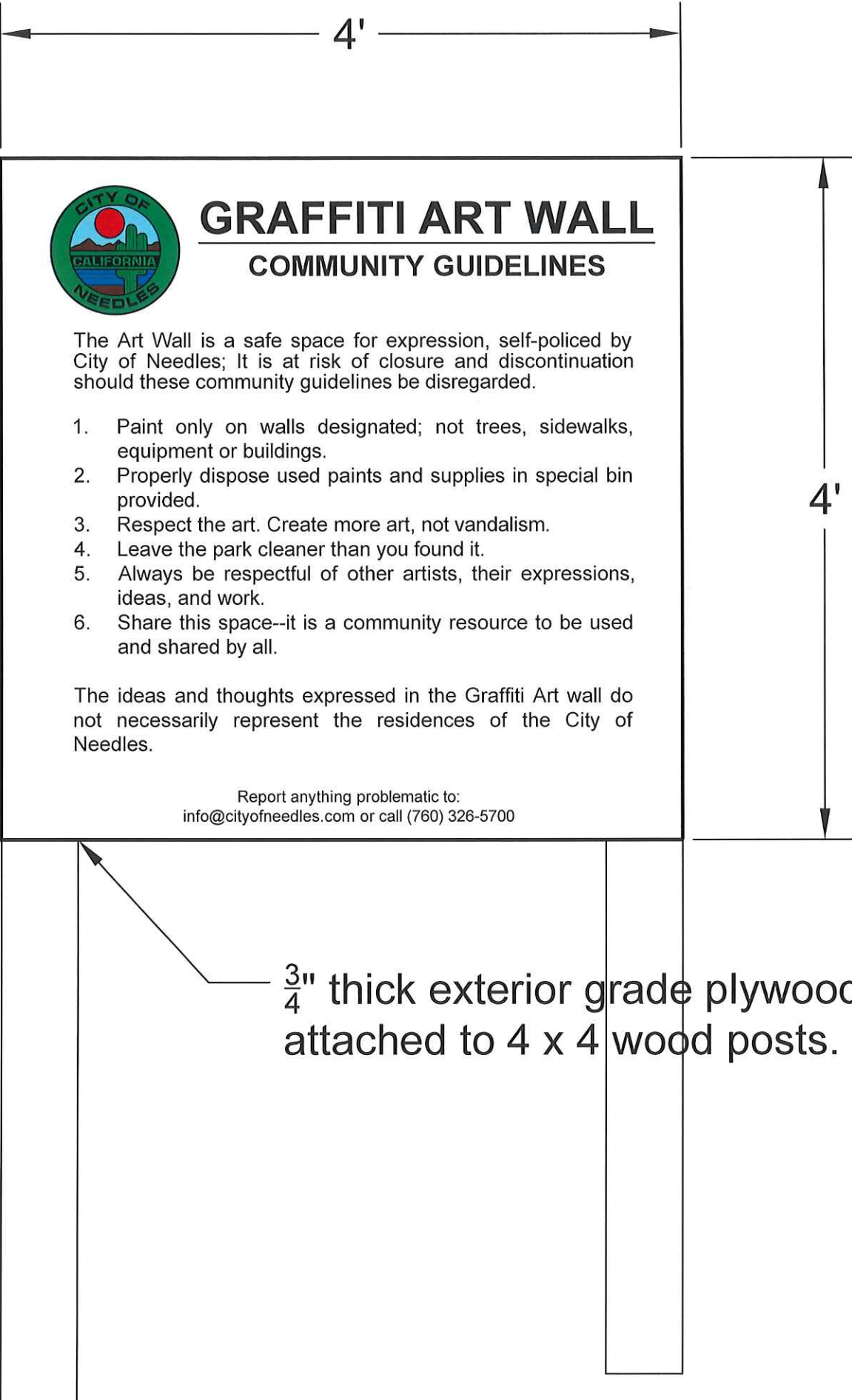
These facilities are not supervised.
Use at your own Risk.

1. Splash pad hours are normally 7:00 a.m. to 8:00 p.m. daily.
2. The splash pad is intended for use by children 12 years of age and under. Children under 7 years of age must be accompanied by an adult.
3. Clean and proper swim attire must be worn while using the splash pad. Children who are not "toilet trained" must wear a swim diaper or plastic pants.
4. Surfaces may be hot. Water shoes or proper footwear is strongly recommended.
5. Climbing on splash pad equipment is not allowed
6. The following is NOT allowed: Alcohol, Inline Skates, Running, Rough Play, Bicycles, Scooters, Glass, Pets, Water Balloons & Soaps.
7. Splash Pad water is not suitable for drinking, DO NOT DRINK THE WATER.
8. Prohibited use of the Splash Pad if you have any infectious conditions or open wounds.

Report anything problematic to:
info@cityofneedles.com or call (760) 326-5700

4'

$\frac{3}{4}$ " thick exterior grade plywood
attached to 4 x 4 wood posts.



GRAFFITI ART WALL

COMMUNITY GUIDELINES

The Art Wall is a safe space for expression, self-policed by City of Needles; It is at risk of closure and discontinuation should these community guidelines be disregarded.

1. Paint only on walls designated; not trees, sidewalks, equipment or buildings.
2. Properly dispose used paints and supplies in special bin provided.
3. Respect the art. Create more art, not vandalism.
4. Leave the park cleaner than you found it.
5. Always be respectful of other artists, their expressions, ideas, and work.
6. Share this space--it is a community resource to be used and shared by all.

The ideas and thoughts expressed in the Graffiti Art wall do not necessarily represent the residences of the City of Needles.

Report anything problematic to:
info@cityofneedles.com or call (760) 326-5700

$\frac{3}{4}$ " thick exterior grade plywood attached to 4 x 4 wood posts.



City of Needles, California
Request for Commission Action

[X] CITY COUNCIL [] PARKS AND RECREATION

[X] Regular [] Special

Meeting Date: October 08, 2024

Title: Review and approve Parks & Recreation Commissions recommended changes to the Youth Sport Handbook

Background: The Parks & Recreation Commission established a Youth Sports Handbook in 2007. The handbook covers all code of ethics for players, parents and coaches. It includes guidelines and rules for each of the youth sports offered in Recreation. The last time the handbook was revised was in 2018. The Commission met on Monday, August 19, 2024, and a lengthy discussion was had regarding the changes provided in the staff report based on input from Recreation Service Manager, coaches and parents in the past seasons. Below are the approved changes from the Parks & Recreation Commission excluding Page 6, #4, Attachment 'A' in Group A and B (see attachment). The Commission could not agree on what changes, if any, to the Groups lists. A motion was made with no 2nd, so motion did not pass, to move felony and aggravated assault to Group A. Group A convictions do not allow a volunteer to coach in our youth sports and Group B must be approved by the Commission prior. Minute Actions attached amended Group B to have a time limit within the last 5 years.

Page 1:

- a. Season Information: 2nd bullet - Pee Wee Basketball is conducted June - July. 3rd bullet - Pee Wee Soccer is conducted October - November. Add an 11th bullet - 6th graders that play on a school sports team will be required to play in the 'A' Division (A Division Basketball schedule is designed to accommodate the NMS games allowing players playing in both leagues to make games in each league.)

Page 2:

- b. Facilities: 3rd bullet - Pee Wee Soccer may use Duke Watkins Field and/or Franz Flowers Field for practices. Games will be played at Franz Flowers Field.
d. Games: 5th bullet - Flag Football games will be played on Duke Watkins Field

Page 3:

2nd bullet - Pee Wee Soccer games will be played at Franz Flowers Field

Page 6:

- a. Screening Process -
3. Pass a criminal background check and fingerprinted (California DOJ) yearly
4. Review and make changes if any to the Attachment 'A' in Group A and B (see handbook)

Page 12:

Flag Football League Rules

1) Rules

- E. If a team is leading by a score of 14 points or more, they may continue to score, but the score will not be recorded on the scoreboard until the opposing team is once again within 14 points and a running clock will be used

Fiscal Impact: Costs minimal. Handbooks printed in-house

Critical Timeline: Fall Sports begin in October 2024.

Recommendation: Approve recommended changes to the Youth Sports Handbook.

Submitted By: Jennifer Valenzuela, Recreation Service Manager

City Manager Approval: Patrick J Martinez

Date: 10/3/2024

Other Department Approval (when required):

Date:

Approved: []

Not Approved: []

Tabled: []

Other: []

PARKS & RECREATION COMMISSION

RECORD OF MINUTE ACTION

VICE CHAIR LONG MOVED, SECONDED BY COMMISSIONER MELVIN, to approve the recommended changes to the Youth Sports Handbook, excluding Page 6, a. Screening Process, #4. Motion carried by the following roll call vote:

AYES: VICE CHAIR LONG, COMMISSIONERS MELVIN, WILLIS
AND TORRES
NOES: NONE
ABSENT: CHAIR PLETCHER AND COMMISSIONER RENFRO

VICE CHAIR LONG MOVED, SECONDED BY COMMISSIONER WILLIS, to add a time frame of within the last 5 years to Group B's list of convictions. Motion carried by the following roll call vote:

AYES: VICE CHAIR LONG, COMMISSIONERS MELVIN, WILLIS
AND TORRES
NOES: NONE
ABSENT: CHAIR PLETCHER AND COMMISSIONER RENFRO

I, Jennifer Valenzuela, Recreation Service Manager, hereby certify that the foregoing is a true and correct copy of the official action taken at the regular meeting of the Parks & Recreation Commission of the City of Needles, California, held on the 19th day of August, 2024.

Jennifer Valenzuela, Recreation Manager
Parks & Recreation Commission

Dated: August 20, 2024

- The CITY OF NEEDLES will support the all-star teams for participation in the listed tournaments. Support includes practice facilities, registration fees, uniforms and all required paperwork. Parents will be required to pay a one-time All-Star Player fee of \$25 for registration fee into one tournament listed. The CITY OF NEEDLES has jerseys available for all-star use, but must be returned after competition.
- All-star coaches may participate in additional tournaments, but the CITY OF NEEDLES is unable to provide trip funding or registration fees.
- The CITY OF NEEDLES prohibits league coaches from forming additional all-star teams consisting of league players to participate in any all-star tournament following the regular Basketball season (Dec – Mar). The CITY OF NEEDLES will select a second all-star team from the players not picked to participate in the Needles Spring Classic Tournament only if applicable.

1. Selection of All-star players -

- Coaches will receive an all-star player ballot two weeks prior to the end of the season. Each division will have a separate ballot with the names of all players listed on the ballot. Coaches may nominate any number of players from any team in their division, not to exceed ten players total. The ballot must be signed by the coach or their vote is invalid. This constitutes the FIRST BALLOT. (Note: The Recreation Staff will collectively cast one vote for a 10-person team on the first ballot only).
- An all-star selection meeting will be held for each division. The CITY OF NEEDLES requests all division coaches participate in all-star selection. An assistant coach may attend the selection meeting if the coach is unavailable.
- At the all-star selection meeting, and in the presence of all coaches, ballots will be collected and votes tallied and displayed for all to see. Coaches who cannot attend the meeting and will not have an assistant coach represent them, must turn their ballot in to the League Director or the League Coordinator prior to the meeting. Their vote will be cast on the FIRST BALLOT only.
- If ten all-stars are not selected on the first ballot, a second ballot will be given to all coaches present. This ballot must also be signed to be valid. This constitutes the SECOND BALLOT.
- If ten all-stars are not selected on the second ballot, another ballot will be given to all coaches present. This constitutes the THIRD AND FINAL BALLOT.
- If players are still locked in a tie following the third ballot, the final selection will be made by the League Director and League Coordinator.

2. Selection of All-star coaches -

Head Coaches who are interested in being selected as an All-Star Coach must put a letter of interest in to the Recreation Director no later than February 1st of that season. The Recreation Director will make a decision based on criteria in the coaching section under Code of Ethics and Conduct and their season performance. Then the Recreation Director will take his/her recommendation to the Park & Recreation Commission for final approval. A coach's letter of interest will only be accepted for the division (C/B/A & Boys/Girls) that they coached in for that season.

III. COACHES SECTION

a. Screening Process – All prospective coaches will be required to:

1. Be at least 18 years of age (or younger by approval of League Director).
2. Complete a youth sports coaches application
3. Pass a criminal background check and fingerprinted (California Department of Justice)
4. **At a minimum, any person who is known to have been convicted of any of the offenses listed in group 'A' (see attachment A) warrants exclusion from being a volunteer in any City of Needles youth sports programs. Any offenses listed in group 'B', (see attachment A) may be appealed in front of the Park & Recreation Commission. This list of offenses is not intended to be an exhaustive list. The City of Needles Park & Recreation Commission may exclude any person from volunteering for any other offense that is deemed appropriately related to these issues.**

Team Activities – A coach or assistant coach must be present at all team meetings, practices, games, and any other team activities, including team pictures. If a coach or an assistant cannot be present at any of the

ATTACHMENT 'A'

GROUP A:

1. Registered Sex Offender
2. Murder
3. Kidnapping
4. Arson
5. Aggravated Domestic Violence
6. DUI – three or more in less than seven years
7. Contributing to the Delinquency of a Minor
8. Child Seduction
9. Criminal Deviate Seduction
10. Sexual Misconduct of Minor
11. Child Molesting
12. Child Solicitation
13. Rape
14. Sexual Assault
15. Injury to a Child
16. Child Pornography

GROUP B:

1. Manslaughter
2. Robbery
3. Burglary
4. Reckless Homicide
5. Class A/B Drug Offenses
6. Embezzlement
7. Felony Theft
8. Aggravated Assault
9. Felony



City of Needles, California Request for City Council Action

CITY COUNCIL NPUA

Regular Special

Meeting Date: October 8, 2024

Title: Accept the work completed by Superb Engineering, Inc. for the Golf Course Irrigation and Efficiency Project, Phase 1

Background: The City received funding from the Urban and Multibenefit Drought Relief Program for Phase 1 of a Golf Course Irrigation Project to procure approximately 175 new water-efficient sprinkler heads for the Tees and Greens, and to complete the design and installation of the irrigation system that will control the new sprinklers with the addition of water saving gate valves. Subsequent funding will implement Phase 2, which will include the remaining required sprinklers, new distribution system, soil moisture sensors, and automatic watering system as well as a modern variable drive pump system.

On March 12, 2024, the Golf Course Irrigation and Efficiency Project, Phase 1 was awarded to Superb Engineering, Inc for a Not to Exceed (NTE) amount of \$711,434.95 plus 5% contingency for a total project cost of \$747,061.82. Construction began in May 2024 and was completed in September.

Change Order No. 1 was approved on September 10, 2024 to reflect for final quantity adjustments reducing the total project cost by \$19,759.65 for a final contract amount of \$727,302.17.

Fiscal Impact: \$690,000 was funded by a grant through the Urban and Multibenefit Drought Relief Program with the remaining balance of \$37,302.17 being funded by the golf surcharge account.

Recommended Action: Accept the work completed by Superb Engineering, Inc. for the Golf Course Irrigation and Efficiency Project, Phase 1; and authorize a NOTICE OF COMPLETION to record with the San Bernardino County Recorder’s Office.

Submitted By: Kathy Raasch, Director of Development Services/Capital Projects

City Manager Approval: Patrick J. Martinez Date: 10/4/2024

Other Department Approval (when required): _____ Date: _____

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
			Agenda Item: _____

RECORDING REQUESTED BY:

City of Needles
817 Third Street
Needles, CA 92363

AND WHEN RECORDED MAIL TO:

City of Needles
817 Third Street
Needles, CA 92363

No fee per Govt. Code § 27383

~ SPACE ABOVE FOR RECORDER'S USE ONLY ~

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN THAT:

The undersigned is OWNER or AGENT OF THE OWNER of the interest or estate stated below in the property hereinafter described.

The full NAME of the OWNER is CITY OF NEEDLES

The ADDRESS of the OWNER is 817 THIRD STREET, NEEDLES, CA 92363

The NATURE OF THE INTEREST or estate of the undersigned is In FEE

Street Address / APN (if applicable) 144 Marina Drive, Needles, CA 92363

The full name(s) and address(es) of all persons, if any, who hold such interest or estate with the undersigned as joint tenants or as tenants in common are:

Contractor's Name

Contractor's Address:

Superb Engineering, Inc.

2947 W. Lincoln Street Unit 105, Beaumont, CA 92220

The property on which said work of improvement was completed is in the City of **Needles**, County of **San Bernardino**, State of **California**, and was approved by the Needles City Council by minute action at the October 8, 2024 meeting and is DESCRIBED AS FOLLOWS:

Improvement on the property hereinafter described and COMPLETED on September 20, 2024

Improvements described as **River's Edge Golf Course Irrigation Efficiency Project, Phase 1**

I, Patrick J. Martinez am the
(Name of below signor)

City Manager
(Owner, President, Authorized Agent, Partner, etc.)

the declarant of the foregoing Notice of Completion. I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date: October 9, 2024

Signature: _____

Patrick J. Martinez, City Manager, City of Needles



City of Needles, California Request for City Council Action

CITY COUNCIL NPUA

Regular Special

Meeting Date: October 8, 2024

Title: Accept Amendment No. 2 to the Professional Services Agreement with TKE Engineering, Inc. to Provide On-Call Supplemental Engineering Consulting Support Services

Background: The City accepted a proposal from TKE Engineering on May 25, 2021, for On-Call Supplemental Engineering Consulting Support Services for a term of one-year with the option of an extension. On August 8, 2023, Amendment No. 1 was approved to extend the contract until August 2024. This amendment will extend the term of the agreement in Section 3.1.2 for an additional year to August 8, 2025.

The Amendment will allow TKE to continue On-Call City Engineer support and to provide design, bidding, and project management support for City Capital Improvement projects.

Fiscal Impact: Hourly rate of \$185 per hour on an as-needed basis not to exceed \$25,000. The funds are to be paid out of the Engineering Budget and specific Council approved projects.

Environmental Impact: N/A

Recommended Action: Accept Amendment No. 2 to the Professional Services Agreement with TKE Engineering, Inc. to Provide On-Call Supplemental Engineering Consulting Support Services and authorize staff to issue a Notice to Proceed.

Submitted By: Kathy Raasch, Director of Development Services/Capital Projects

City Manager Approval: _____ **Date:** _____

Other Department Approval (when required): _____ **Date:** _____

Approved: Not Approved: Tabled: Other:

Agenda Item: _____

**AMENDMENT NO. 2 TO
PROFESSIONAL SERVICES AGREEMENT**

Amendment No. 2 to Professional Services Agreement is made and entered into as of October 8, 2024, by and between the CITY OF NEEDLES, a California Charter City, (hereinafter referred to as the "City") and TKE Engineering, Inc., a California corporation (hereinafter referred to as "Consultant").

RECITALS

- A. City and Consultant executed that certain Professional Services Agreement dated June 8, 2021 whereby Consultant provides engineering services ("Services") (the "Agreement").
- B. City and Consultant executed a First Amendment to Professional Services Agreement dated August 8, 2023 whereby Consultant provides engineering services ("Services") (the "Agreement").
- C. City and Consultant wish to amend the Agreement to extend the terms thereof.

AMENDMENT

1. Section 3.1.2 is hereby amended to read as follows:

Subject to Section 7.1.1 and 7.1.2 the term of this Agreement shall remain in effect until August 8, 2025.

All other terms and conditions of the Agreement shall remain in full force and effect subject to this Amendment. In the event of a conflict between the terms of this Amendment and the Agreement, this Amendment shall prevail.

IN WITNESS WHEREOF, the Parties hereto have made and executed this Agreement as of the date written above.

City of Needles

By: _____

Its: _____

Date: _____

TKE Engineering, Inc.

By: 

Its: Steven Ledbetter, Vice President

Date: 09/18/2024



RATE SCHEDULE 2024-2025

	<u>HOURLY RATE</u>
Principal in Charge	\$185.00
Project Manager/Construction Manager/Licensed Surveyor	\$175.00
Traffic Engineer (TE)	\$165.00
Senior Engineer/Project Engineer (PE)/Senior Plan Checker ..	\$165.00
Assistant Project Manager/Associate Engineer ..	\$155.00
Assistant Engineer/Plan Checker/Designer	\$145.00
AutoCAD Technician	\$135.00
Engineering Technician	\$105.00
Clerical	\$ 90.00
Forensic Engineering	\$300.00
Expert Witness Testimony	\$400.00

SURVEYING SERVICES

2-Man Survey Crew (Prevailing Wage)	\$260.00
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DEVELOPMENT SERVICES

Managing Director	\$185.00
Senior Project Manager	\$135.00
Project Manager	\$105.00

CONSTRUCTION SERVICES

Senior Construction Inspector (Prevailing Wage)	\$135.00
Construction Inspector (Prevailing Wage)	\$125.00

REIMBURSABLE COSTS

In-house Reproduction	Cost
Printing and Materials	Cost + 10%
Express Mail/Courier/Next Day Service ..	Cost + 10%
Special Subconsultant Services ..	Cost + 10%



City of Needles, California Request for City Council Action

CITY COUNCIL NPUA

Regular Special

Meeting Date: October 8, 2024

Title: Accept Change Order No. 1 with Vance Corporation for the Phase IV-A Street Improvements Project

Background: On May 14, 2024 the Phase IV-A Street Improvements Project was awarded to Vance Corporation to pave the following streets:

Desnok St., Cibola St., F St., E St., Downey St., Valley St., Fourth St., and G Street.

During construction and after grinding the existing pavement, additional work was required on Desnok Street to prepare subbase material for installation of new pavement. In addition, quantities were increased to grade and pave Grandview Avenue and stripe various streets previously approved by City Council.

Fiscal Impact: Change Order No. 1 to be funded by \$66,665.96 from project contingency and \$101,041.13 from remaining 2024 FY street improvements fund

Recommended

Action: Accept Change Order No. 1 for the Phase IV-A Street Improvements Project increasing the contract with Vance Corporation by \$167,707.09 for a new total contract amount of \$1,501,026.20.

Submitted By: Kathy Raasch, Director of Development Services/Capital Projects

City Manager Approval: Patrick J. Martinez

Date: 10/4/2024

Other Department Approval (when required): _____

Date: _____

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
			Agenda Item: _____

CITY OF NEEDLES
CHANGE ORDER

PROJECT: Phase IV-A Street Improvements Project

ORDER NO: 1

OWNER: City of Needles

CONTRACTOR: Vance Corporation

FOLLOWING CHANGES ARE MADE TO THE CONTRACT:

<u>Description of Changes</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Decrease Contract Price</u>	<u>Increase Contract Price</u>
1) Desnok Level Course	99700	\$1.22		\$121,634.00
2) Grading & Compaction (Grandview)	2415	\$2.06		\$ 4,974.90
3) Pave Grandview	2415	\$7.60		\$ 18,354.00
4) Various Striping (Front St, G St, Clary Dr, Lilly Hill Dr)	1	LS		\$ 22,744.19

JUSTIFICATION:

Due to unforeseen field conditions, Desnok required a leveling course prior to 2" overlay paving; Grandview Ave and various approved striping plans were added to the contract during construction. \$66,665.96 of contingency funds to be applied to these increases.

Original Contract Price	\$1,333,319.11
Previous Change Order(s) Amount	\$0.00
Original Contract Price plus previous Change Orders	\$1,333,319.11
Contract Price Due This Change Order	\$ 167,707.09
New Contract Price	\$1,501,026.20

CHANGE IN CONTRACT TIME

Contract Time will be (Increased)	Adjusted Date for Completion of all Work	Calendar Days
	N/A	

APPROVALS REQUIRED

Requested by: _____ Date: _____
Signature (Project Manager)

Contractor Acceptance: _____ Date: _____
Signature (Contractor)

Approved by: _____ Date: 10/8/2024
Signature (City Manager) **CC meeting**

CHANGE ORDER

Item 21.



City of Needles, California Request for City Council Action

CITY COUNCIL NPUA

Regular Special

Meeting Date: October 8, 2024

Title: Appoint an Ad-Hoc Committee to plan for the 2026 Centennial Anniversary of Route 66

Background: In 2026, the nation will celebrate the Route 66 Centennial, marking the 100th anniversary of the historic highway that served as a critical route for westward migration. Commissioned on November 11, 1926, Route 66 originally spanned 2,448 miles from Chicago to Los Angeles, passing through eight states, including California and the City of Needles. Mayor Jernigan and Councilmember Campbell showed interest in participating.

Congress recognized the importance of this milestone with the Route 66 Centennial Commission Act, signed into law on December 23, 2020. This Act established a national commission to recommend activities to commemorate the centennial. As many states and cities along the route prepare for events, Needles, with its prominent place along Route 66, has a unique opportunity to participate in and benefit from this celebration.

To ensure Needles plays a central role in the **Route 66 Centennial celebrations**, the City proposes the creation of a **City Council Committee on Route 66 Centennial Event Planning**. This committee will oversee the organization and promotion of special events, partnerships, and projects that highlight Needles' connection to Route 66, attracting visitors and fostering community pride.

Fiscal Impact: To Be Determined

Environmental Impact: N/A

Recommended Action: Select no more than three council members to serve on an Ad-Hoc Committee to plan for the 2026 Centennial Anniversary of Route 66.

Submitted By: Mayor Janet Jernigan

City Manager Approval: Patrick J. Martinez

Date: 10/3/2024

Other Department Approval (when required): _____

Date: _____

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
			Agenda Item: _____



City of Needles, California Request for City Council Action

CITY COUNCIL NPUA

Regular Special

Meeting Date: October 8, 2024

Title: Consider cancelling the November 26 and December 24, 2024 regular City Council / NPUA / HACN meetings.

Background: Staff is requesting Council consideration to cancel the November 26 and December 24, 2024, regular City Council / NPUA / HACN meetings due to the holidays.

If urgency matters arise, the City Council / NPUA / HACN may hold their regular meeting or call a special meeting to conduct business.

Fiscal Impact: None

Recommendation: Cancel the November 26 and December 24, 2024, regular City Council / NPUA / HACN meetings.

Submitted By: City Clerk Department

City Management Review: Patrick J. Martinez **Date:** 10/3/2024

Approved:

Not Approved:

Tabled:

Other:

Agenda Item: _____



City of Needles, California Request for City Council Action

CITY COUNCIL NPUA

Regular Special

Meeting Date: October 8, 2024

Title: Employee Appreciation Event

Background: Mayor Jernigan requested this item be placed on the agenda for discussion regarding a proposed date, location, and budget. The suggested available date is Friday, December 6, 2024.

Fiscal Impact: Funds in the amount of \$10,000 are available in the 2024-25 budget for all special events during the upcoming year, including the employee appreciation event and any future special events through June 30, 2025.

Recommended

Action: Discretionary

Submitted By: Mayor Jernigan

City Manager Approval: Patrick J. Martinez

Date: 10/3/2024

Other Department Approval (when required): _____

Date: _____

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
			Agenda Item: _____



City of Needles

817 Third Street, Needles, California 92363
(760) 326-2113 • FAX (760) 326-6765
www.cityofneedles.com

Mayor, Janet Jernigan
Vice Mayor Kirsten Merritt
Councilmember Tona Belt
Councilmember Ellen Campbell
Councilmember Jamie McCorkle
Councilmember JoAnne Pogue
Councilmember Henry Longbrake

City Manager Patrick J. Martinez

MEMORANDUM

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: PATRICK J. MARTINEZ, CITY MANAGER

SUBJECT: WEEKLY MEMORANDUM

DATE: September 20, 2024

1. On **September 18, 2024**, City officials and staff attended this year's San Bernardino County "Empowering Tomorrow" State of the County event. Special thanks to Supervisor Dawn Rowe and San Bernardino County Transportation Authority Executive Director Ray Wolfe for their ongoing support and commitment to finding solutions for all cities in the county, with a special mention of Needles during their presentation. We also extend our gratitude to Andrew Goldfrach, CEO of Arrowhead Regional Medical Center, for his vision and dedication to ensuring all county residents, including those 200 miles away, receive the care they need. **Refer to the attached image for a snapshot of the event.**
2. On **September 19, 2024**, City officials and staff celebrated the groundbreaking of the **\$1.8 million Phase IV-A Street Improvement Project**. This project aligns with the City Council's ongoing commitment to revitalizing street and water infrastructure. In 2019, the City adopted an ambitious 15-year Pavement Management Plan (PMP) to maintain and improve 47 miles of city streets. To date, the City has successfully paved approximately 17 miles.

Vance Construction Company has already begun mobilizing equipment, with street grinding starting next Monday and paving scheduled to follow in a few weeks. Phase IV-A will focus on paving several main roads, including Desoto St., Cibola St., F St., E St., Downey St., Valley St., Fourth St., and G St. These improvements are designed to enhance road safety, reduce maintenance costs, and improve overall driving conditions for residents. By addressing these critical streets, we ensure our City remains well-maintained and accessible for years. **For additional information, refer to the attached image.**

We will hold a second groundbreaking on **October 1, 2024**, for the Obernolte Street Improvement Project, which will focus on streets near the school area. Additionally, the City Council has approved Phase IV-B, which includes water service

replacement in preparation for street paving in early 2025. Streets scheduled for paving in 2025 include Carty Way, Carty Circle, Carty Place, El Monte St., I St., H St., G St., Crestview Dr., and Desoto St. These improvements go beyond basic infrastructure and reflect our dedication to building a stronger, safer, and more resilient community for all residents.

3. IEHP Covered offers affordable health coverage for residents of San Bernardino and Riverside counties, providing essential healthcare services to those in need. All IEHP Covered plans include free preventative care, and eligible members may qualify for Enhanced or Cost Share Reduction (CSR) Silver plans with \$0 deductibles and low out-of-pocket costs. These plans cover 10 categories of Essential Health Benefits, as required by the Affordable Care Act. In addition, IEHP members have access to medical transportation services for appointments, including travel to facilities like Arrowhead Regional Medical Center, located over 200 miles away. For more details, call 1-877-273-IEHP (4347) or visit their website. **For more information about specific coverage options, click [here](#).**
4. On **Wednesday, October 2, 2024**, Needles Area Transit, in partnership with other transit providers from the San Bernardino County Transit Authority, will be offering free fares all day long. No reservations are required—just hop on a Needles Area Transit bus and enjoy your complimentary ride! For more details, **refer to the attached flyer** or contact Community Services at 760-326-2113 ext. 115, or via email at csallis@cityofneedles.com. Don't miss out—come out and ride!
5. This week, City Staff met with Jartino Spencer, a Victim Advocate from the Bureau of Victim Services stationed in Needles through the San Bernardino County District Attorney's Office. He assists crime victims by providing financial and healing resources. Mr. Spencer is located at 1111 Bailey Avenue and can be reached at 760-326-9245. The District Attorney assigns a Victim Advocate once charges are filed. **For more details, refer to the attached Bureau of Victim Services flyer.**
6. The City's Public Works staff is actively repairing deteriorated sidewalks to ensure public safety and improve infrastructure. Ongoing projects, such as the repair at the Women's Club (**refer to the attached image**), demonstrate our commitment to these efforts. We encourage residents to report any damaged sidewalks, potholes, or road issues by contacting the City of Needles Billing Office at 760-326-2115 (press #9) or through the Needles Connect app, available on both the [Apple App Store](#) or [Google Play Store](#). Your feedback is invaluable in helping us maintain and improve our streets. Please don't hesitate to reach out with concerns or to report issues—your involvement is essential to our community's progress.
7. The City's Public Works staff recently repainted the barriers of the Needles Bridge following vandalism, which costs the city thousands of dollars annually. For a visual update, **refer to the attached image**. To combat this, the city promptly repairs damage and reports incidents to law enforcement. In 2019, the City Council passed

Ordinance No. 624-AC, strengthening enforcement against vandalism, including graffiti on public and private property. If you witness vandalism, please report it to the San Bernardino County Sheriff's Office at (909) 387-8313. Additionally, contact the City (760) 326-2115 for graffiti removal or use the convenient Needles Connect app, available on both the [Apple App Store](#) or [Google Play Store](#).

8. **Last April**, the Needles Chamber of Commerce took over management of the Business Directional Sign Program, which provides travelers with key information about local landmarks and businesses within the City of Needles. Thanks to a generous donation of nearly \$8,700 from Supervisor Dawn Rowe, the revitalization of the signs is now underway and is expected to be completed by the end of the year. Businesses interested in participating in this program are encouraged to contact the Chamber directly at info@needleschamber.com.

Additionally, the Needles Chamber of Commerce is hosting the State of the City event on **October 3, 2024, from 6:00 p.m. to 8:00 p.m.** Businesses are invited to participate in the **Market Night earlier from 4:00 p.m. to 6:00 p.m.**, offering a great opportunity to showcase products and services to Needles residents. To reserve a table, please contact the Chamber at 760-326-2050 or email info@needleschamber.com. **Refer to the attached flyer for additional information.**

9. For the first time, [Ventura Circus](#) is coming to Needles! Come and experience the enchantment of "The Dream," a traditional American family circus showcasing everything from juggling and clowns to stunning aerial acrobatics. Performances will run from **October 10 through October 21, 2024**, with the opening night set for **7:00 p.m. on October 10 at 100 G Street in Downtown Needles**. Don't miss out on this unforgettable event—tickets can be purchased by clicking this [link](#).
10. The Needles Department of Motor Vehicles (DMV) Field Office temporarily closed for remodeling last May to enhance customer experience. We're excited to announce that the newly improved office is expected to reopen **on October 7, 2024**, with upgraded facilities designed to provide a more comfortable and efficient service experience for our community. We look forward to welcoming you back!
11. **IMPORTANT UPCOMING DATES:**
 - **Animal Shelter Spay/Neuter Clinic on September 26 and 27.** Is sold out.
 - **15th Annual Lynne's Little Ladies Tea Party on Saturday, September 21, 2024, from 1:00 to 3:00pm** at the Needles Women's Club.
 - **Annual Bridge to Bridge First Responders Appreciation Day on Saturday, October 12, 2024, from 11 am-2 pm** at the Mohave Valley Legacy Community Park at 9200 Aquarius, Mohave Valley.
 - **Ribbon Cutting Ceremony: The Well No. 11 Water Treatment Facility Project is anticipated for mid-October.** The date, time, and location are TBD.
 - **SBCSD/Needles Police 5th Annual Trunk or Treat Event on Wednesday, October 30, 2024, from 4:00 PM to 6:00 PM** at the Recreation Center parking

lot at 1705 J Street. If you're interested in participating, please get in touch with Misty Hunt at 760-526-9200 or mhunt@sbcisd.org.

- **Community Fall Festival: November 2, 2024, from 9:00 AM to 2:00 PM** at 950 Front Street. To participate vendors can contact Jennifer Valenzuela, Recreation Manager, via email at jvalenzuela@cityofneedles.com or directly at 760-326-2814.

1. STATE OF THE COUNTY



2. PHASE IV-A STREET GROUNDBREAKING



2. PHASE IV-A STREET GROUNDBREAKING



NEEDLES AREA TRANSIT

CLEAN AIR AND FREE FARES!



A PROJECT OF THE COALITION FOR CLEAN AIR

Celebrate California Clean Air Day on **Wednesday October 2** by riding public transit in the San Bernardino region.

Check with your local system for details.

RIDE FREE ALL DAY AND HELP CLEAR OUR AIR!



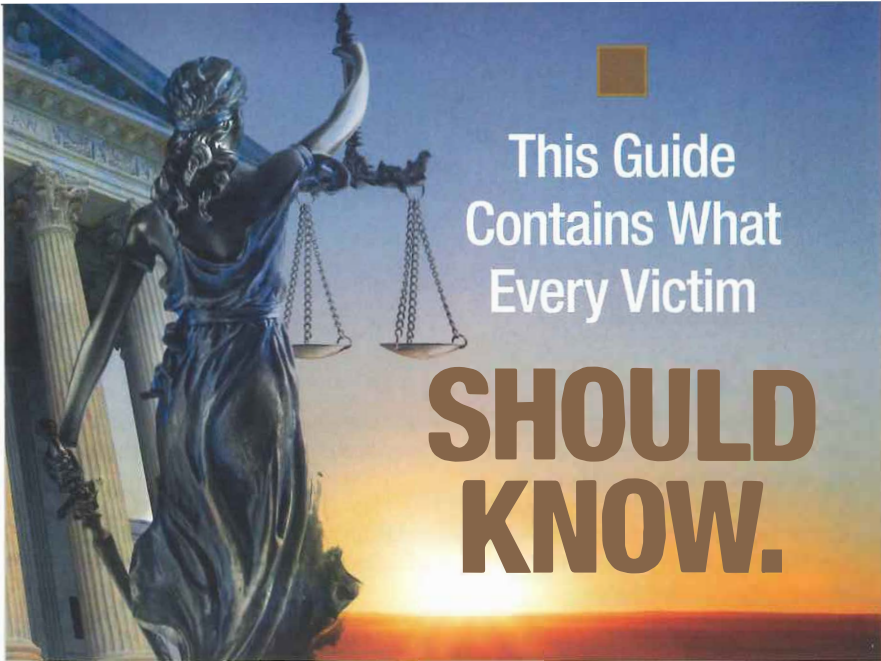
Powered by



cta

San Bernardino County
Transportation Authority





This Guide
Contains What
Every Victim

SHOULD KNOW.

As a **Victim** or **Witness** of a Crime,
You are Vital to the **Criminal Justice Process**.

The **Bureau of Victim Services**
Can Provide **Guidance** During this Process.



Jason Anderson
District Attorney | San Bernardino County

“ I recognize that being a victim and witness to a crime can cause fear and uncertainty. Our role is to alleviate that fear by honestly explaining what you can expect in court, explain what financial and healing services we can provide and assist with, and that victims of crime are protected under the California Constitution. This guide is intended to explain your value and the important role you serve in our criminal justice system.”

5. **VICTIM ADVOCATE**

Bureau of Victim Services

Monday - Friday 8:00AM - 5:00PM

SAN BERNARDINO
303 W. 3rd St.
909 382.3846

RANCHO CUCAMONGA
8303 Haven Ave., 4th Fl.
909 945.4241

MORONGO
6527 White Feather Rd.
760 366.5740

JUVENILE UNIT
303 W. 3rd St.
909 382.3846

VICTORVILLE
15371 Civic Drive
760 552.6947

**VICTIM COMPENSATION
CLAIMS UNIT**
909.386.9130

Satellite Locations

**SB SHERIFF'S
HEADQUARTERS**
655 E. 3rd St.
909.387.3586

**ARROWHEAD REGIONAL
MEDICAL CENTER**
400 N. Pepper Ave., Colton
909 580.1443

ONTARIO POLICE DEPT.
2500 S. Archibald Ave.
909 408.1073

BARSTOW POLICE DEPT.
500 Melissa St.
760 255.5185

Needles Sheriff's Dept.
1111 Bailey Ave.
(760) 326-9245



Scan QR Code for Our Website and Social Media Links

**COURT
CASE NO.**

Fill In Your Court Case Number Here for Easy Reference.

This publication was supported by funding awarded by Federal Grant Fund Sub-Award number XC20 03 0360 through the California Governor's Office of Emergency Services (Cal OES).



BUREAU OF **VICTIM SERVICES**

Your Guide as Your Case Moves
Through the Criminal Justice System.



**Criminal Justice
System Guidelines**



**Victim & Witness
Services**

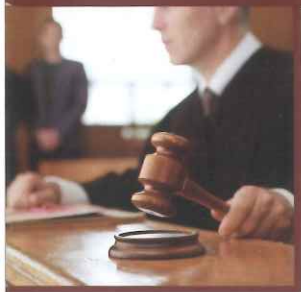


**Victims'
Bill of Rights**

Our Program Values Diversity and does not Discriminate Based on Race, Religion, National Origin, Age, Physical Ability, Gender or Sexual Orientation.

For More Information Visit www.SBCountyDA.org

SAN BERNARDINO COUNTY DISTRICT ATTORNEY'S OFFICE



Criminal Justice System Guidelines

An Overview of Your Case Proceedings:

The Subpoena –Don't Ignore It

A subpoena is a court order requiring you to appear in court. You can receive it in person, by mail, or electronically.

Sometimes a case will be postponed or "continued." If your case is "continued" before your appearance date, we will make every effort to inform you.

Misdemeanor Trial

In misdemeanor cases, your testimony will be needed during trial.

The Preliminary Hearing

In felony cases, you may be required to testify. While not a trial, it is a hearing at which the judge determines if there is sufficient evidence to "hold the defendant to answer" for their actions and stand trial.

Arraignment in Superior Court

If the defendant is "held to answer" for their crimes, they will be arraigned again in Superior Court within fifteen days. You do not have to appear at this hearing.

Verdict and Sentencing

When the defendant is sentenced, you have the right to appear and make a statement about how the crime has affected you and your family, and what punishment you feel is appropriate. A Victim Advocate may accompany you to court to support you or can read your statement on your behalf.

Felony Trial

California law requires that a defendant charged with a felony be brought to trial within 60 days of the filing charges, unless that right is waived by the defendant. In some cases, this time could extend to several months or even longer. You will need to testify at the trial, even if you testified at the preliminary hearing. In some cases, a trial will not be held because the defendant pleads guilty.

Your Testimony

You may be called to testify in court by a deputy district attorney. After he/she has asked the questions, the defense attorney has the right to test your memory of the facts, or to "cross-examine" you. You may be excluded from the courtroom when other people are testifying. This is to ensure that the testimony or memory of one witness does not influence the testimony of another.

The Defense Attorney

The defense attorney may ask to speak with you to find out the nature of your testimony. There are no laws or rules prohibiting you from telling the defendant's attorney or representative what your testimony will be. **However, you are not required to do so; this is your decision.** You may discuss any of this with the deputy district attorney. If you choose to speak with the defense, you may wish to have another person present or record the interview to avoid later misquotations and misunderstandings.



Victim & Witness Services

We Can Help You in the Following Ways:

Case Information

Our team can provide court case status and hearing dates. They can also coordinate transportation when a victim has been subpoenaed to testify.

Crisis & Emergency Assistance

Our team provides crime related crisis intervention and when necessary, emergency services such as funeral and burial assistance, food, shelter, clothing, and referrals to medical and mental health care.

Support with Your Testimony

We can help coordinate your scheduled appearance and prepare you with what to expect. Upon request, Victim Advocates accompany victims, witnesses, and their family members to court proceedings for support and may sit on the stand while you testify.

Restitution & Creditor Assistance

If you have suffered a financial or property loss as a direct result of a crime, we can explain the process of a restitution order, and advise you on what documentation is needed. Also, injuries or court appearances may affect your earnings. Our staff can advocate on your behalf with creditors to explain your situation and encourage them to work with you.

Property Return

In some criminal cases, personal property is held as evidence by law enforcement or by the court. Our team can assist with the request for the return of your property when the case is concluded.

Victim Compensation Claims

Victims and their families may be eligible for reimbursement through the California's Victim Compensation Program for out-of-pocket expenses resulting from a crime. Funds may be available for medical expenses, lost wages or support, funeral expenses, mental health counseling, and physical therapy. We will advise you on your eligibility and help prepare and submit a claim on your behalf.

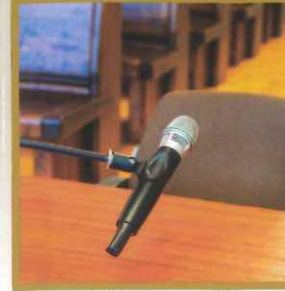
Counseling Assistance

Victim Advocates are familiar with local, state, and national resources and can provide referrals to the help for your specific needs.

Defendant Release Information

We can assist you in registering to receive notifications when any defendant that is housed in San Bernardino County Jail or a correctional facility is scheduled for release or transfer.

You can also call **877.411.5588** or visit www.VineLink.com



Victims' Bill of Rights

A Quick Look at Some of Your Rights:

Marsy's Law

On November 4, 2008, Proposition 9, the Victims' Bill of Rights Act of 2008: Marsy's Law was approved. This measure amended the California Constitution to provide additional rights to victims.

Crime victims may obtain additional information regarding Marsy's Law by contacting a local District Attorney's Victim Services Center, or by visiting www.sbcountyda.org.

As a Victim of Crime, You have the Right to:

- Be treated with dignity and compassion.
- Be protected from intimidation and harm.
- Be informed about the criminal justice system and the status of your case.
- Be informed of social services and resources available in the community.
- Have help in dealing with the system and be accompanied to court for support.
- Have your opinions considered at the sentencing and parole phases of a case.
- Be compensated for injuries, wage loss, and funeral expenses.

6. PUBLIC WORKS UPDATE



7. NEEDLES BRIDGE UPDATE



8. STATE OF THE CITY



Exhibit Your Business at "The State of the City" Market Night!

We wanted to let you know about a fantastic opportunity to showcase your business at our upcoming "STATE OF THE CITY " event. This year, prior to the meeting, we are creating an open-air market setting on the lawn of El Garces. We're inviting our members, including you, to reserve a space, bring a table, and take the opportunity to engage with the community, network with fellow business owners, and promote your products or services.

Event: State of the City

Date: October 3rd

Time: 6 p.m. to 8:00 p.m.

Location: Meeting -El Garces

Market Night: Park

Cost: Market Night participation is 25.00 for Chamber Members
125.00 for Non Chamber Members (includes membership)

If you are interested in reserving a table or have questions feel free to call the Chamber at 760-326-2050

Space is limited, Don't miss this opportunity!

Looking forward to hearing from you!

The Team at the Chamber!



NEEDLES
CHAMBER OF COMMERCE
AND
VISITOR CENTER

9. VENTURA CIRCUS



VENTURA
Circus

**FIRST TIME EVER
IN NEEDLES!**

**VENTURA
CIRCUS!**

\$5 OFF
1 ADULT & 1 CHILD
WITH THIS FLYER
NOT VALID WITH ANY OTHER OFFER.

The flyer features a vibrant purple and pink background with a starburst pattern. In the top left, a woman in a black leotard and boots hangs from a rope. In the top center, a man in a blue and red outfit hangs upside down. On the left, a man in a black shirt and white pants sits on a blue globe. In the bottom left, a clown with a green hat and a colorful striped shirt waves. On the right, two women in black and purple leotards pose. The Ventura Circus logo is in the top left, and the main offer is in a large yellow starburst in the center.

9. VENTURA CIRCUS



OCT 10 THRU OCT 21

VENTURA CIRCUS!

NEEDLES

CIRCUS EVENT - 100 G ST

THURSDAY OPENING NIGHT 7 PM

MON - FRI 7:30 PM

SAT & SUN 12, 4 & 7 PM

The poster features a vibrant background of pink and purple rays. At the top, two calendar-like boxes show the dates 'OCT 10' and 'OCT 21' with 'THRU' in between. Below the dates, several acrobats are depicted in various poses: two women in purple and black outfits on the left, a man in a purple suit performing a handstand on a blue globe, and a woman in a black outfit performing a handstand on the right. The 'VENTURA CIRCUS!' logo is prominently displayed in the center, and the 'NEEDLES' location is written in large, bold letters at the bottom. The event schedule is listed in bold, pink-outlined white text.



City of Needles

817 Third Street, Needles, California 92363
(760) 326-2113 • FAX (760) 326-6765
www.cityofneedles.com

Mayor, Janet Jernigan
Vice Mayor Kirsten Merritt
Councilmember Tona Belt
Councilmember Ellen Campbell
Councilmember Jamie McCorkle
Councilmember JoAnne Pogue
Councilmember Henry Longbrake

City Manager Patrick J. Martinez

MEMORANDUM

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: PATRICK J. MARTINEZ, CITY MANAGER

SUBJECT: WEEKLY MEMORANDUM

DATE: September 27, 2024

1. The City of Needles invites the community to a groundbreaking ceremony for the Obernolte Street Improvement Project, a \$971,988.40 initiative funded through the Community Project Funding/Congressionally Directed Spending program, sponsored by Congressman Jay Obernolte, with \$757,803 contributed by the program and the remainder from the City's General Fund. As part of the Citywide Pavement Management Program, this project will repave key streets including 4th St., 5th St., Collins St., L St., Highland St., Park St., Orange St., Erin Dr., and Coronado St. The event will take place on **Tuesday, October 1, 2024, at 9 a.m. at the intersection of North Erin Drive and Bailey Avenue**. These critical upgrades will enhance road safety, reduce maintenance costs, and improve driving conditions for residents, ensuring a safer, more resilient, and well-maintained community for years to come. **Refer to the attached image for more information on the roads being paved.**
2. The City of Needles proudly highlighted its reputation as the "hottest economy in the United States" at the Innovating Commerce Serving Communities (ICSC) Western Conference from September 23-25, 2024. In partnership with our Economic Development Consultant, city officials made valuable connections with retailers, developers, and brokers, focusing on attracting a grocery store and other key retailers to our community. The response was overwhelmingly positive, with many affirming that it's not a question of *if* but *when*, given the current strength of our market. **Refer to the attached image of our dynamic conference booth.**
3. City staff is dedicated to proactively addressing streetlight outages while upgrading our infrastructure with energy-efficient LED lights. As part of this phased initiative, the City focuses on converting all lights in our parks to LEDs. This week, staff continued efforts to replace outdated streetlight bulbs across the City with LED technology. These upgrades will significantly reduce energy consumption, leading

to substantial cost savings for our utility. **Refer to the attached image for a behind-the-scenes look at this critical process.**

4. We're thrilled to share a sneak peek of the Duke Watkins Improvement Project, a **\$3,965,400** investment in our community. This week, the concrete for the Route 66-themed splash pad was poured, marking a significant milestone in the park's transformation. A ribbon-cutting ceremony is planned for mid-October to celebrate the completion of this exciting project. **Refer to the attached image for more details.**
5. The Animal Shelter successfully held its bi-annual spay and neuter clinic this week, serving over 25 dogs and cats. A special thank you goes to Dr. Angelina Beeks of Angel's Touch Mobile Veterinary Unit, a trusted partner since April 2022, for her continued support. This event aligns with our mission to promote animal welfare and responsible pet ownership in our community. Don't miss out on this valuable opportunity! **Refer to the attached image for more details.**
6. The Recreation Center is excited to announce that our fall programs are now in full swing! Next week marks the official start of our full programming schedule, featuring volleyball, football, and soccer. We're thrilled to have over 230 children signed up for these activities. Volleyball will be held on Mondays and Wednesdays, football on Tuesdays and Thursdays, and soccer on Saturday mornings. These programs provide our youth with opportunities to develop leadership skills while honing their athletic abilities. If you have any questions, please contact Jennifer Valenzuela, Recreation Manager, at jvalenzuela@cityofneedles.com or call 760-326-2814.
7. The Chamber of Commerce is excited to invite the community to the groundbreaking ceremony for the Business Directional Sign Renovation Program, taking place on **Monday, September 30, 2024, at 8:30 a.m.** at the Westside Shell and Carl's Jr. located at 2601 Needles Hwy, Needles, CA 92363. Thanks to a generous \$8,700 donation from Supervisor Dawn Rowe, the revitalization of the first of 11 directional signs is now underway, with completion expected by the end of the year. Businesses interested in participating in this program are encouraged to contact the Chamber directly at info@needleschamber.com.
8. Although the golf course is temporarily closed for overseeding **until October 4, 2024**, now is the perfect time to plan and book your tee times for the upcoming season. With cooler weather approaching, it's an excellent opportunity to participate in some of the exciting tournaments on the horizon. The season kicks off with a "Welcome Back" 3-person scramble on **October 19**, followed by the Needles Women's Club inaugural scholarship and operations fundraiser on **November 16** and the return of the Jason Smith Memorial Golf Tournament on **December 7**. These events offer a fun and competitive way to reconnect with the game and support local causes. For those interested in hosting their tournament or booking their tee time, contact Rivers Edge at 760-326-3931. We're excited about the many upcoming activities and remain dedicated to ensuring Rivers Edge remains a

valued asset in the community as it grows into a championship-caliber golf destination.

9. The WIC program operates in San Bernardino County, supporting eligible pregnant and postpartum women, infants, and children under age 5. Services include breastfeeding assistance, access to nutritious food, health and community resources referrals, and nutrition education to help families make healthier choices. For more information, contact the Community Action Partnership of Kern at 760-903-4508. **Refer to the attached flyer for eligibility details.** The City of Needles is committed to connecting residents with valuable resources like WIC to support our community's well-being.
10. The Needles Department of Motor Vehicles (DMV) Field Office, which temporarily closed last May for remodeling to improve customer service, has experienced a delay in its reopening. City staff have been informed that the reopening date remains uncertain. We will update the community and notify everyone once a confirmed reopening date is established.
11. A community-organized trunk-or-treat event will take place on **October 26, 2024, from 5 p.m. to 7 p.m.** on Front Street along Santa Fe Park. This event aims to support local youth and provide a safe environment for trick-or-treating. Sponsorships are available, and vendors interested in participating can register by contacting Mia at 760-881-9021 or Christin at 760-220-8751. **For more details, please refer to the attached flyer.**

12. IMPORTANT UPCOMING DATES:

- **California Clean Air Day on Wednesday, October 2, 2024**, Needles Area Transit will be offering free fares all day long. No reservations are required—just hop on a Needles Area Transit bus and enjoy your complimentary ride!
- **Needles Chamber of Commerce State of the City, October 3, 2024, from 6:00 p.m. to 8:00 p.m.** Businesses are invited to participate in the **Market Night earlier from 4:00 p.m. to 6:00 p.m.** at the historic El Garces located at 950 Front Street. To reserve a table, please contact the Chamber at 760-326-2050 or email info@needleschamber.com.
- **Ventura Circus** will be performing in town from **October 10 through October 21, 2024**, with the opening night set for **7:00 p.m. on October 10 at 100 G Street in Downtown Needles**. Don't miss out on this unforgettable event—tickets can be purchased by clicking this [link](#).
- **Annual Bridge to Bridge First Responders Appreciation Day on Saturday, October 12, 2024, from 11 am-2 pm** at the Mohave Valley Legacy Community Park at 9200 Aquarius, Mohave Valley.
- **Ribbon Cutting Ceremony: The Well No. 11 Water Treatment Facility Project is anticipated for mid-October.** The date, time, and location are TBD.
- **SBCSD/Needles Police 5th Annual Trunk or Treat Event on Wednesday, October 30, 2024, from 4:00 PM to 6:00 PM** at the Recreation Center parking

lot at 1705 J Street. If you're interested in participating, please get in touch with Misty Hunt at 760-526-9200 or mhunt@sbcasd.org.

- **Community Fall Festival: November 2, 2024, from 9:00 AM to 2:00 PM** at 950 Front Street. To participate vendors can contact Jennifer Valenzuela, Recreation Manager, via email at jvalenzuela@cityofneedles.com or directly at 760-326-2814.

2. ICSC WESTERN 2024



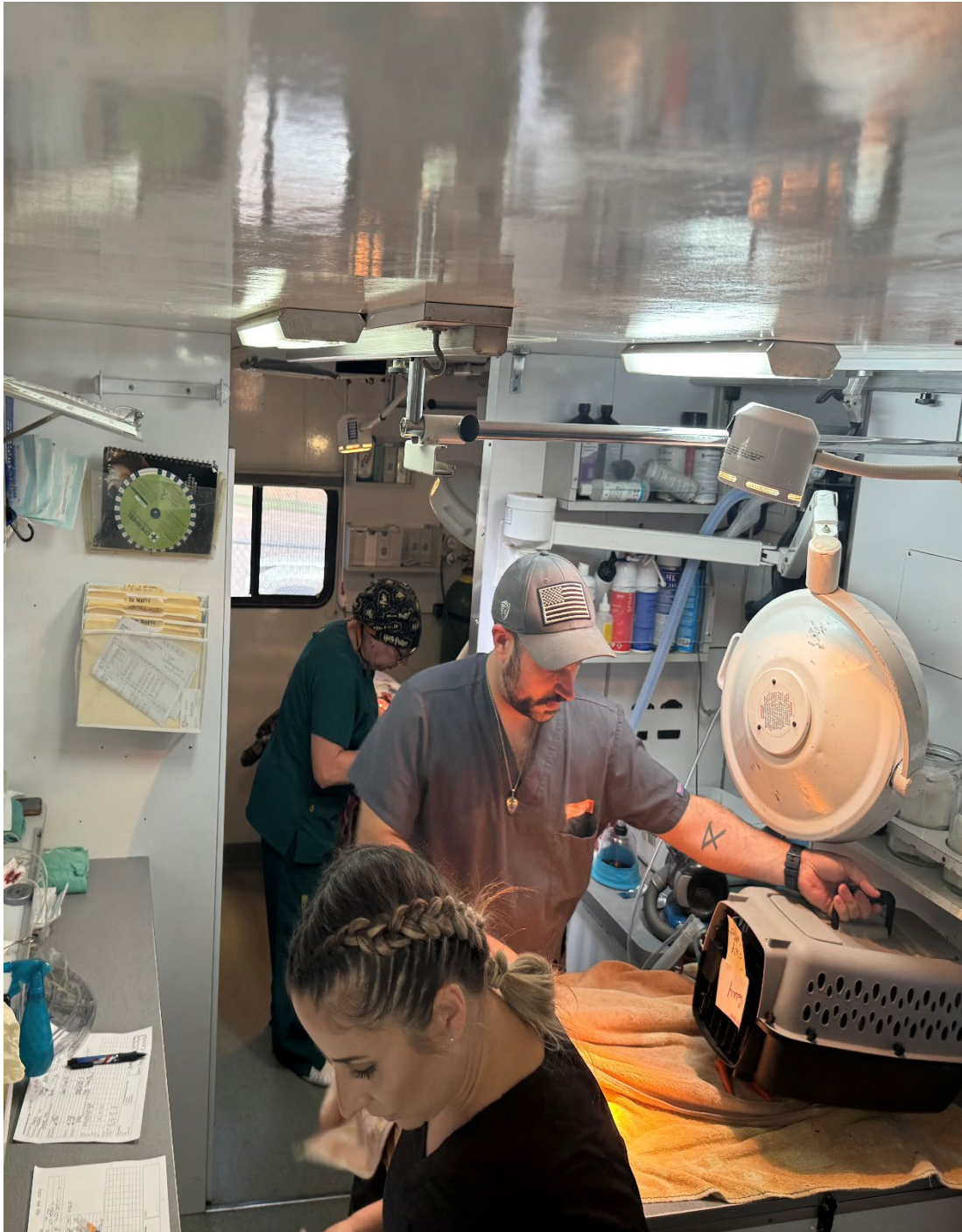
3. LED LIGHT UPGRADE



4. DUKE WATKINS UPDATE



5. ANIMAL SHELTER UPDATE



8. RIVERS EDGE GOLF COURSE



Upcoming Tournaments at The Edge

Don't miss out on all the fun with upcoming Golf Tournaments at Rivers Edge this Fall. With Rivers Edge Golf Course reopening back to fulltime hours on Friday, October 4th 2024, no better time to sign up than today.

Below are flyers with information regarding the upcoming events.

A flyer for an inaugural golf tournament. The top half shows a golf course with a dark banner that says 'GOLF TOURNAMENT'. Below this is the Rivers Edge Golf Course logo. The main text is 'INAUGURAL WELCOME BACK OUTING' in large white letters on a dark background. Below that, it says 'OCTOBER 19TH 3-PERSON SCRAMBLE' and '\$70 PER PLAYER' in green. It also lists 'PAYOUTS/AWARDS AFTER GOLF - CASH PAYOUTS'. There is a section for 'OPTIONAL TEAM SKINS/BUY-IN' with a drawing for a monthly membership. At the bottom, it says 'SIGN UP TODAY BY CALLING (760) 326-3931' and 'RAFFLE & 50/50 AFTER GOLF ON COURSE PRIZES/CONTESTS ALL MONEY GOES BACK TO PLAYERS'. The footer includes the email 'jjdeleon@golfneedlesca.com' and the website 'www.golfneedlesca.com'.

GOLF TOURNAMENT

INAUGURAL

WELCOME BACK OUTING

OCTOBER 19TH
3-PERSON SCRAMBLE

\$70 PER PLAYER
PAYOUTS/AWARDS
AFTER GOLF - CASH PAYOUTS

OPTIONAL TEAM SKINS/BUY-IN
Drawing for a Monthly Membership for all paid participants

7 AM REGISTRATION
8:00 AM SHOTGUN START
1:30 PM AWARDS AT RIVERS EDGE

SIGN UP TODAY BY CALLING
(760) 326-3931

RAFFLE & 50/50 AFTER GOLF
ON COURSE PRIZES/CONTESTS
ALL MONEY GOES BACK TO PLAYERS

Email : jjdeleon@golfneedlesca.com
www.golfneedlesca.com

A flyer for a fundraising event. The top half has a dark red background with the text 'NEEDLES, CA' and 'NEEDLES WOMENS CLUB Scholarship & Operations Fundraiser 2024'. Below this, it says 'Saturday, November 16th 2024' and '8:30am Shotgun Start (CA)'. It also lists '3-Person Scramble w/ Handicap' and '\$70PP Includes Golf, Cart, Range, Donation, Prizes & Payouts'. The contact number is '(760) 326-3931'. At the bottom, it says 'Hole Sponsorships Available \$75 per Sign'. The right side of the flyer features the Rivers Edge Golf Course logo and a scenic view of a golf course with mountains in the background. The bottom of the flyer has a dark red background with the address '144 Marina Drive, Needles, CA 92363' and the phone number '760.326.3931' and website 'www.golfneedlesca.com'.

NEEDLES, CA

NEEDLES WOMENS CLUB

Scholarship & Operations
Fundraiser 2024

Saturday, November 16th 2024
8:30am Shotgun Start (CA)
3-Person Scramble w/ Handicap
\$70PP Includes Golf, Cart, Range,
Donation, Prizes & Payouts

(760) 326-3931

Hole Sponsorships Available
\$75 per Sign

144 Marina Drive, Needles, CA 92363
760.326.3931 • www.golfneedlesca.com



4TH ANNUAL

JASON SMITH MEMORIAL GOLF OUTING

SATURDAY
December
7th 2024



Limited to First
48 Teams

3-Person Scramble

\$75 PER PLAYER | \$225 PER TEAM

Sign up Deadline

Thursday, December 5th 2024

**OPTIONAL TEAM
SKINS/BUY-IN**

On Course Prizes to Include
Closest to Pin - Longest Drive

Rivers Edge Golf Course
www.golfneedlesca.com

144 Marina Drive Needles, CA 92363

CALL US FOR REGISTRATION
+760 326-3931

Made with PosterMyWall.com

Rivers Edge Golf Course

9. WIC PROGRAM

California Families Grow Healthy with WIC

WIC is a nutrition program for Women,
Infants, and Children.



You may qualify if you:

- Are pregnant, breastfeeding, or just had a baby;
- Have a child under age 5; and
- Have a low to medium income; and/or
- Receive Medi-Cal, CalWORKs (TANF), or CalFresh (Food Stamps) benefits; and
- Live in California



WIC provides:

- Nutrition tips and health information
- Breastfeeding support
- Monthly benefits for healthy foods (like fruits & vegetables)
- Referrals to medical providers and community services



Your family may qualify for WIC*

- A family of 2 can earn up to \$, 1455 per 2-week period
- A family of 3 can earn up to \$, 1838 per 2-week period
- A family of 4 can earn up to \$, 2220 per 2-week period



*Before tax income levels change annually. Contact your local WIC office or visit myfamily.wic.ca.gov for current information.

Yes!

Newly pregnant women, migrant workers, and working families are encouraged to apply.

Enroll early! Call today if you are pregnant or have an infant or child under age 5:



Needles : (760) 903-4508
Phone number: (866) 327-3074
Text or call : 1(888) 826-9867
Website: www.capkwic.org



California Department of Public Health, California WIC Program
This institution is an equal opportunity provider.
1-888-942-9675 (1-888-WIC-WORKS)

11. TRUNK OR TREAT

TRUNK

OR

TREAT

On Front Street

Saturday October 26th

5:00 – 7:00PM

Front Street along Santa Fe Park

**Sponsorships available – Vendors please contact
Mia 760 881 9021 or Christin 760 220 8751
to register**

