

MINUTES OF A REGULAR MEETING OF THE COMMISSIONERS  
OF THE  
CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY

The Commissioners of the City of Roanoke Redevelopment and Housing Authority met for a regular session on Monday, May 19, 2014, in the offices of the City of Roanoke Redevelopment and Housing Authority, 2624 Salem Turnpike, NW, in the City of Roanoke, Virginia.

I. CALL TO ORDER – ROLL CALL

Vice-Chair Witten called the meeting to order at 3:00 p.m. and declared that a quorum was present.

PRESENT: Commissioners Boitnott, Butler, Garner, Karnes, Witten

ABSENT: Commissioners Burruss, Smith

OFFICER PRESENT: Glenda Edwards Goh, Secretary-Treasurer

ALSO PRESENT: Jackie Austin, VP of Finance/CFO; Christina Back, Executive Assistant; David Bustamante, VP of Housing; Kathy Beveridge, Compliance & QA Manager; Antyne Calloway, Blue Ridge Independent Living Center; Dawn Fields, HR Director; Crystal Hall, Community Support Services Director; Mark Loftis, Legal Counsel; Helen Shampine, HCV Director; Joel Shank, VP of Operations; Desi Wynter, Director of Redevelopment and Modernization

Vice-Chair Witten welcomed everyone to today's meeting.

**PUBLIC HEARING**

To receive comments on the proposed 2014 Annual Plan update to the 2010-

2014 Agency Plan.

Vice-Chair Witten asked if there were any community members or other stakeholders wishing to make comments. There were none.

Vice-Chair Witten asked if any Commissioners had questions or comments. There were none.

Vice-Chair Witten declared the Public Hearing closed at 3:02 p.m.

## II. REPORTS

### 1. Financial Report

Vice-Chair Witten stated that Mrs. Austin provided a Financial Narrative along with the Financial Report and asked if there were any comments or questions. There were none.

### 2. Executive Director's Report

Vice-Chair Witten asked for the Executive Director's report.

Mrs. Goh stated that in the interest of time given today's long agenda, she will not provide a verbal report but will answer any questions regarding the written report provided to Commissioners.

Vice-Chair Witten asked if there were any other comments or questions. There were none.

### 3. Staff Reports

Vice-Chair Witten asked if there were any staff reports.

Mr. Shank provided a presentation regarding the recently completed Green Physical Needs Assessment. He stated that a spreadsheet provided to the Board contains summarized data from the twenty year assessment. In a needs assessment,

decisions are made based on life cycles of various building components and equipment. Mr. Shank referenced the 3 million dollar amount on the spreadsheet for year one under Lansdowne. What makes up that large number is installation of additional insulation at the Lansdowne development. With 300 units and several thousand dollars per unit, the cost adds up quickly. Insulation installment, kitchen cabinet replacement, and floor tile replacement are the types of items reflected in the large numbers on the projected costs spreadsheet. Some of these items, even though they are listed in the fiscal needs assessment, are handled on an as needed basis through operations. On the spreadsheet, the estimated cost per year is shown on lines 1 through 20. The amount of annual Capital Fund Grants projected to be available is shown, after removing funds marked for items such as management fees and debt service. There is roughly 1.2 million dollars for the year 2014 that would be available to apply to capital improvements. Below the Capital Funds Grant budgeted numbers, the spreadsheet shows the estimated shortfall per year in current dollars with no inflation factor. In 2011, a HUD study indicated that there was a 26 billion dollar backlog of capital improvements for public housing. Based on the physical needs assessment data and projected Capital Fund Grant amounts, RRHA would anticipate a backlog for capital improvements of approximately 16.5 million dollars over the next 20 years. The graph at the bottom of the spreadsheet helps to provide a visual depiction, with the blue line showing total estimated cost per year for projected capital needs, the red line showing the amount of projected funding for capital needs, and the green line showing the estimated shortfall. Mr. Shank stated that the graph shows the impact of pushing items back each year when funds are insufficient to meet the needs. One item from the

physical needs assessment that will require the focus of RRHA over the next 2 to 3 years is Section 504 compliance. The physical needs assessment identified some issues that need to be addressed. In the 1990s, the Housing Authority completed a voluntary compliance agreement with HUD that should have resulted in full compliance. However, there are additional items that need to be addressed, including conversion of additional units to make them accessible, and such items can be very costly. Mr. Shank stated that another firm is conducting a unit by unit review to create a list of accessibility items to be addressed, and the report will include estimated costs and recommended priorities.

Vice-Chair Witten asked how RRHA compares to other agencies.

Mr. Shank stated that he recently went to the housing authority in Huntsville, Alabama for training. The facility in which the training was conducted was an older building, comparable in age to Lansdowne Park. The Lansdowne property appears to be in better physical condition. It is common in the older properties to have a lot of issues to address and sometimes housing authorities do not have the necessary funds.

Mrs. Goh stated that it is safe to say that RRHA is near the average. As Mr. Shank stated, the national backlog is \$26 billion based on an assessment of housing authorities across the country. RRHA's backlog amount may be a little lower than the national average.

Commissioner Garner asked if the average back log amount as of today is 26 billion dollars nationwide.

Mr. Shank stated that amount reflected the needs in 2011. Given the reductions in funding since that time, it is likely that the nationwide backlog amount is larger today.

Vice-Chair Witten asked if there were any other comments or questions. There were none.

4. Committee Reports

Vice-Chair Witten asked if there were any committee reports. There were none.

5. Commissioner Comments

Vice-Chair Witten asked if there were any Commissioner comments. There were none.

6. Residents or other community members to address the Board.

Vice-Chair Witten asked if there were any residents or other community members who would like to address the Board. There were none.

III. CONSENT AGENDA

C-1 Minutes of the Regular Meeting of the Board of Commissioners held Monday, April 28, 2014.

RECOMMENDED ACTION: Dispense with the reading thereof and approve as recorded.

C-2 Monthly Operations Report for the month of April 2014.

RECOMMENDED ACTION: File as submitted

Commissioner Butler introduced a motion to approve the Consent Agenda. The motion was seconded by Commissioner Boitnott and upon roll call the following vote was recorded:

AYES: Commissioners Boitnott, Butler, Garner, Karnes, Witten

NAYS: None

Vice-Chair Witten thereupon declared said motion carried as introduced.

IV. **REGULAR AGENDA**

1. **Resolution No. 3786**

Mrs. Austin asked for approval of Resolution No. 3786 accepting the Audited Financial Statements for the Fiscal Year Ended September 30, 2013 and Associated Reports Provided by Jump, Scutellaro and Company, LLP. Mr. Don Jump presented a draft version to the full Board at the April 28, 2014 meeting. There have been no major changes to the report. One additional footnote was added, number 29 on page 40 of the bound report. That footnote discloses deferred outflows and deferred inflows and is related to GASB 63 that became effective with the 2013 reporting period. The Authority had no deferred inflows or outflows. There were some minor corrections for typos and grammatical changes to make the notes more readable. The September 30, 2013 audit is a clean audit with no findings.

Commissioner Garner stated that the Schedule of Findings on page 47 provides a breakdown of the information in brief summary.

Vice-Chair Witten asked if there were any other comments or questions. There were none.

Commissioner Garner introduced Resolution No. 3786 and moved its adoption as introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY ACCEPTING THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2013 AND ASSOCIATED REPORTS PROVIDED BY JUMP, SCUTELLARO AND COMPANY, LLP.

WHEREAS, The City of Roanoke Redevelopment and Housing Authority has received documents from Jump, Scutellaro and Company, LLP entitled ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY FINANCIAL STATEMENTS, FOR THE YEAR ENDED SEPTEMBER 30, 2013 (with Independent Auditor's Report

thereon); and

WHEREAS, Jump, Scutellaro and Company, LLP auditors provided a presentation of the reports to the City of Roanoke Redevelopment and Housing Authority Board of Commissioners at the April 28, 2014 meeting; and

WHEREAS, the City of Roanoke Redevelopment and Housing Authority Board of Commissioners having reviewed these reports has determined that they include the necessary components of an independent audit of the Agency's financial statements for the year ended September 30, 2013.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the Jump, Scutellaro and Company, LLP report identified above is hereby accepted.

The motion was seconded by Commissioner Boitnott and upon roll call the following vote was recorded:

AYES: Commissioners Boitnott, Butler, Garner, Karnes, Witten

NAYS: None

Vice-Chair Witten thereupon declared said motion carried and Resolution No. 3786 adopted as introduced.

2. Resolution No. 3787

Mr. Shank asked for approval of Resolution No. 3787 authorizing execution of a contract modification to the cooperative agreement with U.S. Communities Government Purchasing Alliance and Home Depot Contract. HUD allows RRHA to enter into cooperative agreements with contracts that have been awarded through various purchasing alliances when certain procurement requirements have been met. This allows RRHA to benefit from the economy of scale provided through the contracts. In 2013, RRHA entered into an agreement between U.S. Communities Government Purchasing Alliance and Home Depot. This is used for materials purchased at Home Depot for maintenance work on the sites. U.S. Communities Government Purchasing

Alliance and Home Depot have agreed to extend the contract for 3 additional years. Modifying this contract for an additional 3 years will increase the amount from \$50,000 to \$200,000. The amount used in the past year was \$47,000.

Vice-Chair Witten asked if there were any other comments or questions. There were none.

Commissioner Butler introduced Resolution No. 3787 and moved its adoption as introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AUTHORIZING EXECUTION OF A CONTRACT MODIFICATION TO THE COOPERATIVE AGREEMENT WITH U. S. COMMUNITIES GOVERNMENT PURCHASING ALLIANCE AND HOME DEPOT CONTRACT

WHEREAS, the City of Roanoke Redevelopment and Housing Authority (RRHA) joined the U. S. Communities Government Purchasing Alliance and Home Depot contract by agreement on February 20, 2013 with a term ending date of July 31, 2014; and

WHEREAS, the Department of Housing and Urban Development (HUD) procurement regulations allow RRHA to join intergovernmental cooperative agreements; and

WHEREAS, the U. S. Communities Government Purchasing Alliance and Home Depot contract fully satisfies HUD's five (5) intergovernmental cooperative agreement requirements; and

WHEREAS, U. S. Communities Government Purchasing Alliance and Home Depot have agreed to extend and renew the contract for the period of August 1, 2014 to July 31, 2017; and

WHEREAS, the U. S. Communities Government Purchasing Alliance and Home Depot agreement requires modification of the not-to-exceed amount and extension of contract end date in order to allow all RRHA sites continued access to Home Depot's maintenance, repair, and operations supplies for an additional time period of three (3) years.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the Executive Director is authorized to execute a modification to the not-to-exceed amount of the U. S.

Communities Government Purchasing Alliance and Home Depot agreement from \$50,000.00 to \$200,000.00, a net increase of \$150,000.00 and extension of contract end date from August 1, 2014 to July 31, 2017, with all agreement terms remaining unchanged.

The motion was seconded by Commissioner Boitnott and upon roll call the following vote was recorded:

AYES: Commissioners Boitnott, Butler, Garner, Karnes, Witten

NAYS: None

Vice-Chair Witten thereupon declared said motion carried and Resolution No. 3787 adopted as introduced.

3. Resolution No. 3788

Mrs. Goh asked for approval of Resolution No. 3788 to approve the 2014 Annual Plan update to the 2010-2014 Agency Plan for submission to HUD and approving Annual Statement/Performance and Evaluation Reports for the Capital Fund Program. This year there is a new Capital Fund rule that decouples Capital Fund reporting from the Annual Plan process. Attachments H and I to the Draft Annual Plan will be handled separately and differently. RRHA is required to file annual statements/performance and evaluation report forms for all open Capital Fund Grants in case HUD wants to review them. These have been included in the draft 2014 Annual Plan as Attachment H. Based on the new Capital Fund rule, those will not be part of the submission to HUD. A separate forty-five day comment period and Public Hearing will be held for the 5-Year Action Plan for the Capital Fund, which has been Attachment I of the Annual Plan in prior years. This will come to the Board as a separate action for approval most likely in July. Other than Attachments H and I, no revisions have been made to the draft 2014 Annual Plan since the distribution to the Board in April. No public comments were

received; thus Board approval is being requested in order to finalize and submit the Plan to HUD.

Vice-Chair Witten asked if there were any other comments or questions. There were none.

Commissioner Boitnott introduced Resolution No. 3788 and moved its adoption as introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY APPROVING THE 2014 ANNUAL PLAN UPDATE TO THE 2010-2014 AGENCY PLAN FOR SUBMISSION TO HUD AND APPROVING ANNUAL STATEMENT/PERFORMANCE AND EVALUATION REPORTS FOR THE CAPITAL FUND PROGRAM

WHEREAS, the City of Roanoke Redevelopment and Housing Authority (RRHA) receives operating funds from the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, pursuant to Section 511 of the Quality Housing and Work Responsibility Act of 1998, RRHA is required to adopt an Annual (1) Year and a Five (5) Year Plan; and

WHEREAS, the Plan is designed to provide a framework for local accountability and an easily identifiable source by which public housing residents, participants in the tenant-based assistance program, and other members of the public may locate basic public housing and tenant-based assistance program policies, rules and requirements concerning operations, programs, and services; and

WHEREAS, RRHA staff have consulted with the Joint Resident Council, Inc. and all active resident councils and have conducted community meetings at all public housing sites and with participants and landlords in Section 8 programs to gather input, which has been considered in development of the Plan; and

WHEREAS, RRHA Commissioners were provided with copies of the draft Annual Plan in April 2014, and the Plan and Attachments have been revised to reflect additional input and information received and updated with the year ending September 30, 2013 audit accepted by the Board of Commissioners subsequent to publication of the draft; and

WHEREAS, the Capital Fund Annual Statement/Performance and Evaluation Reports were included as Attachment H in the 2014 Annual Plan; and

WHEREAS, in accordance with the Public Housing Capital Fund Program Final Rule, 24 CFR 903, 905, 941 et al., the preparation of Annual Statement/Performance and Evaluation Reports are decoupled from the submission of the Agency Plan and Annual Plan; and

WHEREAS, the requirements for completion of Annual Statement/Performance and Evaluation Reports are stated in 24 CFR 905.300; and

WHEREAS, RRHA gave 45 days public notice and made the Plan available for public review at RRHA administrative offices, public housing site management offices, the Roanoke City Municipal Building, and on the RRHA website; and

WHEREAS, the RRHA Board of Commissioners held a public hearing to receive public comments on the proposed Plan on May 19, 2014; and

WHEREAS, the 2014 Annual Plan and the Annual Statement/Performance Evaluation Reports meet the current regulatory and statutory requirements; and

WHEREAS, the final Plan must contain a certification by City officials that the Plan is consistent with the Consolidated Plan of the City of Roanoke; and

WHEREAS, RRHA is required to submit the 2014 Annual Plan update to the 2010-2014 Agency Plan to HUD by July 18, 2014; and

WHEREAS, RRHA is required to maintain the Annual Statement/Performance and Evaluation Reports on file.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that:

1. The 2014 Annual Plan update to the 2010-2014 Agency Plan, in substantially the form circulated to the RRHA Board of Commissioners, is hereby approved for submission to the U.S. Department of Housing and Urban Development upon receipt of certification from City officials that the Plan is consistent with the Consolidated Plan of the City of Roanoke.
2. The Capital Fund Annual Statement/Performance and Evaluation Reports, in substantially the form circulated to the RRHA Board of Commissioners, are hereby approved.

The motion was seconded by Commissioner Butler and upon roll call the following vote was recorded:

AYES: Commissioners Boitnott, Butler, Garner, Karnes, Witten

NAYS: None

Vice-Chair Witten thereupon declared said motion carried and Resolution No. 3788 adopted as introduced.

4. Resolution No. 3789

Mr. Shank asked for approval of Resolution No. 3789 to award a contract for new construction of seven single-family scattered site Public Housing Units. This is one of two invitations for bid issued regarding use of Replacement Housing Factor (RHF) funds related to the demolition at Lincoln and Hurt Park. This first project involved bids for construction of seven new single family scattered sites. Funds from first increment RHF will be used for three of those single family homes. The remaining four will be paid from a portion of second increment RHF as well as proceeds from the loan that RRHA is pursuing with Freedom First and Capital Fund. Two responsive bids were received, from Price Buildings and Total Action for Progress. Total Action for Progress submitted the low bid, and the working paper review process has been completed to ensure all necessary requirements are included in the bid and all HUD requirements are met relative to the amount of funding that can be used for these units. Everything was found to be acceptable. RRHA is in the process of submitting development plans and the Capital Fund Financing Plan to HUD as well as budget revisions, and approval to award a contract is contingent upon first receiving those approvals from HUD.

Commissioner Boitnott asked how many housing units will come from the 1.2 million dollars and asked if that will be split between first and second increments.

Mr. Shank stated that it will provide seven housing units and that about \$547,000 will come from the first increment and a remaining portion will come from the second

increment.

Commissioner Garner stated that if there are seven homes, then the average cost would be somewhere around \$180,000 to \$190,000 each.

Mr. Shank agreed with the estimated total cost per home, which also includes demolition of existing structures on one of the lots on Jamison and the cost of dealing with asbestos and backfilling and compaction of the earth into the basement area. Additionally, the cost at another location includes sidewalks that must be redone and a retaining wall that will have to be rebuilt.

Commissioner Garner asked if this cost includes site acquisition or if RRHA already owns the sites. Mrs. Goh stated that it includes some site acquisition cost. Due to restrictions on uses, sites that were purchased by funds from another program will require reimbursement to that program in order for the property to move to the Public Housing program.

Mr. Shank stated that Mr. Wynter confirmed there are 4 of those lots. Commissioner Garner asked about the reimbursement for the properties. Mrs. Goh stated that the homeownership program will be reimbursed for the cost of the property, and the property will become part of the Public Housing program.

Mr. Shank stated that the estimated amount for reimbursement is around \$17,000 to that program.

Mrs. Goh stated that HUD has two formulas that have to be applied that were part of the review of the bids. One is total development cost and the other is hard construction cost. Costs have to be within the limits established by HUD in order for a contract to be awarded because costs above those limits are not allowable.

Commissioner Garner asked how the units compare to the units that were built several years ago in Hurt Park, which he recalled being around \$80,000 to \$90,000.

Mrs. Goh stated that she believes those were around \$135,000 each.

Mr. Shank stated that it was around \$700,000 for the six units. Initially last fall, bids were solicited for construction of three units; one bid was received at that time, and it did not meet the HUD limits. Those units were included with the 4 additional units in this bid process. HUD's limit for a three bedroom unit is around \$146,000 for the hard construction cost which does not include the site work, demolition, and other development expenses.

Commissioner Garner asked if the hard construction cost for these were below the HUD limit.

Mr. Shank confirmed that it was.

Mrs. Goh stated that the staff have noted 2 factors that are affecting current pricing. RRHA is receiving less attractive bids across the board since the economy has picked up. Additionally, contractors are required to pay certain wages that are dictated by HUD under Davis Bacon legal requirements. These requirements dictate wages that must be paid for plumbing, electrical work, and other construction functions for labor provided in performance of the contract. The wage decisions have increased, causing contractors to be less likely to bid on RRHA contracts because they run into problems if they have to a lot more to their employees than the normal rate of pay. Moreover, contractors bid higher amounts because they are aware that they will have to pay higher wages on the job. RRHA has seen significant impact of this recently because the wage decisions have been much higher than they were in the past.

Mr. Shank stated that the feedback received from contractors indicates that the wage decisions creates more supervisory burden because, if employees are getting paid an extra \$20 dollars an hour, they tend to drag their feet. Additionally, when the previous procurement was completed, the contractor who bid advised RRHA that during the recession, they operated on a very low margin and sometimes did not make a profit. Now, the economy is stronger and they no longer have to do that to obtain work.

Commissioner Butler asked if increased maintenance costs have to be budgeted due to the nature of scattered site development given decreased efficiency in maintaining scattered sites compared to a single multi-family site.

Mr. Bustamante stated that maintenance expenses for scattered sites are generally not higher than multi-family facilities.

Commissioner Butler asked if there was higher travel time.

Mr. Bustamante stated that the only difference would be the cutting of the grass. Other than that, routine maintenance calls are usually not as high volume as the multi-family facilities. There is travel time between sites, but calls are not as frequent.

Mrs. Goh stated that there is an inverse relationship between the number of scattered site units and travel expenses. More scattered site units result in increased efficiency because employees and equipment can be assigned regionally to handle maintenance.

Mr. Shank stated that most of the scattered sites RRHA currently manages are in close proximity to each other.

Vice-Chair Witten asked if there were any other comments or questions. There were none.

Commissioner Garner introduced Resolution No. 3789 and moved its adoption as introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AWARDDING A CONTRACT FOR NEW CONSTRUCTION OF SEVEN SINGLE-FAMILY SCATTERED SITE PUBLIC HOUSING UNITS

WHEREAS, the City of Roanoke Redevelopment and Housing Authority (RRHA) has been awarded Replacement Housing Factor (RHF) funds for the construction of replacement housing for public housing units which were demolished at the Villages at Lincoln during the HOPE VI project and Hurt Park as part of the revitalization of the Hurt Park neighborhood from the Department of Housing and Urban Development (HUD), such grants being numbered VA36R01150207, VA36R01150208, VA36R01150209, VA36R01150210, VA36R01150211; VA36R01150109, VA36R01150110, VA36R01150111; and

WHEREAS, since 2007 RRHA has accumulated \$549,677 in RHF 1<sup>st</sup> increment funds and \$911,422 in RHF 2<sup>nd</sup> increment funds, for a total of \$1,461,099 for the development of new public housing units; and

WHEREAS, RRHA accumulated RHF 1<sup>st</sup> and 2<sup>nd</sup> increment funds with the intention of developing approximately seven single-family scattered site units; and

WHEREAS, the City of Roanoke Redevelopment and Housing Authority (RRHA) has been awarded a grant from the HUD Capital Fund Program (CFP), grant number VA36P01150113 in the amount of \$1,577,083; and

WHEREAS, 24 CFR 905.200 (b) (2) includes development of new public housing units as an eligible activity for Capital Fund Program funds; and

WHEREAS, 24 CFR 905.200 (b) (3) includes debt and financing costs incurred by PHAs for development of new public housing units as an eligible activity for Capital Fund Program funds; and

WHEREAS, 24 CFR 905.200 (b) (3) (ii) includes Capital Fund Financing Program (CFFP), as described in CFR 24 905.500, as a means of using Capital Funds for debt and financing costs; and

WHEREAS, under the CFFP, PHAs are permitted to borrow private capital to finance public housing development; and

WHEREAS, a loan, with an amount of \$850,000, from Freedom First Credit

Union for the development of public housing, which will be secured and repaid by annual Public Housing Capital Fund allocations granted to RRHA by HUD was approved by RRHA Board of Commissioners by Resolution No. 3785 on April 24, 2014; and

WHEREAS, RRHA needs a qualified contractor to construct seven single-family Scattered Sites; and

WHEREAS, RRHA issued an Invitation for Bid on March 16, 2014, with bids being due on April 8, 2014; and

WHEREAS, RRHA received two (2) responsive bids to the invitation which were opened for consideration, such bids being as follows:

<u>Bidder Total</u>	<u>Bid Amount</u>
Price Buildings, Inc.	\$1,317,000
Total Action for Progress	\$1,247,000

WHEREAS, HUD regulations at 24 CFR 135.1 state that “section 3 of the Housing and Urban Development Act of 1968 (12 U. S. C. 1701u) (section 3) directs that employment and other economic opportunities generated by certain HUD financial assistance shall to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, be directed to business concerns which provide economic opportunities to low- and very low-income persons.”; and

WHEREAS, both bids received by RRHA in this procurement were submitted by self-certified Section 3 Business Concerns; and

WHEREAS, because the lowest responsive bid received by RRHA is a self-certified Section 3 Business Concern, the amount of preference provided to Section 3 Business Concerns is not a determining factor in the procurement; and

WHEREAS, the amount of the bid submitted by Total Action for Progress was determined to be fair and reasonable for the work specified when compared to the amount of the independent cost estimate, based on R S Means Cost Data, for the project; and

WHEREAS, the Vice President of Operations recommends an award to Total Action for Progress; and

WHEREAS, the Executive Director has determined that this procurement complies with RRHA’s Procurement Policy and that it is in the best interests of RRHA to accept such bid and execute an appropriate contract.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that:

1. The bid submitted by Total Action for Progress is approved for acceptance at such time as contingencies specified 4(A) through 4(C) are satisfied.
2. The Executive Director is authorized to execute a standard contract for construction, which by reference is inclusive of all plans, specifications, addenda and related project documents, between Total Action for Progress and RRHA for the fixed price of \$1,247,000, at such time as contingencies specified in 4(A) through 4(C) are satisfied.
3. The Executive Director is authorized to take such other actions as may be necessary to fulfill the intent of this Resolution, at such time as contingencies specified in 4(A) through 4(C) are satisfied.
4. These approvals will become effective upon all of the following contingencies being satisfied:
  - (A) HUD approval of RRHA Development Plan for RHF 2<sup>nd</sup> Increment.
  - (B) HUD approval of RRHA Capital Fund Financing Proposal related to this project.
  - (C) HUD approval of budget revision for Capital Fund Grant number VA36P01150113.

The motion was seconded by Commissioner Boitnott and upon roll call the following vote was recorded:

AYES: Commissioners Boitnott, Butler, Garner, Karnes, Witten

NAYS: None

Vice-Chair Witten thereupon declared said motion carried and Resolution No. 3789 adopted as introduced.

5. Resolution No. 3790

Mr. Shank asked for approval of Resolution No. 3790 to award a contract for new construction of four duplex scattered site replacement Public Housing Units.

These are located in the Southwest quadrant of the City except for one that is located on Gilmer. The same conditions apply here as with the single family homes. Only one responsive bid was received.

Commissioner Boitnott asked why Total Action for Progress did not bid on this contract.

Mr. Shank stated that this type of duplex is a little bit more commercial than the single family in the type of work to be done. It has to do with the way it has to be constructed with firewalls and so forth. He stated that it was likely this difference that influenced which contractors submitted bids.

Mrs. Goh stated that these four structures will provide eight units of housing.

Mr. Shank stated that between the contracts, fifteen new public housing units will be constructed.

Vice-Chair Witten asked if there were any other comments or questions. There were none.

Commissioner Butler introduced Resolution No. 3790 and moved its adoption as introduced:

**RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AWARDING A CONTRACT FOR NEW CONSTRUCTION OF FOUR DUPLEX SCATTERED SITE REPLACEMENT PUBLIC HOUSING UNITS**

WHEREAS, the City of Roanoke Redevelopment and Housing Authority (RRHA) has been awarded Replacement Housing Factor (RHF) funds for the construction of replacement housing for public housing units which were demolished at the Villages at Lincoln during the HOPE VI project from the Department of Housing and Urban Development (HUD), such grants being numbered VA36R01150207, VA36R01150208, VA36R01150209, VA36R01150210, VA36R01150211; and

WHEREAS, since 2007 RRHA has accumulated \$911,422 in RHF 2<sup>nd</sup> increment funds for the development of new public housing units; and

WHEREAS, RRHA accumulated RHF 2<sup>nd</sup> increment funds with the intention of developing four duplex scattered sites; and

WHEREAS, the City of Roanoke Redevelopment and Housing Authority (RRHA) has been awarded a grant from the Department of Housing and Urban Development (HUD) Capital Fund Program (CFP), grant number VA36P01150113 in the amount of \$1,577,083; and

WHEREAS, 24 CFR 905.200 (b) (2) includes development of new public housing units as an eligible activity for Capital Fund Program funds; and

WHEREAS, 24 CFR 905.200 (b) (3) includes debt and financing costs incurred by PHAs for development of new public housing units as an eligible activity for Capital Fund Program funds; and

WHEREAS, 24 CFR 905.200 (b) (3) (ii) includes Capital Fund Financing Program (CFFP), as described in CFR 24 905.500, as a means of using Capital Funds for debt and financing costs; and

WHEREAS, under the CFFP, PHAs are permitted to borrow private capital to finance public housing development; and

WHEREAS, a loan, with an amount of \$850,000, from Freedom First Credit Union for the development of public housing, which will be secured and repaid by annual Public Housing Capital Fund allocations granted to RRHA by HUD was approved by RRHA Board of Commissioners by Resolution No. 3785 on April 24, 2014; and

WHEREAS, RRHA needs a qualified contractor to construct four duplex Scattered Sites; and

WHEREAS, RRHA issued an Invitation for Bid on March 23, 2014, with bids being due on April 15, 2014; and

WHEREAS, RRHA received one (1) responsive bid to the invitation which was opened for consideration, such bid being as follows:

<u>Bidder Total</u>	<u>Bid Amount</u>
G & H Contracting, Inc.	\$1,043,900

WHEREAS, HUD regulations at 24 CFR 135.1 state that "section 3 of the Housing and Urban Development Act of 1968 (12 U. S. C. 1701u) (section 3) directs

that employment and other economic opportunities generated by certain HUD financial assistance shall to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, be directed to business concerns which provide economic opportunities to low- and very low-income persons.”; and

WHEREAS, because the one responsive bid received by RRHA in this procurement was not submitted by a self-certified Section 3 Business Concern, the amount of preference provided to Section 3 Business Concerns is not a determining factor in the procurement; and

WHEREAS, the amount of the bid submitted by G & H Contracting, Inc. was determined to be fair and reasonable for the work specified when compared to the amount of the independent cost estimate, based on R S Means Cost Data, for the project; and

WHEREAS, the Vice President of Operations recommends an award to G & H Contracting, Inc.; and

WHEREAS, the Executive Director has determined that this procurement complies with RRHA’s Procurement Policy and that it is in the best interests of RRHA to accept such bid and execute an appropriate contract.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that:

1. The bid submitted by G & H Contracting, Inc., is approved for acceptance at such time as contingencies specified 4(A) through 4(C) are satisfied.
2. The Executive Director is authorized to execute a standard contract for construction, which by reference is inclusive of all plans, specifications, addenda and related project documents, between G & H Contracting, Inc., and RRHA for the fixed price of \$1,043,900, at such time as contingencies specified in 4(A) through 4(C) are satisfied.
3. The Executive Director is authorized to take such other actions as may be necessary to fulfill the intent of this Resolution, at such time as contingencies specified in 4(A) through 4(C) are satisfied.
4. These approvals will become effective upon all of the following contingencies being satisfied:
  - (A) HUD approval of RRHA Development Plan for RHF 2<sup>nd</sup> Increment.
  - (B) HUD approval of RRHA Capital Fund Financing Proposal related to

- this project.  
(C) HUD approval of budget revision for Capital Fund Grant number VA36P01150113.

The motion was seconded by Commissioner Boitnott and upon roll call the following vote was recorded:

AYES: Commissioners Boitnott, Butler, Garner, Karnes, Witten

NAYS: None

Vice-Chair Witten thereupon declared said motion carried and Resolution No. 3790 adopted as introduced.

6. Resolution No. 3791

Mrs. Goh stated that an amended resolution has been provided that added two statements that identifies the funding source for this contract modification as Public Housing Operating Reserve funds. That is important because Board approval will allow for obligation and consequent restriction of the necessary reserve funds. If there should be another offset of reserves by HUD, this would help protect the funding necessary to meet this contractual obligation.

Mr. Bustamante asked for approval of Resolution No. 3791 to authorize execution of a contract modification to the Cooperative Agreement with Virginia Polytechnic Institute and State University (Virginia Tech) and Orian DBA X7SI. Originally, the not to exceed amount was set at \$94,200. An increase of \$400,000 is requested, resulting in a total contract amount of \$494,200. Mr. Bustamante stated that this is necessary in order to get the cameras functioning and there are sufficient reserve funds to cover this expense.

Mrs. Goh stated that RRHA originally joined Virginia Tech contract with an eye to

having the surveillance camera system assessed. There are widespread issues, particularly with connectivity. A full site by site assessment was completed, and this contract modification reflects the amount required to make the camera system fully functional.

Vice-Chair Witten asked if there were any other comments or questions. There were none.

Commissioner Boitnott introduced Resolution No. 3791 and moved its adoption as introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AUTHORIZING EXECUTION OF A CONTRACT MODIFICATION TO THE COOPERATIVE AGREEMENT WITH VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY (VIRGINIA TECH) AND ORION DBA X7SI

WHEREAS, the City of Roanoke Redevelopment and Housing Authority (RRHA) joined the Virginia Polytechnic Institute and State University and Orion dba X7SI contract by agreement on November 5, 2013 with a term ending date of May 17, 2014; and

WHEREAS, the Department of Housing and Urban Development (HUD) procurement regulations allow RRHA to join intergovernmental cooperative agreements; and

WHEREAS, the Virginia Polytechnic Institute and State University and Orion dba X7SI contract fully satisfies HUD's five (5) intergovernmental cooperative agreement requirements; and

WHEREAS, Virginia Polytechnic Institute and State University and Orion dba X7SI have agreed to extend and renew the contract for the period of May 17, 2014 to April 17, 2015; and

WHEREAS, the Virginia Polytechnic Institute and State University and Orion dba X7SI agreement requires modification of the not-to-exceed amount and extension of contract end date in order to allow all RRHA sites continued access to Orion dba X7SI for video surveillance systems repair and maintenance for an additional time period of one (1) year; and

WHEREAS, RRHA initially contracted with Orion dba X7SI in the not-to-exceed amount

of \$94,200, and directed Orion dba X7SI to perform a thorough assessment of RRHA's video surveillance systems, for which the cost was \$18,680.40; and

WHEREAS, based on the completed assessment, Orion dba X7SI has provided a quote for significant repair work needed to RRHA's video surveillance systems in the amount of \$367,616.94, necessitating a modification of the not-to-exceed amount of the contract; and

WHEREAS, RRHA has sufficient Public Housing Operating Reserves to obligate for this contract modification.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the Executive Director is authorized to execute a modification, to be funded by Public Housing Operating Reserves, to the not-to-exceed amount of the Virginia Polytechnic Institute and State University and Orion dba X7SI agreement from \$94,200 to \$494,200, a net increase of \$400,000 and extension of contract end date from May 15, 2014 to April 17, 2015, with all agreement terms remaining unchanged.

The motion was seconded by Commissioner Butler and upon roll call the following vote was recorded:

AYES: Commissioners Boitnott, Butler, Garner, Karnes, Witten

NAYS: None

Vice-Chair Witten thereupon declared said motion carried and Resolution No. 3791 adopted as introduced.

7. Resolution No. 3792

Mr. Bustamante asked for approval of Resolution No. 3792 to approve a revised Administrative Plan for the Section 8 Housing Choice Voucher program. In October of 2013, the Board was presented with cost saving measures that were strongly recommended by HUD. The funding for 2014 has been received as of April of this year. Mr. Bustamante stated that the cost saving measures are no longer prudent, and this revision would allow RRHA to revert back to the policies in place prior to implementing

the HUD-recommended measures. The occupancy standards will revert from two individuals per bedroom to the occupancy standards previously in the Administrative Plan. The revision would also allow RRHA to conduct an interim reexamination when the Board approves a policy that would benefit tenants.

Mrs. Goh stated that the current situation is a continuation of the cycle of shortfall and excess that results in RRHA repeatedly having to take actions to reduce expenses, followed a few months later by actions to increase expenses. Funds were down last year and cost cutting measures were put into place. This year funds are up substantially. If expenses do not increase quickly, it is more than likely that funds will be reduced again next year as next year's funding will be based on expenses this year. Mrs. Goh stated that RRHA is trying to find ways to increase expenses as early in the year as possible so that expenses in an effort to prevent a huge fluctuation in the amount of funding received for next year.

Commissioner Butler asked how long the two persons per bedroom policy was in place and whether tenants had to move.

Mrs. Goh stated the policy had been in place since January 2014.

Mr. Bustamante stated that RRHA did not inform tenants that they had to relocate or move. Tenants were responsible for a bigger portion of the rent, which created a burden for those tenants.

Commissioner Butler asked whether this revision will result in tenants being responsible for a lower portion of the rent.

Mr. Bustamante stated RRHA will assume a larger portion of the rent payment in situations where tenants are affected by this change.

Mrs. Goh stated RRHA will be paying the same amount paid prior to January 2014. Additionally, RRHA is issuing vouchers to individuals on the waiting list. One hundred have been contacted, and there are twenty-three currently searching.

Commissioner Butler asked if there were one hundred vouchers.

Mrs. Goh stated there are one hundred in the voucher-issuance process. There are twenty-three who have been issued a voucher and are searching for housing.

Vice-Chair Witten asked if there were any other comments or questions. There were none.

Commissioner Butler introduced Resolution No. 3792 and moved its adoption as introduced:

**RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY TO APPROVE A REVISED ADMINISTRATIVE PLAN FOR THE SECTION 8 HOUSING CHOICE VOUCHER PROGRAM**

WHEREAS, the Roanoke Redevelopment and Housing Authority's (RRHA) Board of Commissioners and staff are committed to providing safe and affordable housing to eligible individuals and families, including persons with disabilities; and

WHEREAS, the United States Department and Housing and Urban Development (HUD) has authorized Public Housing Agencies (PHA) to administer a Housing Choice Voucher (HCV) program, through the use of the PHA's Administrative Plan; and

WHEREAS, the Administrative Plan must state the PHA's policies on matters for which the PHA has discretion to establish local policies; and

WHEREAS, a PHA is required to revise its Administrative Plan as necessary to remain in compliance with the Department of Housing and Urban Development (HUD) regulations as set forth in 24 CFR 5, 8, 35, 92, 882, 887, 888, 903, 908, 982, 983, 984 and 985; and

WHEREAS, the current Administrative Plan for the RRHA Section 8 HCV Program, dated January 27, 2014, was approved by the RRHA Board of Commissioners by Resolution No. 3775; and

WHEREAS, on October 1, 2013, HUD requested that the RRHA implement cost saving measures to reduce HAP expenditures, At HUD's recommendation, the RRHA

reduced its occupancy standards to 2 people per bedroom regardless of age and gender and to no longer offered a separate bedroom for live-in aides; and

WHEREAS, on April 1, 2014, HUD issued calendar year 2014 renewal funding allocation for the RRHA Housing Choice Voucher Program, with increased funding amounts making it prudent to revert to the occupancy standards in effect prior to the cost saving measures recommended by HUD; and

WHEREAS, it is also prudent for RRHA to revise its policy on conducting interim reexaminations to allow for interim reexaminations to be initiated by RRHA when a Board approved policy would benefit HCV program participants; and

WHEREAS, RRHA has incorporated these policy changes into its Administrative Plan for the Section 8 HCV Program.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the City of Roanoke Redevelopment and Housing Authority that:

1. The Revised Administrative Plan for the RRHA Section 8 Housing Choice Voucher Program, with the attached revised chapters 5 and 11, is approved.
2. The Executive Director be and hereby is authorized and directed to make minor procedural changes as necessary between annual updates.

The motion was seconded by Commissioner Garner and upon roll call the following vote was recorded:

AYES: Commissioners Boitnott, Butler, Garner, Karnes, Witten

NAYS: None

Vice-Chair Witten thereupon declared said motion carried and Resolution No. 3792 adopted as introduced.

8. Resolution No. 3793

Mrs. Fields asked for approval of Resolution No. 3793 to approve a revised Personnel Policy regarding Exit Interviews. The last time this policy was revised was in 2001. The Personnel Committee has reviewed and found that it would be in RRHA's best interest to revise the policy to incorporate utilizing an online survey that will be a

confidential way for employees who have left the company voluntarily to give their input.

Commissioner Butler asked why it is necessary for the Board to approve an administrative policy like this.

Mrs. Goh stated that in the past the policies and procedure were included in one document. As policies are reviewed and updates are brought to the Board, a statement is incorporated to delineate between policy and procedures. In the future, only policy changes will require Board approval and procedure changes will be handled administratively. The Board will need to do one review of each policy approving the statement allowing for procedures to be handled differently.

Vice-Chair Witten asked if there were any other comments or questions. There were none.

Commissioner Boitnott introduced Resolution No. 3793 and moved its adoption as introduced:

**RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY APPROVING A REVISED PERSONNEL POLICY REGARDING EXIT INTERVIEWS**

WHEREAS, the City of Roanoke Redevelopment & Housing Authority (RRHA) has an Exit Interview Policy, which was last revised on September 17, 2001; and

WHEREAS, RRHA has undertaken a review of its personnel policies to ensure they are relevant, meet the needs of the agency and are legally compliant; and

WHEREAS, RRHA has determined that it is prudent and in the best interest of RRHA to revise Personnel Policy No. 820, Exit Interviews, in order to better reflect current requirements and practices; and

WHEREAS, the Personnel Committee of the RRHA Board of Commissioners supports and recommends approval of this revised policy.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the attached revised Personnel Policy No. 820, Exit Interviews, is approved effective June 1, 2014.

The motion was seconded by Commissioner Butler and upon roll call the following vote was recorded:

AYES: Commissioners Boitnott, Butler, Garner, Karnes, Witten

NAYS: None

Vice-Chair Witten thereupon declared said motion carried and Resolution No. 3793 adopted as introduced.

9. Resolution No. 3794

Mrs. Goh stated that a hard copy of the revised resolution from VRS that is the attachment has been provided to Commissioners. This has two changes from the one initially included in the Board meeting material. In the third line down, the change was made to reflect in effect for FY 2012 and in the title the change is the reference to Appropriation Act Item 467(I).

Mrs. Fields asked for approval of Resolution No. 3794 to approve election of the contribution rate to the Virginia Retirement System effective July 1, 2014. The contribution rate to the VRS is subject to periodic revision based on the actuarial analysis. The RRHA rate for the upcoming 2 years is 6.22%.

Commissioner Boitnott asked what the rate was previously.

Mrs. Austin stated the previous rate was 4.72%.

Vice-Chair Witten asked if this rate will remain the same for the next 2 years.

Mrs. Fields confirmed that it would, based on the information provided by the Virginia Retirement System.

Mrs. Goh stated that an alternative rate was offered at a lesser amount but that would mean that the liability would not be fully funded. Mrs. Austin and Mrs. Goh

agreed that would not be the best route for RRHA, and both recommend continuing to fully fund the liability.

Vice-Chair Witten asked if there were any other comments or questions. There were none.

Commissioner Butler introduced Resolution No. 3794 and moved its adoption as introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AUTHORIZING ELECTION OF THE CONTRIBUTION RATE TO THE VIRGINIA RETIREMENT SYSTEM EFFECTIVE JULY 1, 2014

WHEREAS, effective January 1, 2012, the City of Roanoke Redevelopment and Housing Authority (RRHA) began participation in the Virginia Retirement System (VRS); and

WHEREAS, the contribution rate for participation in VRS is subject to periodic revision based on actuarial analysis; and

WHEREAS, RRHA must elect to pay the Certified Rate of 6.22%, based on the June 30, 2013 actuarial valuation of assets and liabilities, or an Alternate Rate offered by VRS; and

WHEREAS, RRHA staff recommend election of the Certified Rate for contributions effective July 1, 2014.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that:

1. RRHA elects to pay the Certified Rate of 6.22% for contributions to the VRS Plan effective July, 1, 2014. In connection with this election, the attached VRS resolution titled "Employer Contribution Rates for Counties, Cities, Towns, School Divisions and Other Political Subdivisions" is approved.
2. The Chair of the Board of Commissioners and the Executive Director are authorized to execute the attached VRS resolution titled "Employer Contribution Rates for Counties, Cities, Towns, School Divisions and Other Political Subdivisions" and submit the document to VRS.

The motion was seconded by Commissioner Boitnott and upon roll call the following vote was recorded:

AYES: Commissioners Boitnott, Butler, Garner, Karnes, Witten

NAYS: None

Vice-Chair Witten thereupon declared said motion carried and Resolution No. 3794 adopted as introduced.

V. **ADJOURNMENT**

There being no further business to come before the Board, Commissioner Garner moved that the meeting be adjourned.

The motion was seconded by Commissioner Butler and upon roll call the following vote was recorded:

AYES: Commissioners Boitnott, Butler, Garner, Karnes, Witten

NAYS: None

Vice-Chair Witten declared the meeting adjourned at 3:38 p.m.

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Duane Smith, Chair

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Glenda Edwards Goh, Secretary-Treasurer

## Chapter 5

### BRIEFINGS AND VOUCHER ISSUANCE

#### INTRODUCTION

This chapter explains the briefing and voucher issuance process. When a family is determined to be eligible for the Housing Choice Voucher (HCV) program, the RRHA must ensure that the family fully understands the way the program operates and the family's obligations under the program. This is accomplished through both an oral briefing and provision of a briefing packet containing the HUD- required documents and other information the family needs to know in order to lease a unit under the program. Once the family is fully informed of the program's requirements, the RRHA issues the family a voucher. The voucher includes the unit size the family qualifies for based on the RRHA's subsidy standards, as well as the issue and expiration date of the voucher. The voucher is the document that authorizes the family to begin its search for a unit, and limits the amount of time the family has to successfully locate an acceptable unit.

This chapter describes HUD regulations and RRHA policies related to these topics in two parts:

Part I: Briefings and Family Obligations. This part details the program's requirements for briefing families orally, and for providing written materials describing the program and its requirements. It includes a particular focus on the family's obligations under the program.

Part II: Subsidy Standards and Voucher Issuance. This part discusses the RRHA's standards for determining how many bedrooms a family of a given composition qualifies for, which in turn affects the amount of subsidy the family can receive. It also discusses the policies that dictate how vouchers are issued, and how long families have to locate a unit.

## **PART I: BRIEFINGS AND FAMILY OBLIGATIONS**

### **5-I.A. OVERVIEW**

HUD regulations require the RRHA to conduct mandatory briefings for applicant families who qualify for a voucher. The briefing provides a broad description of owner and family responsibilities, explains the RRHA's procedures, and includes instructions on how to lease a unit. This part describes how oral briefings will be conducted, specifies what written information will be provided to families, and lists the family's obligations under the program.

### **5-I.B. BRIEFING [24 CFR 982.301]**

The RRHA will give the family an oral briefing and provide the family with a briefing packet containing written information about the program. Families may be briefed individually or in groups. At the briefing the RRHA must insure effective communication in accordance with Section 504 requirements (Section 504 of the Rehabilitation Act of 1973) and ensure that the briefing site is accessible to individuals with disabilities. For a more thorough discussion of accessibility requirements, refer to Chapter 2.

#### RRHA Policy

Briefings will be conducted in group or individual meetings.

Generally, the head of household is required to attend the briefing. If the head of household is unable to attend, the RRHA may approve another adult family member to attend the briefing.

Families that attend group briefings and still need individual assistance will be referred to an appropriate RRHA staff person.

Briefings will be conducted in English. For limited English proficient (LEP) applicants, the RRHA will provide translation services in accordance with the RRHA's LEP plan (See Chapter 2).

### **Notification and Attendance**

#### RRHA Policy

Families will be notified of their eligibility for assistance at the time they are invited to attend a briefing. The notice will identify who is required to attend the briefing, as well as the date and time of the scheduled briefing.

If the notice is returned by the post office with no forwarding address, the applicant will be denied and their name will not be placed back on the waiting list. If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the address indicated.

Applicants who fail to attend a scheduled briefing will automatically be scheduled for another briefing. The RRHA will notify the family of the date and time of the second scheduled briefing. Applicants who fail to attend two scheduled briefings, without RRHA approval, will be denied assistance (see Chapter 3).

### **Oral Briefing [24 CFR 982.301(a)]**

Each briefing must provide information on the following subjects:

- How the Housing Choice Voucher program works;
- Family and owner responsibilities;
- Where the family can lease a unit, including renting a unit inside or outside the RRHA's jurisdiction;
- For families eligible under portability, an explanation of portability. The RRHA cannot discourage eligible families from moving under portability;
- For families living in high-poverty census tracts, an explanation of the advantages of moving to areas outside of high-poverty concentrations; and
- For families receiving welfare-to-work vouchers, a description of any local obligations of a welfare-to-work family and an explanation that failure to meet the obligations is grounds for denial of admission or termination of assistance.

### **Briefing Packet [24 CFR 982.301(b)]**

Documents and information provided in the briefing packet must include the following:

- The term of the voucher, and the RRHA's policies on any extensions or suspensions of the term. If the RRHA allows extensions, the packet must explain how the family can request an extension.
- A description of the method used to calculate the housing assistance payment for a family, including how the RRHA determines the payment standard for a family, how the RRHA determines total tenant payment for a family, and information on the payment standard and utility allowance schedule.
- An explanation of how the RRHA determines the maximum allowable rent for an assisted unit.
- Where the family may lease a unit. For a family that qualifies to lease a unit outside the RRHA jurisdiction under portability procedures, the information must include an explanation of how portability works.
- The HUD-required tenancy addendum, which must be included in the lease.
- The form the family must use to request approval of tenancy, and a description of the procedure for requesting approval for a tenancy.
- A statement of the RRHA policy on providing information about families to prospective owners.
- The RRHA subsidy standards including when and how exceptions are made.
- The HUD brochure on how to select a unit.
- The HUD pamphlet on lead-based paint entitled *Protect Your Family from Lead in Your Home*.
- Information on federal, state and local equal opportunity laws and a copy of the housing discrimination complaint form.

- A list of landlords or other parties willing to lease to assisted families or help families find units, especially outside areas of poverty or minority concentration.
- Notice that if the family includes a person with disabilities, the family may request a list of available accessible units known to the RRHA.
- The family obligations under the program, including any obligations of a welfare-to work family.
- The grounds on which the RRHA may terminate assistance for a participant family because of family action or failure to act.
- RRHA informal hearing procedures including when the RRHA is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.

Because the RRHA is located in a metropolitan FMR area, the following additional information must be included in the briefing packet in order to receive full points under SEMAP Indicator 7, Expanding Housing Opportunities [24 CFR 985.3(g)].

- Maps showing areas with housing opportunities outside areas of poverty or minority concentration, both within its jurisdiction and its neighboring jurisdiction.
- Information about the characteristics of these areas including job opportunities, schools, transportation and other services.
- An explanation of how portability works, including a list of portability contact persons for neighboring PHAs including names, addresses, and telephone numbers.

#### **Additional Items to be Included in the Briefing Packet**

##### RRHA Policy

The RRHA will provide the following additional materials in the briefing packet [HCV GB p. 7-8, Notice PIH 2010-19]:

Information on how to fill out and file a housing discrimination complaint form.

Information about the protections afforded by the Violence against Women Act of 2013 (VAWA) to victims of domestic violence, dating violence, sexual assault and stalking (see section 16-IX.C)

Information about protections afforded by the Protecting Tenants at Foreclosure Act (PTFA) (see section 13-11.G)

“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 publication *Things You Should Know (HUD-1140-OIG)* that explains the types of actions a family must avoid and the penalties for program abuse.

**“What You Should Know about EIV,” a guide to the Enterprise Income Verification (EIV) system published by HUD as an attachment to Notice PIH 2010-19**

## 5-I.C. FAMILY OBLIGATIONS

Obligations of the family are described in the housing choice voucher (HCV) regulations and on the voucher itself. These obligations include responsibilities the family is required to fulfill, as well as prohibited actions. The RRHA must inform families of these obligations during the oral briefing, and the same information must be included in the briefing packet. When the family's unit is approved and the HAP contract is executed, the family must meet those obligations in order to continue participating in the program. Violation of any family obligation may result in termination of assistance, as described in Chapter 12.

### Time Frames for Reporting Changes Required By Family Obligations

#### RRHA Policy

Unless otherwise noted below, when family obligations require the family to respond to a request or notify the RRHA of a change, notifying the RRHA of the request or change within 10 business days is considered prompt notice.

When a family is required to provide notice to the RRHA, the notice must be in writing.

### Family Obligations [24 CFR 982.551]

Following is a listing of a participant family's obligations under the HCV program:

- The family must supply any information that the RRHA or HUD determines to be necessary, including submission of required evidence of citizenship or eligible immigration status.
- The family must supply any information requested by the RRHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition.
- The family must disclose and verify social security numbers and sign and submit consent forms for obtaining information.
- Any information supplied by the family must be true and complete.
- The family is responsible for any Housing Quality Standards (HQS) breach by the family caused by failure to pay tenant-provided utilities or appliances, or damages to the dwelling unit or premises beyond normal wear and tear caused by any member of the household or guest.

#### RRHA Policy

Damages beyond normal wear and tear will be considered to be damages which could be assessed against the security deposit.

- The family must allow the RRHA to inspect the unit at reasonable times and after reasonable notice, as described in Chapter 8 of this plan.
- The family must not commit any serious or repeated violation of the lease.

#### RRHA Policy

The RRHA will determine if a family has committed serious or repeated violations of the lease based on available evidence, including but not limited to, a court-ordered eviction,

or an owner's notice to evict, police reports, and affidavits from the owner, neighbors, or other credible parties with direct knowledge.

*Serious and repeated lease violations* will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises and criminal activity. Generally, the criterion to be used will be whether or not the reason for the eviction was through no fault of the tenant or guests. Any incidents of, or criminal activity related to, domestic violence, dating violence, sexual assault or stalking will not be construed as serious or repeated lease violations by the victim [24 CFR 5.2005(c)(1)].

- The family must notify the RRHA and the owner before moving out of the unit or terminating the lease.

#### RRHA Policy

The family must comply with lease requirements regarding written notice to the owner. The family must provide written notice to the RRHA at the same time the owner is notified.

- The family must promptly give the RRHA a copy of any owner eviction notice.
- The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
- The composition of the assisted family residing in the unit must be approved by the RRHA. The family must promptly notify the RRHA in writing of the birth, adoption, or court-awarded custody of a child. The family must request RRHA approval to add any other family member as an occupant of the unit.

#### RRHA Policy

The request to add a family member must be submitted in writing and approved prior to the person moving into the unit. The RRHA will determine eligibility of the new member in accordance with the policies in Chapter 3.

- The family must promptly notify the RRHA in writing if any family member no longer lives in the unit.
- If the RRHA has given approval, a foster child or a live-in aide may reside in the unit. The RRHA has the discretion to adopt reasonable policies concerning residency by a foster child or a live-in aide, and to define when RRHA consent may be given or denied. For policies related to the request and approval/disapproval of foster children, foster adults, and live-in aides, see Chapter 3 (Sections I.K and I.M), and Chapter 11 (Section II.B).
- The family must not sublease the unit, assign the lease, or transfer the unit.

#### RRHA Policy

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.

- The family must supply any information requested by the RRHA to verify that the family is living in the unit or information related to family absence from the unit.

- The family must promptly notify the RRHA when the family is absent from the unit.

RRHA Policy

Notice is required under this provision only 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. Written notice must be provided to the RRHA at the start of the extended absence.

- The family must pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease [Form HUD-52646, Voucher].
- The family must not own or have any interest in the unit, (other than in a cooperative and owners of a manufactured home leasing a manufactured home space).
- Family members must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program. (See Chapter 14, Program Integrity for additional information).
- Family members must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. See Chapter 12 for HUD and RRHA policies related to drug-related and violent criminal activity.
- Members of the household must not engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises. See Chapter 12 for a discussion of HUD and RRHA policies related to alcohol abuse.
- An assisted family or member of the family must not receive HCV program assistance while receiving another housing subsidy, for the same unit or a different unit under any other federal, state or local housing assistance program.
- A family must not receive HCV program assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the RRHA has determined (and has notified the owner and the family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities. [Form HUD-52646, Voucher]

## **PART II: SUBSIDY STANDARDS AND VOUCHER ISSUANCE**

### **5-II.A. OVERVIEW**

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

must establish policies related to the issuance of the voucher, to the voucher term, and to any extensions or suspensions of that term.

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

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

The following requirements apply when the RRHA determines family unit size:

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

RRHA Policy

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

- **Persons of the opposite sex (other than spouses, and children under age 5) will be allocated separate bedrooms.**
- **Live-in aides will be allocated a separate bedroom.**
- **Single person families will be allocated one bedroom.**

The RRHA will reference the following chart in determining the appropriate voucher size for a family:

<b>Voucher Size</b>	<b>Persons in Household (Minimum – Maximum)</b>
1 Bedroom	1-2

2 Bedrooms	32-4
3 Bedrooms	53-6
4 Bedrooms	74-8
5 Bedrooms	96-10

## 5-II.C. EXCEPTIONS TO SUBSIDY STANDARDS

### RRHA Policy

The RRHA will consider granting an exception for any of the reasons specified in the regulation: the age, sex, health, handicap, or relationship of family members or other personal circumstances. Reasons may include, but are not limited to:

- A need for an additional bedroom for medical equipment
- A need for a separate bedroom for reasons related to a family member's disability, medical or health condition

The family must request any exception to the subsidy standards in writing. The request must explain the need or justification for a larger family unit size, 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 family's continued need for an additional bedroom due to special medical equipment must be re-verified at annual reexamination.

For a single person who is not elderly, disabled, or a remaining family member, an exception cannot override the regulatory limit of a zero or one bedroom [24 CFR 982.402(b)(8)].

The RRHA will notify the family of its determination within 10 business days of receiving the family's request. If a participant family's request is denied, the notice will inform the family of their right to request an informal hearing.

## 5-II.D. VOUCHER ISSUANCE [24 CFR 982.302]

When a family is selected from the waiting list (or as a special admission as described in Chapter 4), or when a participant family wants to move to another unit, the RRHA issues a Housing Choice Voucher, form HUD-52646. This chapter deals only with voucher issuance for applicants. For voucher issuance associated with moves of program participants, please refer to Chapter 10.

The voucher is the family's authorization to search for housing. It specifies the unit size for which the family qualifies, and includes both the date of voucher issuance and date of expiration. It contains a brief description of how the program works and explains the family obligations under the program. The voucher is evidence that the RRHA has determined the family to be eligible for the program, and that the RRHA expects to have money available to subsidize the family if the family finds an approvable unit. However, the RRHA does not have

any liability to any party by the issuance of the voucher, and the voucher does not give the family any right to participate in the RRHA's housing choice voucher program [Voucher, form HUD-52646]

A voucher can be issued to an applicant family only after the RRHA has determined that the family is eligible for the program based on information received within the 60 days prior to issuance [24 CFR 982.201(e)] and after the family has attended an oral briefing [HCV 8-1].

#### RRHA Policy

Vouchers will be issued to eligible applicants immediately following the mandatory briefing.

The RRHA should have sufficient funds to house an applicant before issuing a voucher. If funds are insufficient to house the family at the top of the waiting list, the RRHA must wait until it has adequate funds before it calls another family from the list [HCV GB p. 8-10]

#### RRHA Policy

Prior to issuing any vouchers, the RRHA will determine whether it has sufficient funding in accordance with the policies in Part VIII of Chapter 16.

If the RRHA determines that there is insufficient funding after a voucher has been issued, the RRHA may rescind the voucher and place the affected family back on the waiting list.

### **5-II.E. VOUCHER TERM, EXTENSIONS, AND SUSPENSIONS Voucher Term [24 CFR 982.303]**

#### RRHA Policy

The initial voucher term will be 60 calendar days, which will be stated on the voucher [24CFR 982.303(s)].

The family must submit a Request for Tenancy Approval and proposed lease within the 60-day period unless the RRHA grants an extension.

#### **Extensions of Voucher Term [24 CFR 982.303(b)]**

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

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

#### RRHA Policy

The RRHA will automatically approve one 30-day extension upon written request from the family.

The RRHA will approve additional extensions only in the following

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

It is necessary due to reasons beyond the family's control, as determined by the RRHA. Following is a list of extenuating circumstances that the RRHA may consider in making its decision. The presence of these circumstances does not guarantee that an extension will be granted:

Serious illness or death in the family

Other family emergency

#### Obstacles due to employment

Whether the family has already submitted requests for tenancy approval that were not approved by the RRHA

Whether family size or other special requirements make it difficult to find a suitable unit

Any request for an additional extension must include the reason(s) an additional extension is necessary. The RRHA may require the family to provide documentation to support the request or to obtain verification from a qualified third party.

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

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

#### **Suspensions of Voucher Term [24 CFR 982.303(c)]**

##### RRHA Policy

When a Request for Tenancy Approval and proposed lease is received by the RRHA, the term of the voucher will be suspended while the RRHA processes the request.

#### **Expiration of Voucher Term**

Once a family's housing choice voucher term (including any extensions) expires, the family is no longer eligible to search for housing under the program.

##### RRHA Policy

If an applicant family's voucher term or extension expires before the family has submitted a Request for Tenancy Approval (RTA), the RRHA will require the family to reapply for assistance when the application process is open.

Within 10 business days after the expiration of the voucher term or any extension, the RRHA will notify the family in writing that the voucher term has expired and that the family must reapply, when the application process is open, in order to be placed on the waiting list.

## Chapter 11

### REEXAMINATIONS

#### INTRODUCTION

The RRHA is required to reexamine each family's income and composition at least annually, and to adjust the family's level of assistance accordingly. Interim reexaminations are also needed in certain situations. This chapter discusses both annual and interim reexaminations, and the recalculation of family share and subsidy that occurs as a result. HUD regulations and RRHA policies concerning reexaminations are presented in three parts:

Part I: Annual Reexaminations. This part discusses the process for conducting annual reexaminations.

Part II: Interim Reexaminations. This part details the requirements for families to report changes in family income and composition between annual reexaminations.

Part III: Recalculating Family Share and Subsidy Amount. This part discusses the recalculation of family share and subsidy amounts based on the results of annual and interim reexaminations.

Policies governing reasonable accommodation, family privacy, required family cooperation, and program abuse, as described elsewhere in this plan, apply to both annual and interim reexaminations.

## **PART I: ANNUAL REEXAMINATIONS [24 CFR 982.516]**

### **11-I.A. OVERVIEW**

The RRHA must conduct a reexamination of family income and composition at least annually. This includes gathering and verifying current information about family composition, income, and expenses. Based on this updated information, the family's income and rent must be recalculated. This part discusses the schedule for annual reexaminations, the information to be collected and verified, and annual reexamination effective dates.

### **11-I.B. SCHEDULING ANNUAL REEXAMINATIONS**

#### RRHA Policy

The RRHA will begin the annual reexamination process 120 days in advance of its scheduled effective date. Generally, the RRHA will schedule annual reexamination effective dates to coincide with the family's anniversary 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 moves to a new unit, the RRHA will perform a new annual reexamination.

The RRHA also may schedule an annual reexamination for completion prior to the anniversary date for administrative purposes.

#### **Notification of and Participation in the Annual Reexamination Process**

The RRHA will give tenants the option to complete Form HUD-92006 (Supplemental and Optional Contact Information for HUD-Assisted Housing Applicants)

#### RRHA 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 RRHA 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 RRHA in advance of the interview to schedule a new appointment. If a family does not attend the scheduled interview, the RRHA will send a second notification with a new interview appointment time.

If a family fails to attend two scheduled interviews without RRHA approval, or if the notice is returned by the post office with no forwarding address, a notice of termination (see Chapter 12) will be sent to the family's address of record, and to any alternate address provided in the family's file.

An advocate, interpreter, or other assistant may assist the family in the interview process. The family and the RRHA must execute a certification attesting to the role and assistance of any such third party.

### **11-I.C. CONDUCTING ANNUAL REEXAMINATIONS**

As part of the annual reexamination process, families are required to provide updated information to the RRHA regarding the family's income, expenses, and composition [24 CFR 982.551(b)].

#### RRHA 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 RRHA-designated reexamination form, an Authorization for the Release of Information/Privacy Act Notice, 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 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 sent a notice of termination (See Chapter 12).

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

If adding a new family member to the unit causes overcrowding according to the Housing Quality Standards (HQS) (see Chapter 8), the RRHA must issue the family a new voucher, and the family and RRHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, the RRHA must terminate the HAP contract in accordance with its terms [24 CFR 982.403].

### **11-I.D. DETERMINING ONGOING ELIGIBILITY OF CERTAIN STUDENTS [24 CFR 982.552(b)(5)]**

Section 327 of Public Law 109-115 established new restrictions on the ongoing eligibility of certain students (both part- and full-time) who are enrolled in institutions of higher education.

If a student enrolled in an institution of higher education is under the age of 24, is not a veteran, is not married, and does not have a dependent child, and is not a person with disabilities receiving HCV assistance as of November 30, 2005 the student's eligibility must be reexamined along with the income eligibility of the student's parents on an annual basis. In these cases, both the student and the student's parents must be income eligible for the student to continue to receive HCV assistance. If, however, a student in these circumstances is determined independent from his or her parents in accordance with RRHA policy, the income of the student's parents will not be considered in determining the student's ongoing eligibility.

Students who reside with parents in an HCV assisted unit are not subject to this provision. It is limited to students who are receiving assistance on their own, separately from their parents.

#### RRHA Policy

During the annual reexamination process, the RRHA will determine the ongoing eligibility of each student who is subject to the eligibility restrictions in 24 CFR 5.612 by reviewing the student's individual income as well as the income of the student's parents. If the student has been determined "independent" from his/her parents based on the policies in Sections 3-II.E and 7-II.E, the parents' income will not be reviewed.

If the student is no longer income eligible based on his/her own income or the income of his/her parents, the student's assistance will be terminated in accordance with the policies in Section 12-I.D.

If the student continues to be income eligible based on his/her own income and the income of his/her parents (if applicable), the RRHA will process a reexamination in accordance with the policies in this chapter.

### **11-I.E. EFFECTIVE DATES**

#### RRHA Policy

In general, an *increase* in the family share of the 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 a family moves to a new unit, the increase will take effect on the effective date of the new lease and HAP contract, and no 30-day notice is required.

If the RRHA 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 RRHA, but will always allow for the 30-day notice period.

If the family causes a delay in processing the annual reexamination, *increases* in the family share of the rent will be applied retroactively, to the scheduled effective date of the annual reexamination. The family will be responsible for any overpaid subsidy and may be offered a repayment agreement in accordance with the policies in Chapter 16.

In general, a *decrease* in the family share of the rent that results from an annual reexamination will take effect on the family's anniversary date.

If a family moves to a new unit, the decrease will take effect on the effective date of the new lease and HAP contract.

If the RRHA 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 RRHA.

If the family causes a delay in processing the annual reexamination, *decreases* in the family share of the 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 RRHA by the date specified, and this delay prevents the RRHA from completing the reexamination as scheduled.

## **PART II: INTERIM REEXAMINATIONS [24 CFR 982.516]**

### **11-II.A. OVERVIEW**

Family circumstances may change throughout the period between annual reexaminations. HUD and RRHA policies dictate what kinds of information about changes in family circumstances must be reported, and under what circumstances the RRHA must process interim reexaminations to reflect those changes. HUD regulations also permit the RRHA to conduct interim reexaminations of income or family composition at any time. When an interim reexamination is conducted, only those factors that have changed are verified and adjusted [HCV GB, p. 12-10].

In addition to specifying what information the family must report, HUD regulations permit the family to request an interim determination if other aspects of the family's income or composition changes. The RRHA must complete the interim reexamination within a reasonable time after the family's request.

This part includes HUD and RRHA policies describing what changes families are required to report, what changes families may choose to report, and how the RRHA will process both RRHA- and family-initiated interim reexaminations.

### **11-II.B. CHANGES IN FAMILY AND HOUSEHOLD COMPOSITION**

#### RRHA Policy

The RRHA will conduct interim reexaminations to account for any changes in household composition that occur between annual reexaminations.

#### **New Family Members Not Requiring Approval**

#### RRHA Policy

The family must inform the RRHA of the birth, adoption or court-awarded custody of a child within 10 business days [24 CFR 982.551(h)(2)].

## **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 RRHA approval to add a new family member [24 CFR 982.551(h)(2)] or other household member (live-in aide or foster child) [24 CFR 982.551(h)(4)].

When any new family member is added, the RRHA must conduct a reexamination to determine any new income or deductions associated with the additional family member, and to make appropriate adjustments in the family share of the rent and the HAP payment [24 CFR 982.516(e)].

If a change in family size causes a violation of Housing Quality Standards (HQS) space standards (see Chapter 8), the RRHA must issue the family a new voucher, and the family and RRHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, the RRHA must terminate the HAP contract in accordance with its terms [24 CFR 982.403].

### RRHA Policy

Families must request RRHA 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 30 consecutive days, or 90 cumulative days, within a twelve month period, and therefore no longer qualifies as a “guest.” Requests must be made in writing and approved by the RRHA and the landlord prior to the individual moving in the unit.

The RRHA will not approve the addition of a new family or household member unless the individual meets the RRHA’s eligibility criteria (see Chapter 3) and documentation requirements (see Chapter 7, Part II).

The RRHA will not approve the addition of a foster child or foster adult if it will cause a violation of HQS space standards.

If the RRHA determines an individual meets the RRHA’s eligibility criteria and documentation requirements the RRHA will provide written approval to the family. If the approval of a new family member or live-in aide will cause overcrowding according to HQS standards, the approval letter will explain that the family will be issued another voucher and will be required to move.

If the RRHA determines that an individual does not meet the RRHA’s eligibility criteria or documentation requirements the RRHA 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 RRHA 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**

### RRHA Policy

If a household member ceases to reside in the unit, the family must inform the RRHA within 10 business days. This requirement also applies to a family member who has been considered temporarily absent at the point that the family concludes the individual is permanently absent.

If a live-in aide, foster child, or foster adult ceases to reside in the unit, the family must inform the RRHA within 10 business days.

### **11-II.C. CHANGES AFFECTING INCOME OR EXPENSES**

Interim reexaminations can be scheduled either because the RRHA has reason to believe that changes in income or expenses may have occurred, or because the family reports a change. When a family reports a change, the RRHA may take different actions depending on whether the family reported the change voluntarily, or because it was required to do so.

#### **RRHA-Initiated Interim Reexaminations**

RRHA-initiated interim reexaminations are those that are scheduled based on circumstances or criteria defined by the RRHA. They are not scheduled because of changes reported by the family.

##### RRHA Policy

The RRHA will conduct interim reexaminations in each of the following instances: For

families receiving the Earned Income Disallowance (EID), the RRHA will conduct an interim reexamination at the start and conclusion of the second 12 month exclusion period (50 percent {Phase-in period}).

If the family has reported zero income, the RRHA will conduct an interim reexamination every 3 months as long as the family continues to report that they have no income.

If at the time of the annual reexamination, it is not feasible to anticipate a level of income for the next 12 months (e.g. seasonal or cyclic income), the RRHA will schedule an interim reexamination to coincide with the end of the period for which it is feasible to project income.

If at the time of the annual reexamination, tenant declarations were used on a provisional basis due to the lack of third-party verification, and third-party verification becomes available, the RRHA will conduct an interim reexamination.

The RRHA may conduct an interim reexamination at any time in order to correct an error in a previous reexamination, or to investigate a tenant fraud complaint.

**The RRHA may conduct an interim reexamination at any time when a Board approved policy benefits the tenants/families in the HCV Program.**

#### **Family-Initiated Interim Reexaminations**

##### ***Required Reporting***

##### RRHA Policy

Families are required to report all increases in income within 10 business days of the change occurring. The RRHA will conduct an interim reexamination to recalculate the new family share of rent and new subsidy amount.

### ***Optional Reporting***

The family may request an interim reexamination any time the family has experienced a change in circumstances since the last determination [24 CFR 982.516(b) (2)]. The RRHA must process the request if the family reports a change that will result in a reduced family income [HCV GB, p. 12-9].

If a family reports a decrease in income from the loss of welfare benefits due to fraud or non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program, the family's share of the rent will not be reduced [24 CFR 5.615]. For more information regarding the requirement to impute welfare income see Chapter 6.

#### RRHA Policy

If a family reports a change that it was not required to report and that would result in a decrease in the family share of rent, the RRHA will conduct an interim reexamination. See Section 11-II.D. for effective dates.

Families may report changes in income or expenses at any time.

## **11-II.D. PROCESSING THE INTERIM REEXAMINATION**

### **Method of Reporting**

#### RRHA Policy

The family must notify the RRHA of changes in writing.

Generally, the family will not be required to attend an interview for an interim reexamination. However, if the RRHA determines that an interview is warranted, the family may be required to attend.

Based on the type of change reported, the RRHA will determine the documentation the family will be required to submit. The family must submit any required information or documents within 10 business days of receiving a request from the RRHA. This time frame may be extended for good cause with RRHA approval. The RRHA will accept required documentation by mail, by fax, or in person.

### **Effective Dates**

#### RRHA Policy

If the family share of the rent is to *increase*:

The increase generally will be effective on the first of the month following 30 days' notice to the family.

If a family fails to report a change within the required time frames, or fails to provide all required information within the required time frames, the increase will be applied retroactively, to the date it would have been effective had the information been provided on a timely basis. The family will be responsible for any overpaid subsidy and may be offered a repayment agreement in accordance with the policies in Chapter 16.

If the family share of the rent is to *decrease*:

The decrease will be effective on the first day of the month following the month in which the change was reported and all required documentation was submitted. In cases where the change cannot be verified until after the date the change would have become effective, the change will be made retroactively.

### **PART III: RECALCULATING FAMILY SHARE AND SUBSIDY AMOUNT**

#### **11-III.A. OVERVIEW**

After gathering and verifying required information for an annual or interim reexamination, the RRHA must recalculate the family share of the rent and the subsidy amount, and notify the family and owner of the changes [24 CFR 982.516(d)(2), HCV 12-6 and 12-10]. 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.

#### **11-III.B. CHANGES IN PAYMENT STANDARDS AND UTILITY ALLOWANCES**

In order to calculate the family share of the rent and HAP amount correctly, changes in payment standards, subsidy standards, or utility allowances may need to be updated and included in the RRHA's calculations.

Specific policies governing how subsidy standards, payment standards, and utility allowances are applied are discussed below.

##### **Payment Standards [24 CFR 982.505]**

The family share of the rent and HAP calculations must use the correct payment standard for the family, taking into consideration the family unit size, the size of unit, and the area in which the unit is located [HCV GB, p. 12-5]. See Chapter 6 for information on how to select the appropriate payment standard.

When the RRHA changes its payment standards or the family's situation changes, new payment standards are applied at the following times:

- If the RRHA's payment standard amount changes during the term of the HAP contract, the date on which the new standard is applied depends on whether the standard has increased or decreased:
  - If the payment standard amount has *increased*, the increased payment standard will be applied at the *first annual* reexamination following the effective date of the increase in the payment standard.
  - If the payment standard amount has *decreased*, the decreased payment standard will be applied at the *second annual* reexamination following the effective date of the decrease in the payment standard.
- If the family moves to a new unit, or a new HAP contract is executed due to changes in the lease (even if the family remains in place) the current payment standard applicable to the family will be used when the new HAP contract is processed.

##### **Subsidy Standards [24 CFR 982.505(c)(4)]**

If there is a change in the family unit size that would apply to a family during the HAP contract

term, either due to a change in family composition, or a change in the RRHA's subsidy standards (see Chapter 5), the new family unit size must be used to determine the payment standard amount for the family at the family's *first annual* reexamination following the change in family unit size. **Utility Allowances [24 CFR 982.517(d)]**

The family share of the rent and HAP calculations must reflect any changes in the family's utility arrangement with the owner, or in the RRHA's utility allowance schedule [HCV GB, p. 12-5]. Chapter 16 discusses how utility allowance schedules are established.

When there are changes in the utility arrangement with the owner, the RRHA must use the utility allowances in effect at the time the new lease and HAP contract are executed.

At reexamination, the RRHA must use the RRHA current utility allowance schedule [24 CFR 982.517(d)(2)].

#### RRHA Policy

Revised utility allowances will be applied to a family's rent and subsidy calculations at the first annual reexamination after the allowance is adopted.

### **11-III.C. NOTIFICATION OF NEW FAMILY SHARE AND HAP AMOUNT**

The RRHA must notify the owner and family of any changes in the amount of the HAP payment [HUD-52641, HAP Contract]. The notice must include the following information [HCV GB, p. 12-6]:

- The amount and effective date of the new HAP payment
- The amount and effective date of the new family share of the rent
- The amount and effective date of the new tenant rent to owner

The family must be given an opportunity for an informal hearing regarding the RRHA's determination of their annual or adjusted income, and the use of such income to compute the housing assistance payment [24 CFR 982.555(a)(1)(i)] (see Chapter 16).

#### RRHA Policy

Upon request the notice to the family will include the annual and adjusted income amounts that were used to calculate the family share of the rent and the housing assistance payment (tenant profile). The notice also will state the procedures for requesting an informal hearing.

### **11-III.D. DISCREPANCIES**

During an annual or interim reexamination, the RRHA may discover that information previously reported by the family was in error, or that the family intentionally misrepresented information. In addition, the RRHA may discover errors made by the RRHA. When errors resulting in the overpayment or underpayment of subsidy are discovered, corrections will be made in accordance with the policies in Chapter 13.



ORIGINAL

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## EXIT INTERVIEWS

### I. PURPOSE

To determine and document the reasons employees leave the Authority, to provide an opportunity for the airing of unresolved grievances, and to solicit constructive feedback to improve the Authority.

### II. SCOPE

This policy applies to employees at all Authority offices and facilities, except those being separated due to reduction-in-force.

### III. POLICY

Prior to leaving the Authority upon separation, employees will have an exit interview with the Human Resources Director or a designated representative.

### IV. PROCEDURE

- A. Supervisors will refer separating employees to the Human Resources Director for an exit interview as soon as possible after the separation decision has been made and communicated.
- B. As part of the employee termination procedure, all employees are required to report to Human Resources before leaving the Authority in order to complete necessary forms.
- C. The Human Resources Director will use the exit interview form (copy following) to cover the following points:
  - 1. Job duties and work load: understanding of the job, match with interests and abilities, quality of training
  - 2. Authority policies and practices: working environment, opportunities for advancement, salary and benefits
  - 3. Quality of supervision: fairness, supportiveness
  - 4. Reasons for leaving

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- D. Terminating employees are also required to return all Authority equipment, including but not limited to employee identification cards, keys, tools, uniforms, credit cards, and Personnel Policy/Handbooks.
- E. A form attesting to the completion of the above procedures will be signed and dated by the terminating employee before receiving his/her final paycheck.
- F. If it is felt the information covered during the interview might become a point of contention in the future, the Human Resources Director should ask the employee to sign the exit interview form. The employee may be given a copy upon request.

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Revised 9/17/01  
Revised 6/1/2014

## **EXIT INTERVIEWS**

### **I. PURPOSE**

To identify workplace, organizational, or other factors that have contributed to an employee's decision to leave RRHA; to enable RRHA to identify trends requiring attention, or opportunities for improvement; to provide an opportunity to respond to employee issues; and allow RRHA to improve recruitment and retention strategies.

### **II. SCOPE**

This policy applies to all RRHA employees who voluntarily resign / retire in good standing.

### **III. POLICY**

Separating employees will be given or mailed instructions on how to complete a confidential on-line exit interview survey. Completion of the exit survey is highly encouraged but not mandatory.

The Board of Commissioners has established this policy and delegates responsibility for establishing or modifying procedures for implementation of the policy to the Executive Director. Current procedures are detailed below.

### **IV. PROCEDURE**

- A. Managers will notify Human Resources as soon as possible after the separation decision has been made and communicated by the employee.
- B. Human Resources will contact the employee in person, by email, or US Mail and invite him/her to complete the on-line exit interview survey.
- C. The survey will ask a standard set of questions and give the employee the opportunity to express concerns and/or suggestions about his/her experience at RRHA.
- D. Employee participation is voluntary; however, they will be encouraged to give honest, candid, and constructive responses.
- E. The information collected through the exit interview process will be confidential. No specific information will be disseminated or discussed. Human Resources will analyze the information regularly to identify areas that may need to be addressed.
- F. Human Resources will distribute the compiled data to the executive management team on an annual basis, or more often if needed.

Employer Contribution Rates for Counties, Cities,  
Towns, School Divisions and Other Political Subdivisions  
(In accordance with the 2014 Appropriation Act Item 467(I))

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## Resolution

BE IT RESOLVED, that the City of Roanoke Redevelopment and Housing Authority [5-5873] does hereby acknowledge that its contribution rates effective July 1, 2014 shall be based on the higher of a) the contribution rate in effect for FY 2012, or b) eighty percent of the results of the June 30, 2013 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2014-16 biennium (the "Alternate Rate") provided that, at its option, the contribution rate may be based on the employer contribution rates certified by the Virginia Retirement System Board of Trustees pursuant to Virginia Code § 51.1-145(I) resulting from the June 30, 2013 actuarial value of assets and liabilities (the "Certified Rate"); and

BE IT ALSO RESOLVED, that the City of Roanoke Redevelopment and Housing Authority [5-5873] does hereby certify to the Virginia Retirement System Board of Trustees that it elects to pay the following contribution rate effective July 1, 2014:

(Check only one box)

The Certified Rate of 6.22%                       The Alternate Rate of \_\_\_\_\_%; and

BE IT ALSO RESOLVED, that the City of Roanoke Redevelopment and Housing Authority [5-5873] does hereby certify to the Virginia Retirement System Board of Trustees that it has reviewed and understands the information provided by the Virginia Retirement System outlining the potential future fiscal implications of any election made under the provisions of this resolution; and

NOW, THEREFORE, the officers of City of Roanoke Redevelopment and Housing Authority [5-5873] are hereby authorized and directed in the name of the City of Roanoke Redevelopment and Housing Authority to carry out the provisions of this resolution, and said officers of the City of Roanoke Redevelopment and Housing Authority are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by the City of Roanoke Redevelopment and Housing Authority for this purpose.

\_\_\_\_\_  
Governing Body/School Division Chairman

### CERTIFICATE

I, Glenda Edwards Goh, Secretary of the City of Roanoke Redevelopment and Housing Authority, certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the City of Roanoke Redevelopment and Housing Authority held at Roanoke, Virginia at 3:00 o'clock on \_\_\_\_\_, 2014. Given under my hand and seal of the City of Roanoke Redevelopment and Housing Authority this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Secretary

**This resolution must be passed prior to July 1, 2014 and  
received by VRS no later than July 10, 2014.**



**MEMORANDUM**

To: Administrative Heads and Finance Directors of Political Subdivisions

Employer Code **5-5873**

**ROANOKE REDEVELOPMENT & HOUSING AUTHORITY**

From: Robert P. Schultze, Director

A handwritten signature in black ink, appearing to read 'Robert P. Schultze'.

**RECEIVED**

**MAR 18 2014**

Date: March 13, 2014

**RRHA EXECUTIVE OFFICE**

Subject: Contribution Rates for Political Subdivisions for FY 2015 and FY 2016

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The Virginia Retirement System (VRS) Board of Trustees adopted new contribution rates for FY 2015 and FY 2016 at its meeting last fall. These rates reflect changes made to the funding policy by the Board of Trustees and the Group Life Insurance rates included in the Governor's budget. The Group Life Insurance rate was not modified by the General Assembly in their recent budget amendments; however, the session has not yet ended. If changes are made to the rate, we will provide you with the updated information.

The following contribution rates are effective for the fiscal year beginning July 1, 2014:

**Retirement** – The employer contribution rate will be **6.22%** for FY 2015 and FY 2016. This rate does not include the 5.00% member contribution that you may be paying for your employees.

**Group Life Insurance** – The total contribution rate (if applicable) will be **1.32%**. This rate is composed of a 0.79% employee share and a 0.53% employer share. This action does not affect the Optional Life Insurance premiums.

**Retiree Health Insurance Credit** – The contribution (if applicable) for this program will be **N/A**.

If you have any questions concerning your rates, please contact VRS' Chief Financial Officer, Barry C. Faison at (804) 344-3128 or by email at [bfaison@varetire.org](mailto:bfaison@varetire.org).