

CHARLES CITY HOUSING & REDEVELOPMENT AUTHORITY AGENDA

September 19, 2019, 7:00 a.m.

at

501 Cedar Terrace South, Charles City, IA 50616

I.	Roll Call – Call Meeting to Order	
II.	Public Comment	
III.	Amend-Approve Minutes of August 15, 2019.....	1-2
IV.	Approval of Bills for September 2019.....	3
V.	Communications	4-8
	1. Capital Fund Program Update	
	2. Rehab Update	
	3. HUD Lawsuit Update	
	4. Section 8 Funding/Utilization	
	5. PHAS Interim Score	
	6. Monthly Rental Status Update	
	7. End of Participation Tracker	
VI.	Old Business	
	1. Asset Repositioning.....	9-10
VII.	New Business	
	1. Review Operating Reports	11-15
	2. Approve Resolution 10-19 to Approve Payment Standards.....	16-18
	3. Approve Resolution 11-19 to Retain Current Flat Rents	19-20
	4. Purchase of Tractor.....	21
	5. Approve Resolution 12-19 Establishing an “Over Income Policy”.....	22-25
VIII.	Executive Directors Report	
IX.	Move to Adjourn	

Next regular meeting scheduled for **Tuesday, October 22nd** at 7:00 a.m., CCHRA Office

MINUTES
CHARLES CITY HOUSING AND REDEVELOPMENT AUTHORITY
August 15, 2019 at 7:00 a.m.

Members Present: Beth Diers, Diane Stewart, and Jeremy Heyer. Absent: Linda Klemesrud, and Eric Miller.
Others present: Heidi Nielsen, staff.

Call to Order. Heyer called the meeting to order at 7:01 a.m.

Public Comments. None

Amend-Approve Minutes of July 18, 2019. Diers asked about the disposition of vacant lot at Morningside. Nielsen explains that this item will also be on the agenda many more times in the future. Diers moved, Stewart seconded the motion to approve the minutes of July 18, 2019 as presented. Ayes: 3, Nays: 0. Motion carried.

Approval of Bills. Board members reviewed the revised bill listing, and Nielsen stated the bills were primarily routine. Diers moved, Stewart seconded the motion to approve payment of the revised bill listing totaling \$85,380.48. Ayes: 3, Nays: 0. Motion carried.

Communications. Items under Communications were reviewed but no action was taken. Items discussed were the progress of the electrical updates at SCT, updates on the Rehab Program, the new employee hired for the maintenance position, and monthly funding and utilization of the Section 8 Program and occupancy of the Public Housing sites.

Old Business. None

New Business.

Review Financial Reports. The reports were reviewed, and Nielsen reported that we are on track with the budget so far except for a few accounts and stated that there would likely be budget amendments made to the utility and contract cost accounts. There were no questions. No motion was necessary.

Approve Resolution 09-19 SEMAP Submission for FYE 06/30/2019. Nielsen reviewed the SEMAP Certification and the different indicators to be scored Stewart motioned to approve the submission, with a second by Diers. Ayes: Heyer, Diers, Stewart. Nays: 0. Motion carried on roll call vote.

Approve Change Order for Transformer Project. Nielsen presented a bill from MidAmerican Energy which represented an agreement with them to extend the electrical service. The agreement required the Housing Authority to pay them \$17,213.26 as a contribution in aid of construction. Diers motioned to approve the payment to MidAmerican Energy. The motion was seconded by Stewart. Ayes: 3, Nays: 0. Motion carried.

Repair of Retaining Walls at Morningside. Nielsen explained that the retaining walls were starting to separate and were in need of repair and presented three quotes received for the repairs. Nielsen requested approval of the quote with Do It All Services for \$7,858.13 because the low bid from Morris Landscaping did not meet the requested specifications. Nielsen discussed with the Board the stated reason for not providing a quote within the requested specification and stated that the reason was discussed with Do It All Construction and the decision was made to stick with the original design. Motion was made by Stewart to accept the quote from Do It All Construction. The motion was seconded by Diers. Ayes: 3, Nays: 0. Motion carried.

Review Asset Repositioning and Discuss Options. Nielsen and Diers reviewed the information from the HUD meeting in Denver. Both stated that it was beneficial. Nielsen stated that they (HUD) were very helpful in determining which option may be best for the agency. Diers was very optimistic that moving ahead will be a great opportunity for our agency and the City. Because not all Board members were in attendance, Nielsen stated that instead of making a decision it would be better to wait until all Board members were able to participate. Nielsen was going to have a survey and appraisal for Morningside done to at least determine the value of the vacant lot and the boundary lines.

Director's Report. Nielsen explained that due to a staff member's absence due to illness, that the office had been closing at 2:00 p.m. to allow more time for work to get done without interruptions.

Being no further business, Stewart moved, Diers seconded the motion to adjourn. Ayes: 3. Nays: None. The meeting adjourned at 7:55 a.m.

Charles City Housing and Redevelopment Authority

Jeremy Heyer, Chairperson

ATTEST:

Heidi Nielsen, Director

Charles City Housing
 Monthly Bill Listing
 September 2019

Customer	Description	Amount
Arnold Motor Supply	maintenance supplies	23.30
Business Card	staff training travel, maintenance items	2,395.59
Business Card	employee background check	15.00
Catherine Marie Ott	office cleaning	600.00
CenturyLink	phone bill	162.44
CenturyLink	shared line bill	13.46
Charles City Press	advertisement	832.00
Cintas	rug service	55.22
City of Charles City	water/sewer/URP/S8 inspections	3,926.19
D & C Stanton Electric	transformer project	85,500.00
Do It All Services	maintenance repairs	650.00
Hockenson Plumbing	maintenance repairs	345.29
Houdek Floorcovering	flooring costs	2,688.00
Housing Authority Acctg. Spec, Inc.	accounting fees	1,179.50
Iowa Department of Transportation	fuel	98.56
Iowa Surveillance Team	security camera work	994.99
Jendro Sanitation	trash service	835.00
John Deere Financial	Theisen purchases maintenance	42.75
Koch Office Group	copy costs	11.92
Kwik Trip, Inc.	fuel	99.98
LEAF	copier lease	241.64
Lessin Supply Co.	maintenance supplies	32.67
Linderman Heating & Air, LLC	maintenance repairs	1,133.49
Mediacom	internet for security cameras	156.90
Mehmen's Painting	apartment turnover painting	310.00
Mid American Energy	electric/gas/URP	6,422.00
Mid American Energy	transformer project	17,213.26
Noah, Smith & Schuknecht, P.L.C.	legal fees	754.60
Perry Novak Electric	electrical maintenane repairs	182.56
Petty Cash	replenish petty cash fund	84.64
Pitney Bowes	meter lease	99.66
Schueth Ace Hardware	maintenance items for month	895.95
Sherwin Williams	paint	372.30
Short Elliott Hendrickson, Inc.	parking lot project	1,642.92
Staples Advantage	office items	323.75
Superior Lumber	maintenance items for month	717.19
T-J Service	maintenance repairs/replacement appliances	1,884.92
The PI Company	background checks/work verifications	244.00
True Green	lawn treatment	187.00
US Cellular	cell phone bill	138.74
Veenstra & Kimm, Inc.	architect fees	414.20
		133,921.58

REQUESTED ACTION: None - for your information only.

1. Capital Fund/Maintenance Update. The contractor warranty period for the new windows is almost here. Prior to that we plan to look at each window to ensure that they still meet the required specifications. The electrical updates are closer to completion. At the last meeting we discussed the conduit which was run on the outside of the brick in the front of the units. As we discussed, the contractor was supposed to run the conduit and box on the inside up to the ceiling and then over to the mechanical room. We met with the architect, engineer, and contractor to discuss options. The contractor told us that he had to run the conduit on the outside to meet code and stay the required distance from the existing gas meters. After looking at several of the installations, the decision was made to move the conduit and boxes over the outside edge as far as possible, so the decorative bricks are not blocked. When they are finished, they will paint the conduit and box to match the brick. We are hopeful that the project will be finished by the end of September.

The engineers are still planning the sidewalk/parking lot project. Once we have the finished plans and cost estimate, we will present it for Board approval prior to the bidding process. We still plan to have the project completed by late spring.

The only other two projects remaining are the garage roof support repair at NCT and the retaining wall at Morningside. These two projects should be finished by mid to late fall.

2. Rehab Update. The first project is almost complete, and the second project is about half done. We still have not been able to bid the second two projects. The State finally determined that one of the properties was historically significant and we can't replace the windows as intended. Instead we must revise the specifications to repair and repaint the existing windows. We haven't made the revisions to the scope of the project yet because it took the State so long to make a determination, we now have to re-verify the family's income to ensure that they are still income eligible. These delays are making it likely that the second two projects won't be finished until next spring.
3. HUD Lawsuit Update. In August the Government filed an appeal of the Claim Court's June 25th judgement awarding us damages. It is not known at this time whether they will pursue an appeal. They filed the Notice of Appeal to preserve their right to pursue an appeal if they choose to do so. We will have to wait a while longer to see what they decide.
4. Section 8 Funding/Utilization. See attachment for utilization.
5. PHAS Interim Score. HUD has a system to rate the housing authority's performance and the frequency of the rating depends on how well we perform. We achieved the "High Performer" status for our most recent score. Not only does this rating allow us to receive additional Capital Improvement Funds, it also allows to skip the assessment for three years. HUD gives us an interim score for the years in between the official assessment. This interim score is what we would have earned if we were to be scored the past year. For FYE 2019, we would have scored a 90 out of 100. This would be enough for us to retain the "High Performer" status. We will have a full assessment in 2020, which includes a new inspection of the properties.

6. Monthly Rental Status Update.

Month of August 2019	Total Leased 8/1/19	New Leases	Removed Or Moved	Total Leased 9/1/19	Total on Waiting List	Offered Assistance	Removed
Terraces 132 Units	130	2	2	130	N-39	N-2	N-2
					S-35	S-5	S-3
Morningside 16 Units	12	2	1	13	6	9	4
Section 8 197 Units	143	10	5	148	76	24	11

Declined Assistance (7) Over Income () Denied () Insufficient Address (1)
 Did not attend Briefing/Information Not Returned (12) Criminal Background Check ()
 Voucher Expired (2) Purged ()
 Terminations: PH (1) S8 (2)

7. End of Participation Tracker. See attachment



U.S. Department of Housing and Urban Development

OFFICE OF PUBLIC AND INDIAN HOUSING
REAL ESTATE ASSESSMENT CENTER

Public Housing Assessment System (PHAS) Score Report for Interim Rule

Report Date: 09/09/2019

PHA Code:	IA002
PHA Name:	Charles City Hsg and Redev Authority
Fiscal Year End:	06/30/2019

PHAS Indicators	Score	Maximum Score
Physical	36	40
Financial	25	25
Management	22	25
Capital Fund	7	10
Late Penalty Points	0	
PHAS Total Score	90	100
Designation Status:	Small PHA Deregulation	

Published 09/09/2019 Initial published 09/09/2019

Financial Score Details	Score	Maximum Score
Unaudited/Single Audit		
1. FASS Score before deductions	25.00	25
2. Audit Penalties	0.00	
Total Financial Score Unrounded (FASS Score - Audit Penalties)	25.00	25

Capital Fund Score Details	Score	Maximum Score
Timeliness of Fund Obligation:		
1. Timeliness of Fund Obligation %	90.00	
2. Timeliness of Fund Obligation Points	5	5
Occupancy Rate:		
3. Occupancy Rate %	95.27	
4. Occupancy Rate Points	2	5
Total Capital Fund Score (Fund Obligation + Occupancy Rate):	7	10

Notes:

- The scores in this Report are the official PHAS scores of record for your PHA. PHAS scores in other systems are not to be relied upon and are not being used by the Department.
- Due to rounding, the sum of the PHAS indicator scores may not equal the overall PHAS score.
- "0" FASS Score indicates a late presumptive failure. See 902.60 and 902.92 of the Interim PHAS rule.
- "0" Total Capital Fund Score is due to score of "0" for Timeliness of Fund Obligation. See the Capital Fund
- PHAS Interim Rule website - <http://www.hud.gov/offices/reac/products/prodphasinrule.cfm>

HCV HAP Spending Projection

	A	B	C	D	E	F	G	H	I	J	K	L	M
	HUD Held												
	NRA												
PHA Name	Funds on Hand at PHA at End of Prior Month (HAP related, not administrative funds) beginning with 12/31/16 NRA	Number of Units Leased on the First of the Month	Plus: HUD Actual or Planned HAP Related Disbursements	Minus: HAP Expenses: Actuals from VMS and/or PHA projected	Disbursements minus Expenditures	VMS Reported Fraud Recovery and/or FSS Forfeitures	Estimated End of Month Balance (NRA): HAP funds on hand (includes Fraud Recovery and/or FSS forfeitures)	Beginning monthly HUD Held Balance starting 12/31/16	Plus: ALL Obligated HAP BA (including BA for prior period Tenant Protection vouchers)	Minus: HUD Actual or Planned HAP Related Disbursements	End of Month Balance HUD Held Undisbursed BA/Reserves (obligated HAP BA minus disbursements)		
	D		E	F	E-F	H	D+G+H	K	L	M	(K+L)-M		
7													
8	CY 2019												
9	January	\$3,385	173	\$68,442	\$64,233	\$345	\$1,169	\$29,135	\$55,764	\$68,442	\$16,457	\$16,457	
10	February	\$1,169	168	\$68,442	\$61,830	\$357	\$8,138	\$16,457	\$55,764	\$68,442	\$3,779	\$3,779	
11	March	\$8,138	165	\$62,441	\$61,235	\$353	\$9,697	\$3,779	\$65,809	\$62,441	\$7,147	\$7,147	
12	April	\$9,697	160	\$58,663	\$57,221	\$210	\$11,349	\$7,147	\$70,046	\$58,663	\$18,530	\$18,530	
13	May	\$11,349	158	\$72,169	\$69,677	\$259	\$24,100	\$18,530	\$69,261	\$72,169	\$5,822	\$5,822	
14	June	\$24,100	158	\$65,518	\$60,908	\$691	\$29,401	\$5,822	\$67,878	\$65,518	\$7,982	\$7,982	
15	July	\$29,401	152	\$65,518	\$59,541	\$310	\$35,688	\$7,982	\$60,739	\$65,518	\$3,203	\$3,203	
16	August	\$35,688	161	\$59,712	\$60,484	\$47	\$34,963	\$3,203	\$56,612	\$59,712	\$103	\$103	
17	September	\$34,963	151	\$59,712	\$62,823	\$187	\$32,039	\$103	\$56,612	\$59,712	-\$2,997	-\$2,997	
18	October	\$32,039	150	\$69,712	\$57,614	\$35	\$34,172	-\$2,997	\$60,888	\$59,712	\$1,821	\$1,821	
19	November	\$34,172	143	\$34,770	\$54,634	\$48	\$14,356	-\$1,821	\$60,929	\$34,770	\$24,338	\$24,338	
20	December	\$14,356	142	\$60,437	\$50,566	\$30	\$24,257	\$24,338	\$121,795	\$60,437	\$85,696	\$85,696	
21	Total			\$735,536	\$710,766	\$2,872			\$792,097	\$735,536			
22													
23	CY 2019												
24	January	\$24,257	140	\$63,602	\$49,861	\$40	\$38,038	\$85,696	\$60,216	\$63,602	\$82,310	\$82,310	
25	February	\$38,038	141	\$63,602	\$50,694	\$849	\$51,795	\$63,602	\$60,216	\$63,602	\$78,924	\$78,924	
26	March	\$51,795	137	\$58,766	\$48,418	\$273	\$62,416	\$78,924	\$60,216	\$58,766	\$80,374	\$80,374	
27	April	\$62,416	135	\$58,766	\$47,332	\$63	\$73,913	\$80,374	\$60,216	\$58,766	\$81,824	\$81,824	
28	May	\$73,913	135	\$51,577	\$47,461	\$648	\$78,677	\$81,824	\$60,216	\$51,577	\$90,463	\$90,463	
29	June	\$78,677	138	\$27,472	\$48,341	\$395	\$58,203	\$90,463	\$60,216	\$27,472	\$123,207	\$123,207	
30	July	\$58,203	138	\$51,708	\$53,152	\$83	\$56,842	\$123,207	\$60,216	\$51,708	\$131,715	\$131,715	
31	August	\$56,842	144	\$51,708	\$52,990	\$145	\$55,705	\$131,715	\$60,216	\$51,708	\$140,223	\$140,223	
32	September	\$55,705	148	\$48,410	\$52,708		\$51,407	\$140,223	\$60,216	\$48,410	\$152,029	\$152,029	
33	October	\$51,407		\$0	\$51,407		\$51,407	\$152,029	\$60,216	\$0	\$212,245	\$212,245	
34	November	\$51,407		\$0	\$51,407		\$51,407	\$212,245	\$60,216	\$0	\$272,461	\$272,461	
35	December	\$51,407		\$0	\$51,407		\$51,407	\$272,461	\$60,216	\$0	\$332,677	\$332,677	
	Total			\$475,611	\$450,957	\$2,496			\$722,592	\$475,611			

END OF PARTICIPATION
TRACKER
2018-2019

	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	TOTALS
LEFT IN GOOD STANDING	2	1											3
ZERO HAP													0
MUTUAL RESCISION													0
ANNUAL RE-EXAM SEARCHING	1	1	1										3
PORT-OUT ABSORBED	1		2										3
PORT-OUT SEARCHING		1											1
DECEASED													0
MOVED IN VIOLATION													0
EVICTED													0
UNAUTHORIZED LIVE-IN	1												1
VIOLATION OF FAMILY OBLIGATION													0
GAVE UP ASSISTANCE BEFORE 1 YEAR													0
FAILURE TO RENEW													0
FAILURE TO REPAY	1												1
FAILURE TO PROVIDE INFO													0
FAILURE TO FOLLOW THROUGH													0
FRAUD													0
UNREPORTED INCOME-2ND TIME			1										1
UTILITIES DISCONNECTED			1										1
CRIMINAL CONVICTION													0
VOUCHER EXPIRED													0
VOUCHER REVOKED													0
LEASED W/NEW LANDLORD	1												1
TOTALS	7	3	5	0	15								
PUBLIC HOUSING													
LEFT IN GOOD STANDING	3		2										5
DECEASED													0
MOVED IN VIOLATION													0
TERMINATED FOR LEASE VIOLATIONS			1										1
EVICTED	1												1
UNAUTHORIZED LIVE-IN													0
FAILURE TO RENEW													0
FAILURE TO REPAY													0
FAILURE TO PROVIDE INFO													0
FAILURE TO FOLLOW THROUGH													0
CRIMINAL CONVICTION													0
OTHER (moved to new unit)													0
UTILITIES DISCONNECTED													0
TOTALS	4	0	3	0	7								

REQUESTED ACTION: Recommend approval to proceed with preliminary plans to build additional apartments and potential sale of Morningside.

Comments: In an attempt to reduce the backlog of deferred maintenance in the country's Public Housing stock, HUD has offered several options for PHA's to reposition their Public Housing and remove the Declaration of Trust and HUD interest in the properties. The idea is that if HUD were to remove the restricted covenants on the property, the PHA's could leverage the properties and borrow funds in the private market to improve the condition of the properties. In addition, the other benefits of the repositioning allow PHAs to transfer assistance to better neighborhoods, thin low-income densities and mix incomes, and streamline operations.

The asset repositioning training in Denver was extremely helpful in determining which option, if any, to choose from to transition our Public Housing inventory over to a Section 8 platform. Essentially, there are four options:

1. Do nothing and keep Public Housing
2. Rental Assistance Demonstration Program (RAD)
3. Disposition (Section 18)
4. Voluntary Conversion (Section 22)

The RAD program would allow the Public Housing units to convert to Project Based Vouchers or Project Based Rental Assistance. This would consist of a long-term contract of 15-20 years. Under the PBV program we would administer the program and under the PBRA program, HUD would contract with a private entity to administer the program. The biggest advantage is the simplification of program administration. The regulations and requirements tied to the Public Housing program would no longer be a consideration. In addition, the reserves would be carried over to use as a replacement reserve to support future Section 8 units following the conversion. There are several disadvantages to the RAD program. The biggest would be the loss of income, the second would be that the residents would be able to request a tenant-based voucher after a year increasing unit turnover. In addition, a non-profit agency would need to be formed to manage the property. However, this non-profit could be managed by the PHA.

The Voluntary Conversion (Section 22) option would also allow us to convert to vouchers. Under this tool, we would be required to include our entire inventory of Public Housing. If this were chosen, we would have to issue special Tenant Protection Vouchers to all residents; and if we chose to operate all properties as rental housing, the tenants could choose to stay in their existing unit or rent somewhere else. This could potentially flood the market with more tenant-based vouchers. If choose to project base the vouchers after conversion, we would have to 100% consent of our current tenants. In addition, any of the residents paying the flat rent at the time of conversion would be required to pay income-based rent and their rent could increase substantially. Some of our current residents could also potentially be

over-income for the program. Also, as with the RAD conversion, if the intent was to continue to rent the units, a non-profit agency would need to be formed to manage the property.

With both options instead of an operating subsidy and capital funds, we would receive a Housing Assistance Payment to cover the difference between the tenant rents and the market rate rent. With both options, we would no longer have Public Housing.

There is an additional option under Section 18 which would require us to dispose of the Public Housing units, either by demolition or disposition (sale) of the property. We had the opportunity to discuss these options with HUD staff and in the end, concluded that we should continue as Public Housing. We felt this option would be the best for the residents, the City, and the Agency. Under the Public Housing Program, we are projected to have approximately \$259,918 in excess annual revenue at the end of 2019. While under the RAD Program we would only have \$249,009 and Project Based Funding we would only have \$223,352. The calculation assumes a 98% occupancy rate. Then they took the gross rental incomes and funding and subtracted the utility allowance, the vacant units, 2% bad debt allowance, and current operating expenses. If funding levels don't decrease, Public Housing appears to be more profitable.

Since the school district would like to purchase the vacant lot by Morningside, we discussed how to dispose of it. Then we discussed the possibility of building additional units somewhere else in a less densely populated area and selling the entire Morningside property. This way we could transfer the assistance from the old units to the new. They (HUD) indicated that could use our reserves to build the new units and then apply for Section 18 Disposition under the Efficient and Effective provision. This would allow us to keep the Terraces and transfer the Morningside assistance to the new units and sell Morningside. We would be able to retain the proceeds of the sale if they were used for development of or operation of low-income housing.

The next discussion centered on where to build 16 new family units. The Cedar Health site on North Main would be an ideal spot to build the units. If this the direction that the Board would like to go. The next step would be to proceed with a survey and appraisal of Morningside. We could also contact the owners of the Cedar Health property to find out whether they would be interested in transferring the property to the City. If they are interested, we need to also find out how much it would cost to demolish the structure. HUD is in support of the project and they are available to help us with each step of the project.

Once we determine if this is something that we would like to pursue, we will need to discuss this with the City Council.

MEETING DATE: 9/19/19

RE: Review Operating Reports

REQUESTED ACTION: Review monthly operating reports.

Comments: The August 2019 operating reports are attached for your review.

REVENUE & EXPENSE REPORT
CALENDAR 8/2019, FISCAL 2/2020

PCT OF FISCAL YTD 16.6%

ACCOUNT NUMBER	ACCOUNT TITLE	TOTAL BUDGET	MTD BALANCE	YTD BALANCE	PER CENT EXPENDED	UNEXPENDED
173-532-4300	INTEREST-PUBLIC HOUSING	70,000.00	5,431.12	10,921.96	15.60	59,078.04
173-532-4504	FRAUD-PUBLIC HOUSING	6,000.00	234.00	842.00	14.03	5,158.00
173-532-4506	DWELLING RENT-PUBLIC HOUSING	500,000.00	47,281.00	88,953.00	17.79	411,047.00
173-532-4507	EXCESS UTILITY-PUBLIC HOUSING	.00	.00	.00	.00	.00
173-532-4508	CONTRIB-OTHER-PUBLIC HOUSING	12,000.00	1,460.00	2,312.00	19.27	9,688.00
173-532-4518	BAD DEBT COLLECTIONS	.00	.00	.00	.00	.00
173-532-4710	REIMBURSED EXP-PUBLIC HOUSING	12,000.00	8.56	958.56	7.99	11,041.44
173-532-4781	OPER SUBSIDY-PUBLIC HOUSING	220,000.00	16,209.00	32,418.00	14.74	187,582.00
	PUBLIC HOUSING TOTAL	820,000.00	70,623.68	136,405.52	16.63	683,594.48
173-910-4830	TRANSFER IN - PUBLIC HOUSING	.00	5,025.00	5,025.00	.00	5,025.00
	TRANSFERS IN/OUT TOTAL	.00	5,025.00	5,025.00	.00	5,025.00
173-532-6010	SALARY - PUBLIC HOUSING	93,540.00	7,821.47	15,693.30	16.78	77,846.70
173-532-6040	OVERTIME SALARY-PUBLIC HOUSING	2,000.00	103.32	103.32	5.17	1,896.68
173-532-6070	LABOR/MAINT-PUBLIC HOUSING	.00	.00	.00	.00	.00
173-532-6110	FICA - PUBLIC HOUSING	7,309.00	496.83	990.76	13.56	6,318.24
173-532-6130	IPERS - PUBLIC HOUSING	9,019.00	748.11	1,491.20	16.53	7,527.80
173-532-6150	HEALTH INS - PUBLIC HOUSING	46,908.00	3,882.00	7,764.00	16.55	39,144.00
173-532-6151	LIFE INS - PUBLIC HOUSING	350.00	29.11	57.04	16.30	292.96
173-532-6152	DENTAL INSURANCE	.00	38.52	76.53	.00	76.53
173-532-6160	WORK COMP - PUBLIC HOUSING	4,840.00	.00	.00	.00	4,840.00
173-532-6170	UNEMPLOYMENT - PUBLIC HOUSING	449.00	.00	.00	.00	449.00
173-532-6198	EMP BEN MAINT-PUBLIC HOUSING	.00	.00	.00	.00	.00
173-532-6199	EMPLOYEE BEN-PUBLIC HOUSING	.00	.00	.00	.00	.00
173-532-6230	STAFF TRAINING-PUBLIC HOUSING	5,000.00	2,247.89	3,938.46	78.77	1,061.54
173-532-6370	GAS - PUBLIC HOUSING	40,000.00	965.59	1,873.78	4.68	38,126.22
173-532-6371	UTILITIES - PUBLIC HOUSING	50,000.00	5,238.02	10,270.14	20.54	39,729.86
173-532-6374	WATER - PUBLIC HOUSING	19,000.00	1,618.60	2,954.35	15.55	16,045.65
173-532-6379	OTH UTIL-PUBLIC HOUSING -SEWER	25,000.00	2,507.92	4,648.19	18.59	20,351.81
173-532-6401	ACCOUNTING FEES-PUBLIC HOUSING	3,000.00	200.00	600.00	20.00	2,400.00
173-532-6408	TORT LIABILITY - PUBLIC HOUSING	35,000.00	.00	.00	.00	35,000.00
173-532-6411	LEGAL FEES - PUBLIC HOUSING	4,000.00	728.30	945.60	23.64	3,054.40
173-532-6415	COPIER LEASE - PUBLIC HOUSING	3,500.00	241.64	473.82	13.54	3,026.18
173-532-6420	CONTRACT SERVICES - PUBLIC HOUSING	46,000.00	2,246.87	7,293.29	15.85	38,706.71
173-532-6441	TENANT SERVICES-PUBLIC HOUSING	2,000.00	.00	.00	.00	2,000.00
173-532-6442	PILOT-PUBLIC HOUSING	40,000.00	.00	.00	.00	40,000.00
173-532-6490	OTHER PROFESSIONAL SERV	21,000.00	.00	.00	.00	21,000.00
173-532-6516	REFUNDS-PUBLIC HOUSING	1,000.00	.00	.00	.00	1,000.00
173-532-6518	SUNDRY-OFF EXP-PUBLIC HOUSING	35,000.00	1,613.04	4,267.71	12.19	30,732.29
173-532-6599	MAINT MATERIALS-PUBLIC HOUSING	80,000.00	14,712.53	19,996.95	25.00	60,003.05
173-532-6725	CAP OUTLAY-EQU-PUBLIC HOUSING	40,000.00	.00	5,425.00	13.56	34,575.00
173-532-6750	CAP IMPR BLDG-PUBLIC HOUSING	100,000.00	.00	6,800.00	6.80	93,200.00
	PUBLIC HOUSING TOTAL	713,915.00	45,439.76	95,663.44	13.40	618,251.56

REVENUE & EXPENSE REPORT
CALENDAR 8/2019, FISCAL 2/2020

PCT OF FISCAL YTD 16.6%

ACCOUNT NUMBER	ACCOUNT TITLE	TOTAL BUDGET	MTD BALANCE	YTD BALANCE	PER CENT EXPENDED	UNEXPENDED
173-536-6010	SALARY - PH MAINT	85,000.00	5,500.21	13,092.52	15.40	71,907.48
173-536-6040	OVERTIME SALARY - PH MAINT	5,000.00	.00	.00	.00	5,000.00
173-536-6110	FICA - PH MAINT	6,885.00	406.17	973.49	14.14	5,911.51
173-536-6130	IPERS - PH MAINT	8,496.00	521.34	1,111.48	13.08	7,384.52
173-536-6150	HEALTH INS - PH MAINT	9,897.00	817.01	1,634.02	16.51	8,262.98
173-536-6151	LIFE INS - PH MAINT	176.00	7.35	22.05	12.53	153.95
173-536-6152	DENTAL INSURANCE	.00	22.34	43.19	.00	43.19-
173-536-6160	WORK COMP - PH MAINT	3,080.00	.00	.00	.00	3,080.00
173-536-6170	UNEMPLOYMENT - PH MAINT	428.00	.00	.00	.00	428.00
173-536-6181	UNIFORM ALLOWANCE - PH MAINT	900.00	.00	450.00	50.00	450.00
173-536-6412	HEALTH SERVICES- PH MAINT	.00	274.00	274.00	.00	274.00-
	PUBLIC HOUSING MAINTENANC TOTA	119,862.00	7,548.42	17,600.75	14.68	102,261.25
173-910-6910	TRANSFER OUT - PUBLIC HOUSING	350,000.00	.00	.00	.00	350,000.00
	TRANSFERS IN/OUT TOTAL	350,000.00	.00	.00	.00	350,000.00
	PUBLIC HOUSING TOTAL	363,777.00-	22,660.50	28,166.33	7.74-	391,943.33-

REVENUE & EXPENSE REPORT
CALENDAR 8/2019, FISCAL 2/2020

PCT OF FISCAL YTD 16.6%

ACCOUNT NUMBER	ACCOUNT TITLE	TOTAL BUDGET	MTD BALANCE	YTD BALANCE	PER CENT EXPENDED	UNEXPENDED
174-533-4300	INTEREST - SECTION 8	2,000.00	417.77	905.84	45.29	1,094.16
174-533-4440	STATE GRANT-SEC 8	.00	.00	.00	.00	.00
174-533-4504	FRAUD-SEC 8	5,000.00	290.00	455.00	9.10	4,545.00
174-533-4505	HUD CONTRIB-SEC 8	750,000.00	51,708.00	103,416.00	13.79	646,584.00
174-533-4509	ADMIN FEE/HTH-SEC 8	110,000.00	7,975.00	15,949.00	14.50	94,051.00
174-533-4518	BAD DEBT COLLECTIONS	.00	.00	.00	.00	.00
174-533-4710	REIMBURSED EXP-SEC 8	1,000.00	207.00	207.00	20.70	793.00
174-533-4715	REFUNDS-SEC 8	1,000.00	.00	.00	.00	1,000.00
	SECTION 8 VOUCHER TOTAL	869,000.00	60,597.77	120,932.84	13.92	748,067.16
174-910-4830	TRANSFER IN - SECTION 8 VOUCH	.00	.00	.00	.00	.00
	TRANSFERS IN/OUT TOTAL	.00	.00	.00	.00	.00
174-533-6010	SALARY - SEC 8	40,089.00	2,457.65	4,827.76	12.04	35,261.24
174-533-6040	OVERTIME SALARY - SECTION 8	1,000.00	88.56	88.56	8.86	911.44
174-533-6110	FICA - SECTION 8	3,143.00	163.63	312.64	9.95	2,830.36
174-533-6130	IPERS -SECTION 8	3,879.00	240.35	464.09	11.96	3,414.91
174-533-6150	HEALTH INS - SECTION 8	20,103.00	1,663.71	3,327.42	16.55	16,775.58
174-533-6151	LIFE INS - SECTION 8	147.00	12.47	24.44	16.63	122.56
174-533-6152	DENTAL INSURANCE	.00	11.36	23.23	.00	23.23
174-533-6160	WORK COMP - SECTION 8	2,462.00	.00	.00	.00	2,462.00
174-533-6170	UNEMPLOYMENT - SECTION 8	193.00	.00	.00	.00	193.00
174-533-6199	EMPLOYEE BEN-SEC 8	.00	.00	.00	.00	.00
174-533-6230	STAFF TRAINING - SECTION 8	4,000.00	.00	.00	.00	4,000.00
174-533-6380	UTILITY ALLOT - SECTION 8	15,000.00	532.00	1,370.00	9.13	13,630.00
174-533-6401	ACCOUNTING FEES - SECTION 8	4,000.00	300.00	900.00	22.50	3,100.00
174-533-6411	LEGAL-SEC 8	1,000.00	.00	.00	.00	1,000.00
174-533-6420	CONTRACT SERVICES - SECTION 8	10,000.00	608.75	1,995.13	19.95	8,004.87
174-533-6423	SPECIAL SERVICE - SECTION 8	300.00	.00	.00	.00	300.00
174-533-6440	ENHANCED VOUCHER	16,000.00	2,412.00	3,823.00	23.89	12,177.00
174-533-6443	HOME OWNERSHIP VOUCHER	6,000.00	451.00	902.00	15.03	5,098.00
174-533-6444	PORTABILITY VOUCHER	240,000.00	9,917.00	21,803.10	9.08	218,196.90
174-533-6445	HC VOUCHER PAY-SEC 8	550,000.00	40,281.00	78,983.00	14.36	471,017.00
174-533-6490	OTHER PROF SERVICES-SECTION 8	10,000.00	.00	.00	.00	10,000.00
174-533-6516	REFUND INTEREST-SEC 8	.00	.00	.00	.00	.00
174-533-6518	SUNDRY-OFF EXP-SEC 8	4,500.00	343.00	415.55	9.23	4,084.45
	SECTION 8 VOUCHER TOTAL	931,816.00	59,482.48	119,259.92	12.80	812,556.08
174-536-6152	DENTAL INSURANCE	.00	.00	.00	.00	.00
	PUBLIC HOUSING MAINTENANC TOTA	.00	.00	.00	.00	.00
174-910-6910	TRANSFER OUT - SECTION 8 VOUCH	.00	.00	.00	.00	.00

14

REVENUE & EXPENSE REPORT
CALENDAR 8/2019, FISCAL 2/2020

PCT OF FISCAL YTD 16.6%

ACCOUNT NUMBER	ACCOUNT TITLE	TOTAL BUDGET	MTD BALANCE	YTD BALANCE	PER CENT EXPENDED	UNEXPENDED
	TRANSFERS IN/OUT TOTAL	.00	.00	.00	.00	.00
	SECTION 8 VOUCHER TOTAL	62,816.00-	1,115.29	1,672.92	2.66-	64,488.92-

15

REQUESTED ACTION: Move to approve Resolution No. 10-19 Section 8 Payment Standards.

Comments: HUD has published the new Fair Market Rents that we use to determine the Payment standards for the Section 8 Voucher program. The Payment standards are used to calculate our portion of the rent to the owner. Participants also use the Payment standard as a guide to determine if a unit will meet the guidelines. The monthly rent plus the utility allowance, or gross rent, needs to be close to the payment standard in order for the unit to be approved.

The payment standards can be set between 90% - 110% of the Fair Market Rents. Allowing flexibility for agencies to determine the amount of the payment standard serves several purposes:

- 1) Does not cause a financial hardship on participants by paying rents too high. In some areas, adopting the 90% concept of the Standards could cause families to pay rents so high that it is a financial burden. Although the program already has a requirement that does not permit families to pay more than 40% of their income for rent at initial lease up, it is not meant that all participants face that dilemma as a result of low payment standards and high rental market. It is intended to provide some flexibility for families to have a broader selection of available housing.
- 2) Does not substantially limit participants access to safe, decent housing. If the payment standards are set too low in a community where the rents are high, families would have to select the least desirable housing units available. Such as units that may barely pass the inspection requirements. It is not the intent of this program for participants to live in the worst housing, nor is it intended that they live in the best housing.
- 3) Does not cause a financial burden on the housing agency. The rental market and the financial condition of the local Section 8 program requires discretion for the local agency to determine the appropriate Payment standards for the area.

Another criteria used in determining the appropriate Payment standard is to compare the Payment standards to the rent of unsubsidized units. We do not want the rents for units on the Section 8 program to set the standard throughout the community (especially in driving the rents higher).

In consideration of the statements above, we are proposing increasing the current Payment standards at the following levels:

0 bedroom	1 bedroom	2 bedroom	3 bedroom	4 bedroom
500	575	725	975	1000

The attached table shows the current payment standard compared to the new Fair Market Rents and the new proposed Standards. and shows the allowable range between 90% - 110% of the Fair Market Rents and the percentages of the proposed Standards. The table also shows the low and high gross rents currently being paid by program participants, the median rent, and average.

Payment Standards vs Fair Market Rents
PS vs FMR

	0 bedroom	1 bedroom	2 bedroom	3 bedroom	4 bedroom
Current PS	450	550	675	925	925
Current Percentage of New FMR	90.54%	100.55%	98.25%	96.66%	93.06%
Proposed PS	500	575	725	975	1000
Current Percentage of New FMR	100.60%	105.12%	105.53%	101.88%	100.60%
New FMRs Effective 10/19	497	547	687	957	994
90% of new FMR / minimum for PS	447	492	618	861	895
110% of new FMR / maximum for PS	547	602	756	1053	1093
Current Gross Rents					
Low	360	375	621	550	958
Median	440	500	598	883	994
High	475	709	803	1008	1045
Average	440	505	598	883	994

Effective December 1, 2019

RESOLUTION NO. 10-19

SECTION 8 VOUCHER PAYMENT STANDARDS

Charles City Housing and Redevelopment Authority

WHEREAS, the Charles City Housing and Redevelopment Authority provides housing for low income families through various programs which are funded primarily through agreements with the United States Department of Housing and Urban Development; and

WHEREAS, the Department of Housing and Urban Development has published the Fair Market Rents (FMR) to be effective October 1, 2019 and requested all housing agencies to implement them within 90 days of effective date as required by program regulations; and

WHEREAS, the Department of Housing and Urban Development requires Payment Standards for the Section 8 Voucher program to be within 90% – 110% of the published FMRs; and

WEREAS, the agency increased the Payment Standards for all units effective December 1, 2019 to comply with regulation to ensure that they were within 90%-110%; and

WHEREAS, the agency has determined that it is necessary to make the units more affordable to the participants by instituting more increases to the Payment Standards, and

WHEREAS, the Charles City Housing and Redevelopment Authority Board has been presented the new FMRs and supporting documentation for determination of the new Payment Standards;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Charles City Housing and Redevelopment Authority that the Authority approves the following Payment Standards effective December 1, 2019:

<u>0 bedroom</u>	<u>1 bedroom</u>	<u>2 bedroom</u>	<u>3 bedroom</u>	<u>4 bedroom</u>
500	575	725	975	1000

PASSED AND APPROVED BY THE CHARLES CITY HOUSING AND REDEVELOPMENT AUTHORITY ON THIS 19TH DAY OF SEPTEMBER 2019.

Jeremy Heyer, Chairperson

ATTEST:

Heidi Nielsen, Director

MEETING DATE: 9/19/19

RE: Consider Approval of Resolution 11-19 to Retain Current Flat Rent

REQUESTED ACTION: Discuss proposed flat rents, approve Resolution 11-19.

Comments: HUD just published the new Fair Market Rent (FMR) amounts for Federal Fiscal Year 2020. The unadjusted rent is the FMR estimated directly from the American Community Survey (ACS) source data that HUD uses to calculate FMRs before HUD applies its state non-metropolitan minimum rent policy. The most recent directives from HUD require housing agencies to set flat rents at no less than 80% of the new FMR's or unadjusted rents within 90 days. We are to use the lesser of the two (FMR or unadjusted rents). The effective date for the rents will be December 1, 2019.

The following tables list the proposed amounts for the units. We have them split between units which include the utilities in the rent and those with tenant paid utilities.

Flat Rents for Apartments with Non-Tenant Paid Utilities
(Apts. 1-80 SCT & Apts. 81-128 NCT)

Bedroom Size	Current Flat Rents as of December 1, 2018	Unadjusted Rent		Fair Market Rent		Proposed Flat Rent
		2020 Unadjusted Rent	80% of Unadjusted Rent	2020 FMR	80% of FMR	
1	410	434	347	547	438	410
2	505	478	382	687	550	505

Flat Rents for Apartment with Tenant Paid Utilities
(Apts 129-132 NCT and all 16 units at Morningside Apts.)

Bdrm Size	Current Flat Rents as of 12/1/18	Unadjusted Rent		Fair Market Rent		Utility Allowance	Calculation	Proposed Flat Rent
		2020 Unadjusted Rent	80% of Unadjusted Rent	2020 FMR	80% of FMR			
1	290	434	347	547	438	134	347-134=213	290
2	350	478	382	687	550	177	382-177=205	350
3	510	600	480	957	766	213	480-213=267	510

It our recommendation to leave the flat rents at the current level. They are still lower than the market rate rents being charged for the area.

RESOLUTION NO. 11-19

RETAINING FLAT RENTS AT CURRENT LEVELS

Charles City Housing and Redevelopment Authority

WHEREAS, the Charles City Housing and Redevelopment Authority provides housing for low income families through various programs which are funded primarily through agreements with the United States Department of Housing and Urban Development; and

WHEREAS, the Sections 210 and 243 of Title II of P.L 113-76 of the Consolidated Appropriations Act of 2014, and HUD PIH Notice 2015-13 requires all Flat Rents to be set at no less than 80 percent of the applicable Fair Market Rent or 80% of the unadjusted rent; and

WHEREAS, the following flat rents have been set according to the preceding regulations to be implemented no later than 90 from the publication of the FMR or December 1, 2019:

Flat Rents for units 1-128 at North and South Cedar Terrace

1 Bedroom - \$410

2 Bedroom - \$505

Flat Rents for units 129-132 at North Cedar Terrace and Morningside Apartments

1 Bedroom - \$290

2 Bedroom - \$350

3 Bedroom - \$510

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Charles City Housing and Redevelopment Authority that they have reviewed the information and authorize their approval to retain the Flat Rents for 2020 at 2019 levels.

PASSED AND APPROVED BY THE CHARLES CITY HOUSING AND REDEVELOPMENT AUTHORITY ON THIS 19TH DAY OF SEPTEMBER 2019.

Jeremy Heyer, Chairperson

ATTEST:

Heidi Nielsen, Director

REQUESTED ACTION: Approve purchase of garden tractor.

Comments: The Maintenance guys have requested the purchase of a garden tractor to assist with snow removal. Last winter we used a skid loader, three walk-behind snow blowers, and shovels. Prior to that we used our mowers/tractors with a blower attachment. However, when we purchased new mowers, we went with the zero turn mowers which don't have the capability to have blower attachments.

When the skid loader was purchased, we only intended to use it to clear the parking lots between the cars. Last winter we used it to clean the snow from the sidewalks and because the sidewalks are narrower than the equipment, we had mud thrown all over the sidewalks. It also destroyed the grass along both sides of the sidewalks and instead of grass the areas filled in with weeds.

We have one of our old tractors/snow blowers out at Morningside. We kept it as a back-up in case of mechanical breakdowns of the other equipment. According to the guys, this tractor is not able to handle the amount of snow removal that we do and that was why they were always breaking down. The requested tractor is a commercial grade tractor and will be able to withstand the extended use.

The quoted tractor is a John Deere X739 Garden Tractor with a heated cab, 60" rotary broom, and 47" 2-stage snowblower. We have gotten the following quotes:

	Bodensteiner Implement	Van-Wall Equipment	P & K Midwest
Tractor and Attachments	26,381.08	\$22,481.56	\$26,212.00
Government Discounts	0.00	0.00	(\$5,327.00)
Trade-In Skid Loader	(\$16,881.08)	(\$6,000.00)	(\$11,500.00)
Total	\$9,500.00	\$16,481.56	\$9,385.00

If we purchased the tractor without the heated cab, there wouldn't be any additional cost from either Bodensteiner or P & K Midwest. This purchase was not budgeted, but there is enough money in the budget to cover the expense.

REQUESTED ACTION: Approve change to the Admissions and Continued Occupancy Policy (ACOP) to accommodate the new "Over Income Rule".

Comments: The Housing Opportunity Act of 2016 (HOTMA) amends Section 16(a) of the Housing Act of 1927 and established an income limitation for continued occupancy in public housing. Prior to HOTMA a family was only required to meet the income limits at initial occupancy. HOTMA requires a family to be under 120% of the Area Median Income (AMI) to be eligible to continue to reside in public housing.

In May 2019, HUD issued guidance on implementation of the rule. The over income limit is to be calculated by multiplying the low-income limit (50% of the AMI) by 2.4 or 240%. If an existing family is determined to be over-income at their annual or interim re-exam we may choose to notify them of their status, but we are not required to. We must track these households for the next year and if they remain at the "over-income limit" going into year two, we must send the required notification. The notification must inform the household that if their income remains above the "over-income limit" for an additional 12 months, their lease will be terminated, or they will be required to pay a rent equivalent to the local Fair Market Rent (FMRs). The local FMR's would set the rents at considerably higher rates than our flat rent. The following table outlines the difference between our current flat rents and the FMR per unit size.

Unit Size	Flat Rents	FMR
1	410	547
2	505	687
3	719	957

The over-income limits are to be calculated using the current local Income limits for Floyd County at 50% AMI and multiplying them by 2.4. The table below shows where they would be set for the current year.

<i>Household Size</i>	<i>Very Low Income</i>	<i>Over-Income Limit</i>
1	\$24,300	58,320
2	\$27,800	66,720
3	\$31,250	75,000
4	\$34,700	83,280
5	\$37,500	90,000
6	\$40,300	96,720
7	\$43,050	103,320

We don't have any families whose household income is over the "over-income limit" set by HUD.

Whether or not to terminate over income residents was discussed at the June 2019 Resident Advisory Board Meeting and the decision was made to allow the families to stay if their income exceeds the limit and charge them the higher rent.

The ACOP will be changed to include the following:

At annual or interim reexamination, if a family’s adjusted income exceeds the applicable over-income limit, the PHA will document the family file and begin tracking the family’s over-income status.

If one year after the applicable annual or interim reexamination the family’s income continues to exceed the applicable over-income limit, the PHA will notify the family in writing that their income has exceeded the over-income limit for one year, and that if the family continues to be over-income for 12 consecutive months, the family will be subject to the PHA’s over-income policies.

If two years after the applicable annual or interim reexamination the family’s income continues to exceed the applicable over-income limit, the PHA will charge the family a rent that is the higher of the applicable fair market rent (FMR) or the amount of monthly subsidy for the unit. The PHA will notify the family in writing of their new rent amount. The new rent amount will be effective 30 days after the PHA’s written notice to the family.

If, at any time, an over-income family experiences a decrease in income, the family may request an interim redetermination of rent in accordance with PHA policy. 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 that over-income policies no longer apply to them. If the family’s income later exceeds the over-income limit again, the family is entitled to a new two-year grace period.

The PHA will begin tracking over-income families once these policies have been adopted.

The PHA will not evict or terminate the tenancies of families whose income exceeds the income limit for program eligibility as described at 24 CFR 960.261.

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	58,320	60,720	75,000	83,280	90,000	96,720	103,320	110,040

For families larger than eight persons, the over-income limit will be calculated by multiplying the applicable very-low income limit by 2.4.

Charles City Housing and Redevelopment Authority

RESOLUTION NO. 12-19

**RESOLUTION ESTABLISHING AN OVER-INCOME POLICY IN THE
ADMISSIONS AND CONTINUED OCCUPANCY POLICY (ACOP)**

WHEREAS, the Charles City Housing and Redevelopment Authority (CCHRA) provides housing for low income families through various programs including the Section 8 Housing Choice Voucher Program and Public Housing Program, and

WHEREAS, the CCHRA is directed by HUD to maintain the Public Housing Program regulations in accordance with 24 CFR 960 as stated in their Admission and Continued Occupancy Policy (ACOP), and

WHEREAS, the Housing Opportunity Through Modernization Act of 2016 (HOTMA) amended section 16(a) of the Housing Act of 1937 by requiring an income limitation for continued occupancy in public housing.

WHEREAS, the act requires that after a tenant family's income has exceeded 120 percent of the area median income (AMI) for two consecutive years, the PHA must terminate the family's tenancy within six months or charge a monthly rent the greater of either the Fair Market Rent or amount of monthly subsidy for the unit.

WHEREAS, as directed by Notice PIH-2019-11 (HA) the CCHRA wishes to incorporate the following policy in the Admissions and Continued Occupancy Policy:

At annual or interim reexamination, if a family's adjusted income exceeds the applicable over-income limit, the PHA will document the family file and begin tracking the family's over-income status.

If one year after the applicable annual or interim reexamination the family's income continues to exceed the applicable over-income limit, the PHA will notify the family in writing that their income has exceeded the over-income limit for one year, and that if the family continues to be over-income for 12 consecutive months, the family will be subject to the PHA's over-income policies.

If two years after the applicable annual or interim reexamination the family's income continues to exceed the applicable over-income limit, the PHA will charge the family a rent that is the higher of the applicable fair market rent (FMR) or the amount of monthly subsidy for the unit. The PHA will notify the family in writing of their new rent amount. The new rent amount will be effective 30 days after the PHA's written notice to the family.

If, at any time, an over-income family experiences a decrease in income, the family may request an interim redetermination of rent in accordance with PHA policy. 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 that over-income policies no longer apply to them. If the family's income later exceeds the over-income limit again, the family is entitled to a new two-year grace period.

The PHA will begin tracking over-income families once these policies have been adopted.

The PHA will not evict or terminate the tenancies of families whose income exceeds the income limit for program eligibility as described at 24 CFR 960.261.

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	58,320	60,720	75,000	83,280	90,000	96,720	103,320	110,040

For families larger than eight persons, the over-income limit will be calculated by multiplying the applicable very-low income limit by 2.4.

NOW, THEREFORE, BE IT RESOLVED, by the Charles City Housing and Redevelopment Authority Board of Commissioners, meeting in regular session on September 19, 2019 to amend the ACOP to include the Over-Income Policy as written. PASSED AND ADOPTED THIS 19th DAY OF SEPTEMBER, 2019

Jeremy Heyer, Chairperson

Heidi Nielsen, Director