Alex Vargas, Mayor
Alex Monteiro, Mayor Pro Tem
Angie Reyes English, Councilmember
Katrina Manning,Councilmember
Faye Johnson, Councilmember



Dayna S. Williams-Hunter, City Clerk
Marie Poindexter-Hornback, City Treasurer

CITY OF HAWTHORNE
CITY COUNCIL REGULAR MEETING
AGENDA FOR APRIL 14, 2026 6:00 PM
COUNCIL CHAMBER AT CITY HALL
4455 W. 126th STREET, HAWTHORNE, CALIFORNIA

MEETING INFORMATION

IF YOU ARE AN INDIVIDUAL WITH A DISABILITY AND NEED REASONABLE ACCOMMODATION OR MODIFICATION PURSUANT TO THE AMERICANS WITH DISABILITIES ACT (ADA) PLEASE CONTACT THE CITY CLERK DEPARTMENT AT CITYCLERK@CITYOFHAWTHORNE.ORG OR CALL (310) 349-2915 PRIOR TO THE MEETING FOR ASSISTANCE.

THE MEETING IS SHOWN LIVE ON CABLE CHANNEL 22, AND WILL BE REBROADCAST AS PART OF THE REGULAR CITY COUNCIL, SUCCESSOR AGENCY, AND RELATED MEETINGS ACCORDING TO THE PUBLISHED CABLE SCHEDULE OF PROGRAMS. IT SHALL ALSO BE BROADCAST LIVE AND BE MADE AVAILABLE THEREAFTER ON THE CITY OF HAWTHORNE'S WEBSITE:

MEETING VIDEO

Or online on YouTube by searching for Hawthorne Community Television

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THE AGENDA, STAFF REPORTS AND ATTACHMENTS ARE AVAILABLE ONLINE AT AGENDA, STAFF REPORTS, ATTACHMENTS AND THEN SELECTING THE DESIRED MEETING. MEMBERS OF THE PUBLIC MAY INSPECT (AT NO COST) AND/OR OBTAIN COPIES (UPON PAYMENT OF THE CITY'S CURRENT COPYING FEE) OF ANY REGULAR SESSION ITEM BY CONTACTING THE CITY CLERK DEPARTMENT AT CITY HALL VIA TELEPHONE (310) 349-2915 OR EMAIL CITYCLERK@CITYOFHAWTHORNE.ORG

CALL TO ORDER

INVOCATION

PLEDGE OF ALLEGIANCE

ROLL CALL

PROCLAMATIONS/CERTIFICATES/PRESENTATIONS

PUBLIC COMMENTS

PUBLIC COMMENT INSTRUCTIONS

ANY PERSON DESIRING TO ADDRESS THE CITY COUNCIL AND PARKING AUTHORITY SHOULD COMPLETE A SPEAKER REQUEST CARD AND SUBMIT THE CARD TO THE CITY CLERK/SECRETARY PRIOR TO THE COMMENCEMENT OF THE CITY COUNCIL, PARKING AUTHORITY AND HOUSING AUTHORITY MEETING. AFTER OBTAINING PERMISSION TO PROCEED BY THE PRESIDING OFFICER SPEAKERS SHOULD FIRST STATE THEIR FULL NAME AND ADDRESS FOR THE RECORD. THEY THEN SHALL STATE THEIR BUSINESS FOR ALL GOVERNING BODIES BRIEFLY AND COMPLETELY AND UNLESS GRANTED FURTHER TIME BY A GOVERNING BODY SHALL LIMIT THEIR ADDRESS TO THREE MINUTES. THE THREE-MINUTE LIMIT SHALL INCLUDE GOVERNING BODY OR STAFF RESPONSES, IF ANY, TO QUERIES POSED BY SPEAKERS. HOWEVER, THE STATE OPEN MEETINGS LAW (GOVERNMENT CODE SECTION 54950 ET SEQ.) PROHIBITS THE CITY COUNCIL FROM PROVIDING A DETAILED RESPONSE OR ACTING UPON ANY ITEM NOT CONTAINED ON THE AGENDA POSTED 72 HOURS BEFORE A REGULAR MEETING AND 24 HOURS BEFORE A SPECIAL MEETING. ALL REMARKS SHALL BE ADDRESSED TO THE GOVERNING BODIES AS A BODY AND NOT TO ANY PARTICULAR MEMBER THEREOF. THE GOVERNING BODY MAY EITHER DISPOSE OF THE COMMUNICATION AT THE CLOSE THEREOF OR MAY REFER IT TO AN APPROPRIATE ADMINISTRATIVE

OFFICER FOR STUDY, INVESTIGATION, REPORT, AND/OR RECOMMENDATION. DISCUSSION, IF ANY, SHALL BE BY MEMBERS OF A GOVERNING BODY ONLY. (H.M.C. 2.06.180, RESO. NO. 6443)

CITY CLERK'S CONSENT CALENDAR

1. The Finance Department requests approval of the warrants. Motion to approve the warrants.

RECOMMENDED MOTION:
Staff Recommends that the City Council approve the warrants issued for the period of 03/25/2026 to 04/14/2026 for a total of $5,275,207.34.

2. Approval of City Council meeting minutes for the regular meeting of March 24, 2026. Motion to approve minutes.

RECOMMENDED MOTION:
Staff recommends that the Council approve the regular City Council meeting minutes of March 24, 2026.

3. Approval of waiver of full readings of resolutions and ordinances on Tuesday, April 14, 2026 agenda. Motion to waive full readings.

RESOLUTIONS

4. RESOLUTION NO. 8592 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, PROCLAIMING MAY 3, 2026 THROUGH MAY 9, 2026 AS "MUNICIPAL CLERK'S WEEK" IN HAWTHORNE.

RECOMMENDED MOTION:
Staff Recommends that the City Council adopt Resolution No. 8592.

5. RESOLUTION NO. 8493 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, CALLING AND GIVING NOTICE OF A GENERAL MUNICIPAL ELECTION TO BE HELD IN THE CITY OF HAWTHORNE FOR THE ELECTIONS OF CERTAIN OFFICERS CONSOLIDATED WITH THE STATEWIDE GENERAL ELECTION SCHEDULED FOR TUESDAY, NOVEMBER 3, 2026, AND REQUESTING THAT THE BOARD OF SUPERVISORS ISSUES INSTRUCTIONS TO THE REGISTRAR RECORDER TO TAKE ANY AND ALL STEPS NECESSARY FOR THE HOLDING OF THE CONSOLIDATED ELECTION.

RECOMMENDED MOTION:
Staff recommends that the City Council approve Resolution No. 8493.

6. RESOLUTION NO. 8594 -- A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA APPROVING A THIRD AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH THE LOS ANGELES CENTERS FOR ALCOHOL AND DRUG ABUSE (LA CADA).

RECOMMENDED MOTION:
1. Approve the third amendment to the Professional Services Agreement with LA CADA for the period of one year from 4/17/2026 to 4/17/2027 to provide site management for the Bridge of Hope Community Housing (BHCH) site.

2. Authorize the City Manager, or designee, to execute, amend, and keep a record of documents necessary to administer the Fiscal Year 2026-2027 Professional Services Agreement with LA CADA.

3. Authorize the Department of Finance to establish a blanket purchase order for LA CADA not to exceed $486,878 in administrative fees.

7. RESOLUTION NO. 8595 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2026-27 FUNDED BY SB1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017.

RECOMMENDED MOTION:
Staff recommends that the City Council adopt this resolution No. 8595.

ORDINANCES
(None at this time)

BIDS: OPENINGS & RESULTS
(None at this time)

PUBLIC HEARINGS

8. Hawthorne Housing 2026-2027 Annual Plan and Administrative Plans.

RECOMMENDED MOTION:
Staff recommends that the City Council:
1. Approve the 2026-2027 Annual Plan;
2. Direct staff to file the required Annual and Administrative Plans with the U.S. Department of Housing and Urban Development on or before the due date of April 17, 2026.

GENERAL MATTERS

9. Formation of the Internal Economic Development Advisory Committee

RECOMMENDED MOTION:
That the City Council acknowledge and support the formation of an Internal Economic Development Advisory Committee, a multi-departmental team focused on generating ideas and recommendations to enhance economic development and revenue opportunities for the City.

10. Appointment of Representative and Alternate to the South Bay Regional Housing Trust Governing Board

RECOMMENDED MOTION:

- **Appoint** Mayor Pro Tem (MPT) Monteiro as the City's primary Delegate to the South Bay Regional Housing Trust (SBRHT) Board of Directors.
- **Nominate and Appoint** one (1) member of the City Council to serve as the Alternative Delegate.

CITY MANAGER'S CONSENT CALENDAR

11. Progress Payment #1 in the amount of $220,547.25 due to Martinez Landscape Co., Inc. for the Alley Improvement Project (Project #25-08).

RECOMMENDED MOTION:
Staff recommends that the City Council approve this Progress Payment #1 for Martinez Landscape Co., Inc.

12. City Council approval of payment to FEMA for Sub-recipient Management Costs of $8,600 for an update of its Local Hazard Mitigation Plan.

RECOMMENDED MOTION:
Staff recommends that the City Council approve payment to FEMA for Sub-recipient Management Cost in the amount of $8,600.00, to update the City's Local Hazard Mitigation Plan.

13. Acceptance of 640 Square Feet of right-of-way dedication on a portion of the North Half of Lot 117 in Division "A" of Tract No. 874, in the City of Hawthorne, County of Los Angeles, State of California, as per map recorded in Book 17, pages 110 and 111 of maps, in the office of the County Recorder of the said County.

RECOMMENDED MOTION:
Accept the dedicated right-of-way easement for the purpose of constructing an ADA-accessible curb ramp and sidewalk.

14. Progress Payment #1 in the amount of $580,417.17 due to Martinez Landscape Company, Inc of Sylmar, CA for General Maintenance (Project 22-05).

RECOMMENDED MOTION:
Staff recommends that the City Council approves this Progress Payment #1 and change order #1 to Martinez Landscape Company, Inc of Sylmar, CA.

15. Progress Payment #3 in the amount of $122,075.00 due to Jermax Construction Inc. of San Fernando, CA for Holly Park Restroom Renovation (Project #25-07)

RECOMMENDED MOTION:
Staff recommends that the City Council approve this Progress Payment #3 for Jermax Construction Inc. of San Fernando, CA

16. Progress Payment #4 in the amount of $83,696.01 due to Chapman Coast Roof Co., Inc. of Fullerton, CA for Hawthorne Police Department Roof Replacement Project (Project #25-09).

RECOMMENDED MOTION:
Staff recommends that the City Council approve this Progress Payment #4 and Change Order #1 and Change Order #2 for Chapman Coast Roof Co. Inc. of Fullerton, CA.

17. Moneta Garden Mobility Improvements Project (City Project #22-08) -- Reject and Out to Bid.

RECOMMENDED MOTION:
Staff recommends that the City Council reject the bid received on the March 24, 2026, bid opening date and authorize the Director of Public Works to re-advertise for construction bids with a return date of May 12, 2026.

18. Digital Billboards (City Project #26-12) -- Out to Bid.

RECOMMENDED MOTION:
Staff recommends that the City Council approve the Plans and Specifications and authorize the Director of Public Works to advertise for construction bids with a return date of May 12th, 2026.

19. Purchase Request for three (3) Police Motorcycles.

RECOMMENDED MOTION:
Staff recommends that the City Council authorize the purchase of three (3) police motorcycles and authorize the City Manager or designee to execute all necessary purchasing documents.

20. Progress Payment #13 is in the amount of $974,517.70 due to PCN3 Inc of Los Alamitos, CA for the City of Hawthorne New Senior Center (Project #24-03).

RECOMMENDED MOTION:
Staff recommends that the City Council approve this Progress Payment #13 and all change orders associated with this progress payment to PCN3 Inc of Los Alamitos, CA.

21. Hawthorne Municipal Airport Rehabilitation Taxiway N& S Lighting, Rehabilitate Taxiway Runway 7/25 Lighting, Rehabilitate Airfield Vault, Replace Airfield Signs & Install Airport Beacon Project (Project #22-09) - Out to Bid.

RECOMMENDED MOTION:
Staff recommends that the City Council approve the Plans and Specifications and authorize the Director of Public Works to advertise for construction bids with a return date of May 26th, 2026.

22. Receive and file the Single Audit Report for FY 2024-2025.

RECOMMENDED MOTION:
Staff recommends that the City Council receive and file the Single Audit Report for FY 2024-2025.

23. Approval of Updated Lifeguard Pay Scale to Support Recruitment, Retention, and Public Safety

RECOMMENDED MOTION:
Staff recommends that the City Council approve the proposed update to the hourly pay scale for Aquatics staff positions to improve recruitment and retention and ensure continued safety at City aquatic facilities.

24. Agreement between the City of Hawthorne and Rogers, Anderson, Malody, & Scott, LLP, CPA's to perform independent audit services.

RECOMMENDED MOTION:
Staff recommends that the City Council approve the agreement between the City of Hawthorne and Rogers, Anderson, Malody, & Scott, LLP, CPA's to perform independent audit services for four years plus two optional years beginning with Fiscal Year ending June 30, 2026.

CITY ATTORNEY'S CONSENT CALENDAR

(None at this time)

DISCUSSION ITEMS

25. Exhibit A -- List of Organizations for City Council Stipend Donations for Review - A. Monteiro

26. 4/10 Work Schedule Pilot Program for City Staff - A. Vargas

27. Annual Appointment of Elected Officials to Regional Committees - A. Vargas

28. Mayor Pro Tem Appointment - A.Vargas

ELECTED OFFICIALS REPORTS

COUNCIL DIRECTIVES

CLOSED SESSION

29. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
(Pursuant to Gov. Code Section 54956.9(d)(1))

Name of Case: *Barry Rosen v. City of Hawthorne*
LASC Case No. 23STLC01829

ADJOURNMENT

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF HAWTHORNE)

I, **DIANA CUCALON**, Deputy City Clerk for the City of Hawthorne, certify that a true and correct copy of the foregoing City Council Meeting Agenda was posted not less than 72 hours before the City Council Meeting to be held on Tuesday, April 14, 2026

DIANA CUCALON
HAWTHORNE DEPUTY CITY CLERK

AGENDA ITEM NO. 1.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: Licensing

City Manager: Department Head:

SUBJECT:
The Finance Department requests approval of the warrants. Motion to approve the warrants.

RECOMMENDED MOTION:
Staff Recommends that the City Council approve the warrants issued for the period of 03/25/2026 to 04/14/2026 for a total of $5,275,207.34.

DISCUSSION:
Staff plans to issue checks to the vendors that provide goods and services to the City of Hawthorne.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
Develop and implement clear, business-friendly methods of communicating useful and helpful information to vendors.

FISCAL IMPACT:
None. Funds for these payments of the amount of $5,275,207.34 are available in the adopted Fiscal Year 2025-2026 budget.

Description of Warrants	**Amount**
Payroll City Warrants	$ 1,046,183.91
General City Warrants	$ 3,248,977.60
Housing Warrants	$ 971,684.34
Asset Forfeiture Warrants	$ 8,361.49
Grand Total	**$ 5,275,207.34**

NOTICING PROCEDURE:
72 hours posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS
Council Warrants 04/14/26

CITY OF HAWTHORNE

FOR THE MEETING OF April 14, 2026

ORIGINATING DEPARTMENT: FINANCE

The City Treasurer submits the following Payroll City Warrants for your approval:

	Warrant #s			
Date	**Start**	**Ending**	**Warrant type**	**Total $**
3/26/26	41962	42281	PAYROLL	963,131.67
3/26/26	196836	196838	PAYROLL	2,246.99
3/27/26	42282	42306	PAYROLL	80,805.25
*** Emergency Issue - for ratification only**				1,046,183.91

State of California, County of Los Angeles SS:

The foregoing claims/demands/warrants have been filed with me; each one bearing an endorsement of the officer or employee of the department, requiring same, that the price is correct.

_____ City Treasurer

_____ City Clerk

CITY OF HAWTHORNE

FOR THE MEETING OF April 14, 2026

ORIGINATING DEPARTMENT: FINANCE

The City Treasurer submits the following General City Warrants for your approval:

	Warrant #s			
Date	**Start**	**Ending**	**Warrant type**	**Total $**
3/20/26	494407	494411	CITY - SPECIAL	5,332.00
3/26/26	494412	494413	CITY - SPECIAL	1,862.55
3/26/26	494414	494431	DEBT LEVIES	25,462.08
3/26/26	494432	494432	CITY - SPECIAL	20,000.00
3/27/26	494433	494433	CITY - SPECIAL	300.00
4/2/26	494434	494434	CITY - SPECIAL	796,124.92
4/14/26	494435	494439	UTILITIES	68,492.64
4/14/26	494440	494588	CITY	2,321,150.36
4/8/26	494589	494591	CITY - SPECIAL	10,253.05
				3,248,977.60

*** Emergency Issue - for ratification only**

State of California, County of Los Angeles SS:

The foregoing claims/demands/warrants have been filed with me; each one bearing an endorsement of the officer or employee of the department, requiring same, that the price is correct.

_____ City Treasurer

_____ City Clerk

City of Hawthorne, CA

PAID INVOICES REPORT

CHECK: C032026 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
123206	PEDROZA-ACOSTA, ERICA								
	120032	03/17/26		494407	P	03/20/26	990 23022	EARTH DAY&SERVICE PROV FA	2,350.00
	INVOICE: BP-3172026								
	VENDOR TOTALS		.00 YTD INVOICED				2,350.00 YTD PAID		2,350.00
114126	CITY OF HAWTHORNE								
	120027	03/04/26		494408	P	03/20/26	10010411 44124	EVENT ALLOTMENT - COUN MA	1,000.00
	INVOICE: WH-3172026								
	120028	03/04/26		494408	P	03/20/26	10010411 44124	EVENT ALLOTMENT - COUN MA	300.00
	INVOICE: MD-3172026								
	120029	03/10/26		494408	P	03/20/26	990 23017	MOTHER'S DAY EVENT	432.00
	INVOICE: CSWH-3172026								
	VENDOR TOTALS		.00 YTD INVOICED				3,982.00 YTD PAID		1,732.00
124688	HO, BAO								
	120035	03/17/26		494409	P	03/20/26	990 23022	EARTH DAY&SERVICE PROV FA	250.00
	INVOICE: 003172026								
	VENDOR TOTALS		.00 YTD INVOICED				500.00 YTD PAID		250.00
119650	NORTH HAWTHORNE NEIGHBOR.ASSC.								
	120116	03/11/26		494410	P	03/20/26	10010411 44104	EVENT ALLOTMENT - F. JOHN	500.00
	INVOICE: 0311261								
	VENDOR TOTALS		.00 YTD INVOICED				1,000.00 YTD PAID		500.00
124416	SWEET, JACINDA								
	120031	03/17/26		494411	P	03/20/26	990 23017	MOTHER'S DAY EVENT	500.00
	INVOICE: DJ-March292026								
	VENDOR TOTALS		.00 YTD INVOICED				500.00 YTD PAID		500.00
								REPORT TOTALS	5,332.00

	COUNT	AMOUNT
TOTAL PRINTED CHECKS	5	5,332.00

** END OF REPORT - Generated by Shuntell Dixon **

City of Hawthorne, CA

PAID INVOICES REPORT

CHECK: C032426M TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
124392	KWIK FLASH PHOTO								
	120201	03/17/26		494412	P	03/24/26	990 23017	MOTHER'S DAY EVENT	450.00
	INVOICE: #03292026								
	VENDOR TOTALS		.00 YTD INVOICED				450.00 YTD PAID		450.00
123637	MANNING, KATRINA								
	120202	03/18/26		494413	P	03/24/26	990 23017	MOTHER'S DAY EVENT	1,412.55
	INVOICE: Flowers_01								
	VENDOR TOTALS		.00 YTD INVOICED				3,649.44 YTD PAID		1,412.55
								REPORT TOTALS	1,862.55

	COUNT	AMOUNT
TOTAL PRINTED CHECKS	2	1,862.55

** END OF REPORT - Generated by Shuntell Dixon **

City of Hawthorne, CA

PAID INVOICES REPORT

CHECK: DL032626 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
123239	CA DISBURSEMENT UNIT								
	120312	03/26/26		494414	P	03/26/26	960 21630	GARNISHMENTS LIABILITY	704.30
	INVOICE: 2026-8								
	VENDOR TOTALS		2,112.90 YTD INVOICED				14,086.00 YTD PAID		704.30
119637	CA SDU, STATE DISBURSEMENT UNIT								
	120309	03/26/26		494415	P	03/26/26	960 21630	GARNISHMENTS LIABILITY	258.46
	INVOICE: 2026-8								
	VENDOR TOTALS		775.38 YTD INVOICED				5,169.20 YTD PAID		258.46
119685	CA SDU, STATE DISBURSEMENT UNIT								
	120310	03/26/26		494416	P	03/26/26	960 21630	GARNISHMENTS LIABILITY	142.15
	INVOICE: 2026-8								
	VENDOR TOTALS		426.45 YTD INVOICED				2,843.00 YTD PAID		142.15
124677	CA. STATE DISBURSEMENT UNIT								
	120318	03/26/26		494417	P	03/26/26	960 21630	GARNISHMENTS LIABILITY	256.73
	INVOICE: 2026-8								
	VENDOR TOTALS		.00 YTD INVOICED				1,540.38 YTD PAID		256.73
124678	CA. STATE DISBURSEMENT UNIT								
	120319	03/26/26		494418	P	03/26/26	960 21630	GARNISHMENTS LIABILITY	200.30
	INVOICE: 2026-8								
	VENDOR TOTALS		.00 YTD INVOICED				1,201.80 YTD PAID		200.30
124099	CALIFORNIA STATE DISBURSEMENT UNIT								
	120311	03/26/26		494419	P	03/26/26	960 21630	GARNISHMENTS LIABILITY	533.53
	INVOICE: 2026-8								
	VENDOR TOTALS		1,600.59 YTD INVOICED				10,670.60 YTD PAID		533.53
124612	FRANCHISE TAX BOARD								
	120314	03/26/26		494422	P	03/26/26	960 21630	GARNISHMENTS LIABILITY	110.82
	INVOICE: 2026-8								
	VENDOR TOTALS		.00 YTD INVOICED				1,219.02 YTD PAID		110.82
121291	FRANCHISE TAX BOARD								
	120316	03/26/26		494420	P	03/26/26	960 21630	GARNISHMENTS LIABILITY	200.00
	INVOICE: 2026-8								
	VENDOR TOTALS		.00 YTD INVOICED				1,600.00 YTD PAID		200.00
123629	FRANCHISE TAX BOARD								
	120317	03/26/26		494421	P	03/26/26	960 21630	GARNISHMENTS LIABILITY	100.00
	INVOICE: 2026-8								

PAID INVOICES REPORT

CHECK: DL032626 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	VENDOR TOTALS		99.43 YTD INVOICED				999.43 YTD PAID		100.00
4	H.M.E.A.								
	120303	03/26/26		494423	P	03/26/26 960	21600	ACCRUED WAGES PAYABLE	1,600.00
	INVOICE: 2026-8								
	VENDOR TOTALS		4,660.00 YTD INVOICED				32,180.00 YTD PAID		1,600.00
99379	HAWTHORNE EXECUTIVE GROUP								
	120302	03/26/26		494424	P	03/26/26 960	21600	ACCRUED WAGES PAYABLE	560.00
	INVOICE: 2026-8								
	VENDOR TOTALS		1,320.00 YTD INVOICED				9,760.00 YTD PAID		560.00
124425	HAWTHORNE POLICE CIVILIAN ASSOCIATION (HPCA)								
	120307	03/26/26		494425	P	03/26/26 960	21600	ACCRUED WAGES PAYABLE	1,520.00
	INVOICE: 2026-8								
	VENDOR TOTALS		3,960.00 YTD INVOICED				27,760.00 YTD PAID		1,520.00
3	HAWTHORNE POLICE OFFICERS ASSN								
	120304	03/26/26		494426	P	03/26/26 960	21600	ACCRUED WAGES PAYABLE	6,299.50
	INVOICE: 2026-8A								
	120305	03/26/26		494426	P	03/26/26 960	21600	ACCRUED WAGES PAYABLE	680.00
	INVOICE: 2026-8B								
	120306	03/26/26		494426	P	03/26/26 960	21640	ADDITIONAL INS LIABILITY	3,813.29
	INVOICE: 2026-8C								
	VENDOR TOTALS		27,289.71 YTD INVOICED				209,323.54 YTD PAID		10,792.79
124732	LOS ANGELES COUNTY SHERIFF'S DEPARTMENT								
	120320	03/26/26		494427	P	03/26/26 960	21630	GARNISHMENTS LIABILITY	544.14
	INVOICE: 2026-8								
	VENDOR TOTALS		.00 YTD INVOICED				1,088.28 YTD PAID		544.14
115178	PRE PAID LEGAL SERVICES, INC.								
	120308	03/26/26		494428	P	03/26/26 960	21640	ADDITIONAL INS LIABILITY	207.87
	INVOICE: 2026-8								
	VENDOR TOTALS		525.63 YTD INVOICED				3,513.86 YTD PAID		207.87
113121	TOTAL ADMINISTRATION SVCS CORP								
	120321	03/26/26		494429	P	03/26/26 960	21640	ADDITIONAL INS LIABILITY	1,067.30
	INVOICE: 2026-8A								
	120322	03/26/26		494429	P	03/26/26 960	21640	ADDITIONAL INS LIABILITY	4,774.98
	INVOICE: 2026-8B								
	VENDOR TOTALS		12,035.79 YTD INVOICED				95,719.87 YTD PAID		5,842.28

PAID INVOICES REPORT

CHECK: DL032626 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
103511	U.S. BANK PARS 6746022400, L.A. LOCKBOX 511649								
	120323	03/26/26		494430	P	03/26/26	960 20270	PARS LIABILITY	1,418.67
	INVOICE: 2026-8A								
	120324	03/26/26		494430	P	03/26/26	960 20270	PARS LIABILITY	354.66
	INVOICE: 2026-8B								
	VENDOR TOTALS	12,049.44 YTD INVOICED					41,079.01 YTD PAID		1,773.33
123240	VILLEGAS, ALBA								
	120313	03/26/26		494431	P	03/26/26	960 21630	GARNISHMENTS LIABILITY	115.38
	INVOICE: 2026-8								
	VENDOR TOTALS	346.14 YTD INVOICED					2,307.60 YTD PAID		115.38
								REPORT TOTALS	25,462.08

	COUNT	AMOUNT
TOTAL PRINTED CHECKS	18	25,462.08

** END OF REPORT - Generated by Shuntell Dixon **

City of Hawthorne, CA

PAID INVOICES REPORT

CHECK: C032626 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
124752	HERO COMMUNITY SERVICES								
	120298	03/04/26	3215	494432	P	03/26/26	32610060 40514	CONTRACT SERVICES	20,000.00
	INVOICE: 010640								
	VENDOR TOTALS		.00 YTD INVOICED				20,000.00 YTD PAID		20,000.00
								REPORT TOTALS	20,000.00

	COUNT	AMOUNT
TOTAL PRINTED CHECKS	1	20,000.00

** END OF REPORT - Generated by Shuntell Dixon **

City of Hawthorne, CA

PAID INVOICES REPORT

CHECK: C032726 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
114126	CITY OF HAWTHORNE								
	120351	03/26/26		494433	P	03/27/26	10010411 44194	EVENT ALLOTMENT - CM MONT	300.00
	INVOICE: WH03262026								
	VENDOR TOTALS		.00 YTD INVOICED				4,282.00 YTD PAID		300.00
								REPORT TOTALS	300.00

	COUNT	AMOUNT
TOTAL PRINTED CHECKS	1	300.00

** END OF REPORT - Generated by Shuntell Dixon **

City of Hawthorne, CA

PAID INVOICES REPORT

CHECK: C040626 TO FISCAL 2026/10 07/01/2025 TO 06/30/2026

VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
124317	PCN3, INC.								
	120327	03/24/26	2946	494434	T	04/06/26	33610010 40514	CONTRACT SERVICES	796,124.92
	INVOICE: 12								
	VENDOR TOTALS	6,308,803.42 YTD INVOICED					6,308,803.42 YTD PAID		796,124.92
								REPORT TOTALS	796,124.92

	COUNT	AMOUNT
TOTAL EFT TRANSFERS	1	796,124.92

** END OF REPORT - Generated by Shuntell Dixon **

City of Hawthorne, CA

PAID INVOICES REPORT

CHECK: UT041426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
15960	AT&T								
	120039	03/07/26		494435	P	04/14/26	10001222 43054	TELEPHONE	31.86
	INVOICE: MA3348410068								
	120040	03/07/26		494435	P	04/14/26	10041050 43054	TELEPHONE	31.86
	INVOICE: MA3348410060								
	120041	03/07/26		494435	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	62.18
	INVOICE: MA3348410059								
	120042	03/07/26		494435	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	31.76
	INVOICE: MA3348410058								
	VENDOR TOTALS		188.47 YTD INVOICED				1,891.90 YTD PAID		157.66
115783	AT&T								
	120043	03/07/26		494436	P	04/14/26	10001222 43054	TELEPHONE	31.91
	INVOICE: MA9391026284								
	120044	03/07/26		494436	P	04/14/26	10001222 43054	TELEPHONE	31.90
	INVOICE: MA9391026320								
	120263	03/20/26		494436	P	04/14/26	10001222 43054	TELEPHONE	509.75
	INVOICE: MA9391026341								
	120264	03/20/26		494436	P	04/14/26	10001222 43054	TELEPHONE	66.06
	INVOICE: MA9391031544								
	120265	03/13/26		494436	P	04/14/26	10001222 43054	TELEPHONE	83.86
	INVOICE: MA9391031541								
	120266	03/20/26		494436	P	04/14/26	10001222 43054	TELEPHONE	140.68
	INVOICE: MA9391031543								
	120267	03/12/26		494436	P	04/14/26	10001222 43054	TELEPHONE	92.54
	INVOICE: MA9391026281								
	120268	03/12/26		494436	P	04/14/26	10001222 43054	TELEPHONE	31.89
	INVOICE: MA9391026282								
	120269	03/12/26		494436	P	04/14/26	10001222 43054	TELEPHONE	616.14
	INVOICE: MA9391036076								
	120270	03/12/26		494436	P	04/14/26	10001222 43054	TELEPHONE	515.91
	INVOICE: MA9391036095								
	120271	03/10/26		494436	P	04/14/26	10001222 43054	TELEPHONE	478.68
	INVOICE: MA9391053668								
	120272	03/10/26		494436	P	04/14/26	10001222 43054	TELEPHONE	156.45
	INVOICE: MA9391053669								
	120273	03/07/26		494436	P	04/14/26	10001222 43054	TELEPHONE	33.15
	INVOICE: MA9391031545								
	120328	03/20/26		494436	P	04/14/26	10001222 43054	TELEPHONE	66.06
	INVOICE: MA9391031546								
	VENDOR TOTALS		.00 YTD INVOICED				37,097.60 YTD PAID		2,854.98
103177	CALIFORNIA WATER SERVICE								
	120052	03/04/26		494437	P	04/14/26	46615731 45444	UTILITIES	60.80
	INVOICE: MA9309482003								
	120274	03/16/26		494437	P	04/14/26	22041060 45444	UTILITIES	490.69
	INVOICE: MA2207311111								
	120275	03/16/26		494437	P	04/14/26	10061100 45444	UTILITIES	108.92
	INVOICE: MA6395574084								

PAID INVOICES REPORT

CHECK: UT041426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	120276	03/16/26		494437	P	04/14/26	10061100 45444	UTILITIES	52.05
	INVOICE: MA1072582226								
	120277	03/16/26		494437	P	04/14/26	10061100 45444	UTILITIES	362.83
	INVOICE: MA9379311111								
	120278	03/16/26		494437	P	04/14/26	10061100 45444	UTILITIES	139.95
	INVOICE: MA8717030744								
	120279	03/16/26		494437	P	04/14/26	10061100 45444	UTILITIES	54.78
	INVOICE: MA4031446452								
	120280	03/17/26		494437	P	04/14/26	46515730 45444	UTILITIES	1,223.42
	INVOICE: MA9056440300								
	120281	03/17/26		494437	P	04/14/26	46615731 45444	UTILITIES	737.84
	INVOICE: MA7858758946								
	120282	03/17/26		494437	P	04/14/26	46715732 45444	UTILITIES	210.36
	INVOICE: MA4046764921								
	120283	03/18/26		494437	P	04/14/26	46847150 45444	UTILITIES	103.91
	INVOICE: MA8816940090								
	120284	03/18/26		494437	P	04/14/26	10011500 45154	GENERAL EXPENSE	26.92
	INVOICE: MA9004264798								
	120285	03/18/26		494437	P	04/14/26	22041060 45444	UTILITIES	42.56
	INVOICE: MA3357207262								
	120345	01/23/26		494437	P	04/14/26	22041060 45444	UTILITIES	177.01
	INVOICE: JA0866316861								
	120346	03/23/26		494437	P	04/14/26	22041060 45444	UTILITIES	148.97
	INVOICE: MA0866316861								
	120389	03/23/26		494437	P	04/14/26	22041060 45444	UTILITIES	148.97
	INVOICE: MA0866316861								
	120390	03/19/26		494437	P	04/14/26	10061100 45444	UTILITIES	342.56
	INVOICE: MA5297758587								
	120414	03/25/26		494437	P	04/14/26	22041060 45444	UTILITIES	52.17
	INVOICE: MA3124149340								
	VENDOR TOTALS		74.32 YTD INVOICED				268,204.92 YTD PAID		4,484.71
18100	GOLDEN STATE WATER CO.								
	120045	03/11/26		494438	P	04/14/26	32420030 41144	PHLA PROJECT	347.37
	INVOICE: MA77948662174								
	120046	03/06/26		494438	P	04/14/26	10061100 45444	UTILITIES	391.51
	INVOICE: MA79588300008								
	120047	03/06/26		494438	P	04/14/26	22041060 45444	UTILITIES	465.35
	INVOICE: MA80946300003								
	120048	03/06/26		494438	P	04/14/26	10061100 45444	UTILITIES	120.34
	INVOICE: MA78588300000								
	120049	03/06/26		494438	P	04/14/26	22041060 45444	UTILITIES	480.84
	INVOICE: MA70946300004								
	120050	03/06/26		494438	P	04/14/26	10061100 45444	UTILITIES	147.18
	INVOICE: MA53247400004								
	120051	03/06/26		494438	P	04/14/26	22041060 45444	UTILITIES	123.86
	INVOICE: MA70019046005								
	120286	03/12/26		494438	P	04/14/26	10061100 45444	UTILITIES	636.13
	INVOICE: MA77537000000								
	120287	03/12/26		494438	P	04/14/26	10061100 45444	UTILITIES	465.35

PAID INVOICES REPORT

CHECK: UT041426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

VENDOR NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE: MA87617300006								
120288	03/12/26		494438	P	04/14/26	10061100 45444	UTILITIES	484.43
INVOICE: MA82920958939								
VENDOR TOTALS		.00 YTD INVOICED				144,298.38 YTD PAID		3,662.36
17953 SO CALIF EDISON CO								
119891	03/05/26		494439	P	04/14/26	52035030 45444	UTILITIES	20.31
INVOICE: MA700169896049								
120160	03/13/26		494439	P	04/14/26	22541060 45444	UTILITIES	155.06
INVOICE: MA700195687541								
120161	03/12/26		494439	P	04/14/26	10041050 45444	UTILITIES	25,000.09
INVOICE: MA700573101912								
120162	03/13/26		494439	P	04/14/26	10041050 45444	UTILITIES	205.79
INVOICE: MA700175276721								
120163	03/13/26		494439	P	04/14/26	10061090 45444	UTILITIES	3,656.73
INVOICE: MA700412378164								
120164	03/13/26		494439	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	237.33
INVOICE: MA700541268936								
120165	03/13/26		494439	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	176.17
INVOICE: MA700413842460								
120166	03/13/26		494439	P	04/14/26	20025000 45444	UTILITIES	19.06
INVOICE: MA700387810589								
120167	03/16/26		494439	P	04/14/26	10041050 45444	UTILITIES	38.79
INVOICE: MA700250749286								
120168	03/16/26		494439	P	04/14/26	46447150 42024	BUILDING MAINTENANCE	115.70
INVOICE: MA700541319153								
120169	03/16/26		494439	P	04/14/26	10041050 45444	UTILITIES	137.14
INVOICE: MA700415091942								
120170	03/16/26		494439	P	04/14/26	10061010 45444	UTILITIES	69.60
INVOICE: MA700703880342								
120171	03/16/26		494439	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	229.86
INVOICE: MA700415056980								
120172	03/16/26		494439	P	04/14/26	22041060 45444	UTILITIES	83.96
INVOICE: MA700413936329								
120174	03/16/26		494439	P	04/14/26	20025000 45444	UTILITIES	177.54
INVOICE: MA700129840305								
120175	03/16/26		494439	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	116.96
INVOICE: MA700026722534								
120176	03/16/26		494439	P	04/14/26	20025000 45444	UTILITIES	106.25
INVOICE: MA700242400216								
120177	03/16/26		494439	P	04/14/26	10041050 45444	UTILITIES	8,589.97
INVOICE: MA700415081232								
120178	03/16/26		494439	P	04/14/26	46447150 45444	UTILITIES	26.02
INVOICE: MA700463726328								
120179	03/16/26		494439	P	04/14/26	20025000 45444	UTILITIES	120.67
INVOICE: MA700302504850								
120180	03/16/26		494439	P	04/14/26	20025000 45444	UTILITIES	16.19
INVOICE: MA700144853477								
120213	03/17/26		494439	P	04/14/26	22541060 45444	UTILITIES	173.63
INVOICE: MA700877321897								

PAID INVOICES REPORT

CHECK: UT041426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

VENDOR NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
120214	03/17/26		494439	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	32.76
INVOICE: MA700415270885								
120215	03/17/26		494439	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	96.22
INVOICE: MA700415420833								
120216	03/17/26		494439	P	04/14/26	22041060 45444	UTILITIES	82.62
INVOICE: MA700412390995								
120217	03/17/26		494439	P	04/14/26	10041050 45444	UTILITIES	256.52
INVOICE: MA700441426331								
120218	03/17/26		494439	P	04/14/26	22041060 45444	UTILITIES	148.57
INVOICE: MA700415247344								
120219	03/17/26		494439	P	04/14/26	20025000 45444	UTILITIES	193.86
INVOICE: MA700390586409								
120220	03/17/26		494439	P	04/14/26	10041050 45444	UTILITIES	17.33
INVOICE: MA700382595225								
120221	03/19/26		494439	P	04/14/26	22041060 45444	UTILITIES	119.43
INVOICE: MA700663728305								
120222	03/19/26		494439	P	04/14/26	20025000 45444	UTILITIES	89.15
INVOICE: MA700475567297								
120223	03/19/26		494439	P	04/14/26	32420030 41144	PHLA PROJECT	1,206.04
INVOICE: MA700781445279								
120224	03/19/26		494439	P	04/14/26	20025000 45444	UTILITIES	194.39
INVOICE: MA700819800190								
120225	03/19/26		494439	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	128.18
INVOICE: MA700170837555								
120226	03/19/26		494439	P	04/14/26	10041050 45444	UTILITIES	116.91
INVOICE: MA700415178636								
120227	03/19/26		494439	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	168.54
INVOICE: MA700414014232								
120228	03/19/26		494439	P	04/14/26	22041060 45444	UTILITIES	86.16
INVOICE: MA700415337573								
120229	03/19/26		494439	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	195.86
INVOICE: MA700415481861								
120230	03/19/26		494439	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	226.48
INVOICE: MA700415350812								
120231	03/19/26		494439	P	04/14/26	10061010 45444	UTILITIES	192.06
INVOICE: MA700415512274								
120232	03/19/26		494439	P	04/14/26	60031030 45444	UTILITIES	1,464.68
INVOICE: MA700415521772								
120233	03/19/26		494439	P	04/14/26	10061010 45444	UTILITIES	36.79
INVOICE: MA700415539253								
120234	03/19/26		494439	P	04/14/26	20025000 45444	UTILITIES	117.47
INVOICE: MA700474337421								
120235	03/19/26		494439	P	04/14/26	20025000 45444	UTILITIES	75.21
INVOICE: MA700474481507								
120238	03/19/26		494439	P	04/14/26	10061090 45444	UTILITIES	585.19
INVOICE: MA700573925503								
120239	03/19/26		494439	P	04/14/26	10061090 45444	UTILITIES	111.23
INVOICE: MA700015713034								
120240	03/19/26		494439	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	84.71
INVOICE: MA700028571901								
120241	03/19/26		494439	P	04/14/26	46715732 45444	UTILITIES	37.51

PAID INVOICES REPORT

CHECK: UT041426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

VENDOR NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE: MA700053252034								
120242	03/19/26		494439	P	04/14/26	10061010 45444	UTILITIES	5,851.90
INVOICE: MA700416586752								
120243	03/19/26		494439	P	04/14/26	20025000 45444	UTILITIES	79.40
INVOICE: MA700133933301								
120244	03/19/26		494439	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	76.74
INVOICE: MA700024150620								
120245	03/19/26		494439	P	04/14/26	46615731 45444	UTILITIES	109.62
INVOICE: MA700441364188								
120353	03/20/26		494439	P	04/14/26	52035030 45444	UTILITIES	1,685.10
INVOICE: MA700362433975								
120354	03/20/26		494439	P	04/14/26	46515730 45444	UTILITIES	154.66
INVOICE: MA700427237251								
120354	03/20/26		494439	P	04/14/26	46615731 45444	UTILITIES	115.24
INVOICE: MA700427237251								
120355	03/20/26		494439	P	04/14/26	22041060 45444	UTILITIES	242.25
INVOICE: MA700654091757								
120356	03/20/26		494439	P	04/14/26	20025000 45444	UTILITIES	95.28
INVOICE: MA700602968212								
120357	03/20/26		494439	P	04/14/26	20025000 45444	UTILITIES	1,119.26
INVOICE: MA700525278787								
120358	03/20/26		494439	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	73.73
INVOICE: MA700415229055								
120359	03/20/26		494439	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	168.93
INVOICE: MA700415456195								
120361	03/23/26		494439	P	04/14/26	10061010 45444	UTILITIES	986.19
INVOICE: MA700415238048								
120381	03/26/26		494439	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	74.12
INVOICE: MA700023530426								
120382	03/25/26		494439	P	04/14/26	20025000 45444	UTILITIES	19.86
INVOICE: MA700202033664								
120383	03/25/26		494439	P	04/14/26	22041060 45444	UTILITIES	69.01
INVOICE: MA700415434270								
120384	03/26/26		494439	P	04/14/26	10061010 45444	UTILITIES	71.71
INVOICE: MA700415041523								
120385	03/26/26		494439	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	75.04
INVOICE: MA700412535081								
120386	03/26/26		494439	P	04/14/26	20025000 45444	UTILITIES	56.07
INVOICE: MA700370247933								
120387	03/26/26		494439	P	04/14/26	10061010 45444	UTILITIES	46.24
INVOICE: MA700414028780								
120388	03/26/26		494439	P	04/14/26	10061010 45444	UTILITIES	275.03
INVOICE: MA700123368078								
120391	03/26/26		494439	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	251.44
INVOICE: MA700413899448								
120420	03/30/26		494439	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	99.42
INVOICE: MA700238897708								
VENDOR TOTALS	171,722.71 YTD INVOICED		1,477,131.01 YTD PAID					57,332.93
							REPORT TOTALS	68,492.64

PAID INVOICES REPORT

CHECK: UT041426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

VENDOR NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION

	COUNT	AMOUNT
TOTAL PRINTED CHECKS	5	68,492.64

** END OF REPORT - Generated by Shuntell Dixon **

PAID INVOICES REPORT

CHECK: C041426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
124747	A-1 VICTOR LOCKSMITH								
	119988	03/11/26		494459	T	04/14/26	46515730 42024	BUILDING MAINTENANCE	145.00
	INVOICE:	109381							
	119989	03/03/26		494459	T	04/14/26	46615731 42024	BUILDING MAINTENANCE	145.00
	INVOICE:	109377							
	VENDOR TOTALS		.00 YTD INVOICED				290.00 YTD PAID		290.00
107830	AARDVARK								
	120076	03/12/26		494460	T	04/14/26	10002219 41594	TARGETS & AMMUNITION	546.98
	INVOICE:	INV2600334							
	VENDOR TOTALS		.00 YTD INVOICED				11,966.38 YTD PAID		546.98
123058	ACCESS INFORMATION INTERMEDIATE HOLDINGS I, LLC.								
	120423	03/31/26		494461	T	04/14/26	10013010 41514	OPERATING SUPPLIES	76.42
	INVOICE:	12125078							
	120423	03/31/26		494461	T	04/14/26	10015010 41514	OPERATING SUPPLIES	76.42
	INVOICE:	12125078							
	120423	03/31/26		494461	T	04/14/26	10016010 41514	OPERATING SUPPLIES	76.42
	INVOICE:	12125078							
	120423	03/31/26		494461	T	04/14/26	10016020 41514	OPERATING SUPPLIES	76.42
	INVOICE:	12125078							
	120423	03/31/26		494461	T	04/14/26	10017010 41514	OPERATING SUPPLIES	76.42
	INVOICE:	12125078							
	120423	03/31/26		494461	T	04/14/26	10043010 41514	OPERATING SUPPLIES	76.42
	INVOICE:	12125078							
	VENDOR TOTALS		.00 YTD INVOICED				19,434.13 YTD PAID		458.52
120612	ACCO ENGINEERED SYSTEMS, INC								
	118711	03/01/26		494462	T	04/14/26	52035030 40514	CONTRACT SERVICES	823.00
	INVOICE:	20795715							
	119936	11/17/25		494462	T	04/14/26	10041050 40654	AIR CONDITIONING MAINTENA	4,318.00
	INVOICE:	20760064							
	119937	11/17/25		494462	T	04/14/26	10041050 40654	AIR CONDITIONING MAINTENA	4,318.00
	INVOICE:	20760065							
	VENDOR TOTALS		2,741.00 YTD INVOICED				88,178.35 YTD PAID		9,459.00
114804	PROFESSIONAL POLICE SUPPLY								
	120059	03/11/26		494463	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	988.98
	INVOICE:	INV448803							
	VENDOR TOTALS		.00 YTD INVOICED				7,920.55 YTD PAID		988.98
116315	AFLAC								
	120254	03/11/26		494464	T	04/14/26	990 20900	INSURANCE BENEFITS	6,888.08
	INVOICE:	247827							

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	VENDOR TOTALS		5,565.08 YTD INVOICED				55,042.48 YTD PAID		6,888.08
124241	ALCANTARA, CATHERINE								
	119935	02/05/26		494465	T	04/14/26	10013010 45584	HEALTH AND WELLNESS	170.00
	INVOICE: 001								
	VENDOR TOTALS		.00 YTD INVOICED				4,915.20 YTD PAID		170.00
124758	ALEXANDER, ALTHEA								
	120187	03/03/26		494440	P	04/14/26	10000109 51935	RECREATION MISCELLEANOUS	14.00
	INVOICE: REFUND								
	VENDOR TOTALS		.00 YTD INVOICED				14.00 YTD PAID		14.00
123782	ALLEN, MARGARET C.								
	120192	03/04/26		494466	T	04/14/26	10061010 40504	COMMISSIONER STIPENDS	50.00
	INVOICE: 03042026								
	120193	01/07/26		494466	T	04/14/26	10061010 40504	COMMISSIONER STIPENDS	50.00
	INVOICE: 01072026								
	120195	12/03/25		494466	T	04/14/26	10061010 40504	COMMISSIONER STIPENDS	50.00
	INVOICE: 12032025								
	VENDOR TOTALS		.00 YTD INVOICED				500.00 YTD PAID		150.00
119130	ALLIED INTERNATIONAL								
	120415	03/26/26		494467	T	04/14/26	100 13100	INVENTORY MATERIALS & SUP	1,089.09
	INVOICE: 223467								
	VENDOR TOTALS		.00 YTD INVOICED				1,089.09 YTD PAID		1,089.09
111720	AMAZING BALLOONS BY GEE, LLC.								
	120183	01/01/26		494468	T	04/14/26	10061020 41514	OPERATING SUPPLIES	66.30
	INVOICE: 2021-3772								
	VENDOR TOTALS		.00 YTD INVOICED				6,130.79 YTD PAID		66.30
124196	AMBIENT ENVIRONMENTAL, INC.								
	119874	03/10/26		494469	T	04/14/26	10041050 40514	CONTRACT SERVICES	1,500.00
	INVOICE: 2929								
	VENDOR TOTALS		.00 YTD INVOICED				6,000.00 YTD PAID		1,500.00
114567	ANGEL'S AUTO ELECTRIC								
	120236	03/03/26	2954	494470	T	04/14/26	60031030 42014	REPAIR & MAINTENANCE SUPP	987.85
	INVOICE: 9327								
	VENDOR TOTALS		4,705.54 YTD INVOICED				39,032.54 YTD PAID		987.85
121747	ANIXTER INC.								
	120077	03/17/26		494471	T	04/14/26	10001221 42024	BUILDING MAINTENANCE	956.32

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	INVOICE: 18K813839								
	VENDOR TOTALS	371.26 YTD INVOICED				2,560.72 YTD PAID			956.32
112702	ASSOCIATED SOILS ENGINEERING, INC.								
	120341	10/31/25		494472	T	04/14/26	10041050 40514	CONTRACT SERVICES	785.00
	INVOICE: 48911								
	120342	12/31/25		494472	T	04/14/26	10041050 40514	CONTRACT SERVICES	1,465.00
	INVOICE: 49005								
	VENDOR TOTALS	.00 YTD INVOICED				32,045.00 YTD PAID			2,250.00
123680	AUTO SECURITY SOUND & TINT, INC.								
	119991	03/05/26		494473	T	04/14/26	60031030 42014	REPAIR & MAINTENANCE SUPP	150.00
	INVOICE: 03050126								
	VENDOR TOTALS	350.00 YTD INVOICED				3,738.13 YTD PAID			150.00
124703	BATTERYJACK INC.								
	117109	02/19/26	3175	494474	T	04/14/26	10011500 45154	GENERAL EXPENSE	3,420.96
	INVOICE: 221429								
	117109	02/19/26	3175	494474	T	04/14/26	10021010 41514	OPERATING SUPPLIES	3,420.96
	INVOICE: 221429								
	117109	02/19/26	3175	494474	T	04/14/26	10041050 40514	CONTRACT SERVICES	3,420.96
	INVOICE: 221429								
	VENDOR TOTALS	.00 YTD INVOICED				10,262.88 YTD PAID			10,262.88
123191	BECKLES, D'LANO								
	120007	03/11/26		494475	T	04/14/26	10061050 40264	CONTRACT LABOR SALARIES	70.00
	INVOICE: 2								
	VENDOR TOTALS	.00 YTD INVOICED				210.00 YTD PAID			70.00
113874	BELL, LAMEKA D.								
	120114	03/18/26		494476	T	04/14/26	10001206 41514	OPERATING SUPPLIES	232.69
	INVOICE: REIMB. 2/18/26								
	VENDOR TOTALS	.00 YTD INVOICED				1,721.85 YTD PAID			232.69
123560	BELLMAR, TONY								
	120001	03/11/26		494477	T	04/14/26	10061050 40264	CONTRACT LABOR SALARIES	70.00
	INVOICE: 2								
	120397	03/04/26		494477	T	04/14/26	10061050 40264	CONTRACT LABOR SALARIES	105.00
	INVOICE: 3								
	VENDOR TOTALS	.00 YTD INVOICED				315.00 YTD PAID			175.00
119005	C & S ENGINEERS, INC.								
	120380	03/26/26	884	494478	T	04/14/26	52350010 45804	AIRPORT LIGHTING & SIGNAG	1,472.00
	INVOICE: 01143020								

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	VENDOR TOTALS		.00 YTD INVOICED				47,792.95 YTD PAID		1,472.00
122474	CALLIRGOS, MICHAEL								
	120058	03/11/26		494479	T	04/14/26	10001224 43704	POST REIMBURSABLE EXPENSE	612.20
	INVOICE: 022302262026								
	VENDOR TOTALS		.00 YTD INVOICED				612.20 YTD PAID		612.20
122558	CARAHSOFT TECHNOLOGY CORP.								
	120138	03/17/26		494480	T	04/14/26	81044010 40514	CONTRACT SERVICES	174.79
	INVOICE: IN2235508								
	VENDOR TOTALS		.00 YTD INVOICED				802.07 YTD PAID		174.79
105476	CDW GOVERNMENT, INC.								
	120151	03/16/26	2968	494481	T	04/14/26	10001222 40514	CONTRACT SERVICES	5,925.00
	INVOICE: AI49H6S								
	120152	03/10/26	2968	494481	T	04/14/26	10001222 47404	MACHINERY & EQUIPMENT	890.24
	INVOICE: AI4ND8J								
	120211	03/23/26	2968	494481	T	04/14/26	10001222 47404	MACHINERY & EQUIPMENT	205.97
	INVOICE: AI55A4W								
	120212	03/23/26	2968	494481	T	04/14/26	10001222 47404	MACHINERY & EQUIPMENT	252.60
	INVOICE: AI55T7F								
	120293	03/24/26	2968	494481	T	04/14/26	10001222 47404	MACHINERY & EQUIPMENT	96.49
	INVOICE: AI6AC6W								
	VENDOR TOTALS		1,220.54 YTD INVOICED				115,143.41 YTD PAID		7,370.30
116355	PRIME HEALTHCARE CENTINELA, LLC.								
	120203	03/04/26		494482	T	04/14/26	10002220 40724	MEDICAL & AMBULANCE	750.00
	INVOICE: VAO84063								
	VENDOR TOTALS		.00 YTD INVOICED				6,000.00 YTD PAID		750.00
123943	PURE EARTH SYSTEMS, INC.								
	119982	03/12/26		494483	T	04/14/26	60031030 42064	PARTS	300.00
	INVOICE: 1001574								
	VENDOR TOTALS		1,075.00 YTD INVOICED				3,419.10 YTD PAID		300.00
122465	CHICAGO TITLE COMPANY								
	119932	03/12/26		494441	P	04/14/26	72748420 45394	COMMERCIAL FACADE IMPROVE	61.00
	INVOICE: FCPF-0912601530-1								
	VENDOR TOTALS		.00 YTD INVOICED				211.00 YTD PAID		61.00
124182	CITIBOT, INC.								
	118887	03/03/26	2949	494484	T	04/14/26	10001222 40514	CONTRACT SERVICES	17,600.00
	INVOICE: 3375								

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT		GL ACCOUNT DESCRIPTION	
	VENDOR TOTALS	.00 YTD INVOICED					17,600.00 YTD PAID			17,600.00
100845	CITY OF GARDENA									
	119974	07/01/25	3056	494485	T	04/14/26	28034000	45384	PARATRANSIT DIAL A RIDE	18,135.34
	INVOICE: 07/2025									
	119977	08/01/25	3056	494485	T	04/14/26	28034000	45384	PARATRANSIT DIAL A RIDE	31,332.25
	INVOICE: 08/2025									
	VENDOR TOTALS	.00 YTD INVOICED					247,986.92 YTD PAID			49,467.59
123752	CLEAN HARBORS ENVIRONMENTAL SERVICES, INC.									
	120394	01/28/26	44	494486	T	04/14/26	85410010	40514	CONTRACT SERVICES	3,464.74
	INVOICE: 1005890890									
	120394	01/28/26	1687	494486	T	04/14/26	10007401	46214	HAZARDOUS WASTE DISPOSAL	6,114.50
	INVOICE: 1005890890									
	VENDOR TOTALS	.00 YTD INVOICED					32,851.20 YTD PAID			9,579.24
122762	COMPLETE OFFICE OF CALIFORNIA, INC.									
	120147	03/18/26		494487	T	04/14/26	100	13100	INVENTORY MATERIALS & SUP	3,535.12
	INVOICE: 4301039-0									
	VENDOR TOTALS	.00 YTD INVOICED					3,535.12 YTD PAID			3,535.12
122428	CONSTANT & ASSOCIATES, INC.									
	120438	04/01/26	3211	494442	P	04/14/26	12810020	40514	CONTRACT SERVICES	21,150.45
	INVOICE: CA2024-2089									
	VENDOR TOTALS	.00 YTD INVOICED					77,554.93 YTD PAID			21,150.45
123244	COOPERATIVE PERSONNEL SERVICES									
	120250	03/18/26		494488	T	04/14/26	10017010	45054	TESTING EXPENSE	1,006.50
	INVOICE: TR-INV007344									
	120251	01/31/26		494488	T	04/14/26	10017010	45054	TESTING EXPENSE	-70.00
	INVOICE: TR-RTN005456									
	VENDOR TOTALS	.00 YTD INVOICED					2,535.00 YTD PAID			936.50
121267	CREATIVE WIRELESS, INC.									
	120155	03/02/26	2986	494489	T	04/14/26	10001222	47404	MACHINERY & EQUIPMENT	941.25
	INVOICE: C1709654									
	120156	03/02/26	2986	494489	T	04/14/26	10001222	47404	MACHINERY & EQUIPMENT	483.55
	INVOICE: C1709655									
	120294	03/18/26	2986	494489	T	04/14/26	10001222	47404	MACHINERY & EQUIPMENT	1,754.60
	INVOICE: C1709670									
	120295	03/03/26	2986	494489	T	04/14/26	10001222	47404	MACHINERY & EQUIPMENT	1,030.65
	INVOICE: C1709668									
	VENDOR TOTALS	.00 YTD INVOICED					145,101.88 YTD PAID			4,210.05

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
124188	DE MESA, KATHLEEN E								
	120198	03/04/26		494490	T	04/14/26	10061010 40504	COMMISSIONER STIPENDS	50.00
	INVOICE: 03042026								
	120199	12/03/25		494490	T	04/14/26	10061010 40504	COMMISSIONER STIPENDS	50.00
	INVOICE: 12032025								
	VENDOR TOTALS		.00 YTD INVOICED				500.00 YTD PAID		100.00
104971	DELL MARKETING LP								
	120299	03/06/26	2964	494491	T	04/14/26	60810010 47404	MACHINERY & EQUIPMENT	1,274.53
	INVOICE: 10865175771								
	120300	03/13/26	2964	494491	T	04/14/26	60810010 47404	MACHINERY & EQUIPMENT	12,140.21
	INVOICE: 10866190190								
	120301	03/06/26	2964	494491	T	04/14/26	10001222 47404	MACHINERY & EQUIPMENT	857.50
	INVOICE: 10865127849								
	VENDOR TOTALS		21,273.06 YTD INVOICED				592,306.81 YTD PAID		14,272.24
119887	DEWEY PEST CONTROL								
	119998	03/01/26		494492	T	04/14/26	32420030 41144	PHLA PROJECT	155.00
	INVOICE: 17936088								
	119999	03/01/26		494492	T	04/14/26	32420030 41144	PHLA PROJECT	167.00
	INVOICE: 17941272								
	120000	03/01/26		494492	T	04/14/26	32420030 41144	PHLA PROJECT	37.00
	INVOICE: 17942998								
	VENDOR TOTALS		.00 YTD INVOICED				2,956.00 YTD PAID		359.00
121407	DIAL INSTANT PRINTERS, INC.								
	120120	03/10/26		494493	T	04/14/26	10001218 41514	OPERATING SUPPLIES	1,105.00
	INVOICE: 12073								
	120121	03/18/26		494493	T	04/14/26	10001218 41514	OPERATING SUPPLIES	690.63
	INVOICE: 12084								
	VENDOR TOTALS		.00 YTD INVOICED				10,348.39 YTD PAID		1,795.63
124759	OKONO CORPORATION								
	120185	03/17/26		494494	T	04/14/26	10061020 41514	OPERATING SUPPLIES	2,596.58
	INVOICE: 1917								
	VENDOR TOTALS		.00 YTD INVOICED				2,596.58 YTD PAID		2,596.58
97953	DOOLEY ENTERPRISES, INC.								
	120068	03/02/26	18	494495	T	04/14/26	10001225 41594	TARGETS & AMMUNITION	9,016.84
	INVOICE: 71421								
	VENDOR TOTALS		.00 YTD INVOICED				14,324.67 YTD PAID		9,016.84
120878	DOUSE, JUANITA								
	120197	03/04/26		494496	T	04/14/26	10061010 40504	COMMISSIONER STIPENDS	50.00
	INVOICE: 03042026								

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	VENDOR TOTALS	.00 YTD INVOICED		250.00 YTD PAID					50.00
122402	DRC ENGINEERING, INC.								
	119933	03/07/26		494497	T	04/14/26	18110050 44924	CIVIC CENTER PARK	2,200.00
	INVOICE: 24-011-10								
	120038	03/07/26	3213	494497	T	04/14/26	10041020 40514	CONTRACT SERVICES	6,667.00
	INVOICE: 19-366-30								
	VENDOR TOTALS	.00 YTD INVOICED		140,873.49 YTD PAID					8,867.00
124328	ENTERPRISE FLEET MANAGEMENT INC.								
	120115	03/04/26		494498	T	04/14/26	23210040 48864	VEHICLE RENTAL - GRANT RE	1,804.80
	INVOICE: 464335-030426								
	VENDOR TOTALS	7,692.06 YTD INVOICED		60,153.86 YTD PAID					1,804.80
123838	FIRST FIRE SYSTEMS, INC.								
	120418	03/31/26		494499	T	04/14/26	52035030 40514	CONTRACT SERVICES	696.44
	INVOICE: MHD11596								
	VENDOR TOTALS	.00 YTD INVOICED		4,522.05 YTD PAID					696.44
124164	FINE LINE AUTO BODY INC								
	120191	03/19/26		494500	T	04/14/26	25019020 45064	SETTLEMENTS / JUDGEMENTS	1,815.93
	INVOICE: 17171								
	VENDOR TOTALS	37,127.85 YTD INVOICED		152,458.29 YTD PAID					1,815.93
113236	GASKINS, GREG								
	120009	03/11/26		494501	T	04/14/26	10061050 40264	CONTRACT LABOR SALARIES	105.00
	INVOICE: 1								
	120401	03/24/26		494501	T	04/14/26	10061050 40264	CONTRACT LABOR SALARIES	315.00
	INVOICE: 2								
	VENDOR TOTALS	.00 YTD INVOICED		420.00 YTD PAID					420.00
116618	GOLDEN STATE ELEVATOR								
	119775	03/02/26		494502	T	04/14/26	52035030 40514	CONTRACT SERVICES	125.70
	INVOICE: 00204638								
	VENDOR TOTALS	.00 YTD INVOICED		999.61 YTD PAID					125.70
97578	GRAINGER INDUSTRIAL SUPPLY								
	118822	01/29/26		494503	T	04/14/26	22541060 42514	SMALL TOOLS & MINOR EQUIP	252.80
	INVOICE: 9789017986								
	120010	03/03/26		494503	T	04/14/26	10061100 41404	MATERIALS, SUPPLIES & OTH	28.72
	INVOICE: 9827542052								
	120011	03/04/26		494503	T	04/14/26	10061100 41404	MATERIALS, SUPPLIES & OTH	42.68
	INVOICE: 9829699231								
	120012	03/04/26		494503	T	04/14/26	10061100 41404	MATERIALS, SUPPLIES & OTH	108.55

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VENDOR NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE: 9829169516								
VENDOR TOTALS	264.31 YTD INVOICED				10,090.51 YTD PAID			432.75
124734 GRANT, LEONARD								
120395	03/24/26		494504	T	04/14/26	10061050 40264	CONTRACT LABOR SALARIES	105.00
INVOICE: 3								
VENDOR TOTALS	.00 YTD INVOICED				245.00 YTD PAID			105.00
119891 GRIER, JR., ROBERT								
120399	03/24/26		494505	T	04/14/26	10061050 40264	CONTRACT LABOR SALARIES	105.00
INVOICE: 2								
VENDOR TOTALS	.00 YTD INVOICED				245.00 YTD PAID			105.00
120536 HARRIS & ASSOCIATES, INC.								
120158	03/19/26		494506	T	04/14/26	46201113 40514	CONTRACT SERVICES	357.00
INVOICE: 71619								
120325	03/19/26	3051	494506	T	04/14/26	46101112 40514	CONTRACT SERVICES	643.75
INVOICE: 71615								
120326	03/19/26	3051	494506	T	04/14/26	46101112 40514	CONTRACT SERVICES	1,356.25
INVOICE: 71616								
120337	03/16/26	3050	494506	T	04/14/26	10016010 40514	CONTRACT SERVICES	3,100.00
INVOICE: 71552								
120338	03/16/26	3050	494506	T	04/14/26	10016010 40514	CONTRACT SERVICES	3,600.00
INVOICE: 71553								
120404	03/19/26	2943	494506	T	04/14/26	10042010 40514	CONTRACT SERVICES	6,969.00
INVOICE: 71618								
VENDOR TOTALS	.00 YTD INVOICED				209,764.00 YTD PAID			16,026.00
123559 HARRIS, ALLEN								
120004	03/11/26		494507	T	04/14/26	10061050 40264	CONTRACT LABOR SALARIES	210.00
INVOICE: 2								
120408	03/24/26		494507	T	04/14/26	10061050 40264	CONTRACT LABOR SALARIES	245.00
INVOICE: 3								
VENDOR TOTALS	230.00 YTD INVOICED				1,815.00 YTD PAID			455.00
105919 HERALD PUBLICATIONS								
120406	03/30/26		494508	T	04/14/26	10042010 43024	LEGAL ADVERTISING	120.00
INVOICE: 63288								
VENDOR TOTALS	.00 YTD INVOICED				16,985.00 YTD PAID			120.00
121861 HINDERLITER, DE LLAMAS & ASSOC								
120343	02/27/26	3046	494509	T	04/14/26	10016010 40514	CONTRACT SERVICES	6,555.87
INVOICE: SIN060335								
120416	09/25/25	3046	494509	T	04/14/26	10016010 40514	CONTRACT SERVICES	347.57
INVOICE: SIN054240								

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	120430	03/28/26	3046	494509	T	04/14/26	10016010 40514	CONTRACT SERVICES	717.71
	INVOICE: SIN061164								
	VENDOR TOTALS		.00 YTD INVOICED				18,172.19 YTD PAID		7,621.15
112444	INSITE GRAFIX								
	120184	03/17/26		494510	T	04/14/26	10061020 41514	OPERATING SUPPLIES	237.58
	INVOICE: 10743								
	120186	01/29/26		494510	T	04/14/26	10061010 41514	OPERATING SUPPLIES	1,889.55
	INVOICE: 10568								
	VENDOR TOTALS		773.50 YTD INVOICED				6,792.71 YTD PAID		2,127.13
122234	J D MERCADO, INC.								
	120410	03/16/26		494511	T	04/14/26	10061100 45184	TRAINING	1,800.00
	INVOICE: 031626								
	VENDOR TOTALS		.00 YTD INVOICED				1,800.00 YTD PAID		1,800.00
124776	JAIMES, DANIEL								
	120421	01/16/26		494512	T	04/14/26	10041010 45584	HEALTH AND WELLNESS	155.94
	INVOICE: 01162026								
	VENDOR TOTALS		.00 YTD INVOICED				155.94 YTD PAID		155.94
122431	MASSEY CONSTRUCTION, LLC.								
	120378	03/26/26		494513	T	04/14/26	46847150 42024	BUILDING MAINTENANCE	675.00
	INVOICE: JL-45738								
	VENDOR TOTALS		.00 YTD INVOICED				675.00 YTD PAID		675.00
122781	JOHNSON 225 INVESTIGATIONS								
	120060	03/11/26		494514	T	04/14/26	10021010 40514	CONTRACT SERVICES	2,940.00
	INVOICE: 1131								
	VENDOR TOTALS		8,350.00 YTD INVOICED				100,940.00 YTD PAID		2,940.00
123915	JOHNSON, ANDRE								
	120002	03/11/26		494443	P	04/14/26	10061050 40264	CONTRACT LABOR SALARIES	70.00
	INVOICE: 1								
	VENDOR TOTALS		.00 YTD INVOICED				70.00 YTD PAID		70.00
120879	JOHNSON, DARVIS J.								
	120196	03/04/26		494515	T	04/14/26	10061010 40504	COMMISSIONER STIPENDS	50.00
	INVOICE: 03042026								
	VENDOR TOTALS		.00 YTD INVOICED				500.00 YTD PAID		50.00
119236	JWA URBAN CONSULTANTS, INC.								
	118876	03/09/26		494516	T	04/14/26	10042010 40514	CONTRACT SERVICES	1,200.00

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	INVOICE: Pro-Housing #5								
	VENDOR TOTALS	.00	YTD INVOICED	7,575.00	YTD PAID				1,200.00
113091	K & P JANITORIAL SERVICES INC								
	120066	03/01/26	2930	494517	T	04/14/26	10001221 42024	BUILDING MAINTENANCE	15,207.00
	INVOICE: 77783								
	120067	03/11/26	2930	494517	T	04/14/26	10001221 42024	BUILDING MAINTENANCE	1,585.00
	INVOICE: 78006								
	VENDOR TOTALS	.00	YTD INVOICED	179,961.92	YTD PAID				16,792.00
107673	KANG, TOMMY								
	120054	02/24/26		494518	T	04/14/26	10001224 45124	EDUCATIONAL REIMBURSEMENT	459.00
	INVOICE: EDUC. BCJ 230								
	VENDOR TOTALS	.00	YTD INVOICED	2,295.00	YTD PAID				459.00
123456	KIMLEY-HORN AND ASSOCIATES, INC.								
	120405	02/28/26	2767	494519	T	04/14/26	10042010 40514	CONTRACT SERVICES	22,112.56
	INVOICE: 35120210								
	VENDOR TOTALS	.00	YTD INVOICED	827,621.57	YTD PAID				22,112.56
12317	CES HOLDINGS, LLC.								
	120018	03/09/26		494520	T	04/14/26	10061090 42124	SWIM POOL MAINTENANCE	1,375.11
	INVOICE: 300230								
	VENDOR TOTALS	.00	YTD INVOICED	3,766.88	YTD PAID				1,375.11
109121	KONE INC.								
	119875	02/16/26		494521	T	04/14/26	10041050 42014	REPAIR & MAINTENANCE SUPP	136.26
	INVOICE: Z871732373								
	119876	03/01/26		494521	T	04/14/26	10041050 42014	REPAIR & MAINTENANCE SUPP	768.09
	INVOICE: 871955503								
	VENDOR TOTALS	738.55	YTD INVOICED	8,467.09	YTD PAID				904.35
13750	L A COUNTY								
	120335	03/05/26	3106	494444	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	6,996.03
	INVOICE: IN260000476								
	VENDOR TOTALS	400,000.00	YTD INVOICED	455,509.75	YTD PAID				6,996.03
102360	L A COUNTY FIRE DEPARTMENT								
	120393	04/01/26	2918	494445	P	04/14/26	10050121 40774	COUNTY FIRE SERVICES	1,282,343.28
	INVOICE: C0014120								
	VENDOR TOTALS	2,438,234.29	YTD INVOICED	13,572,375.04	YTD PAID				1,282,343.28
113320	LA COUNTY OF PUBLIC WORKS								

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120329	03/09/26	3107	494446	P	04/14/26	28402418 40514	CONTRACT SERVICES	802.05
INVOICE: RE-PW-26030905437								
120330	03/09/26	3107	494446	P	04/14/26	28402418 40514	CONTRACT SERVICES	1,261.06
INVOICE: RE-PW-26030905165								
120332	02/09/26	2549	494446	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	382.50
INVOICE: RE-PW-26020904432								
120334	02/09/26	2549	494446	P	04/14/26	29102462 40514	CONTRACT SERVICES	244.62
INVOICE: RE-PW-2602094431								
120336	02/09/26	2549	494446	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	749.08
INVOICE: RE-PW-260209004777								
120339	02/09/26	2549	494446	P	04/14/26	22041060 42104	SIGNAL MAINTENANCE	1,768.70
INVOICE: RE-PW-26020904508								
VENDOR TOTALS		.00 YTD INVOICED				255,716.22 YTD PAID		5,208.01
121776 LA UNIFORMS & TAILORING, INC.								
120078	01/23/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	10.00
INVOICE: 31009								
120079	02/02/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	120.00
INVOICE: 31203								
120080	02/02/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	12.00
INVOICE: 31209								
120081	02/04/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	52.98
INVOICE: 31259								
120082	02/04/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	209.89
INVOICE: 31265								
120083	02/05/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	187.79
INVOICE: 31269								
120084	02/06/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	14.84
INVOICE: 31297								
120085	02/06/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	14.84
INVOICE: 31298								
120086	02/06/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	37.26
INVOICE: 31303								
120087	02/09/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	180.00
INVOICE: 31322								
120088	02/09/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	180.00
INVOICE: 31323								
120089	02/10/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	265.09
INVOICE: 31337								
120090	02/10/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	171.22
INVOICE: 31347								
120091	02/10/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	88.34
INVOICE: 31353								
120092	02/10/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	88.34
INVOICE: 31354								
120093	02/17/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	12.00
INVOICE: 31480								
120094	02/21/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	16.52
INVOICE: 31635								
120095	02/23/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	193.15

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	INVOICE: 31638								
	120096	02/23/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	193.15
	INVOICE: 31640								
	120097	02/23/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	254.04
	INVOICE: 31644								
	120098	02/23/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	193.15
	INVOICE: 31646								
	120100	02/23/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	193.15
	INVOICE: 31647								
	120101	02/26/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	135.78
	INVOICE: 31729								
	120102	02/28/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	193.15
	INVOICE: 31780								
	120103	01/21/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	254.04
	INVOICE: 30953								
	120105	02/02/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	39.78
	INVOICE: 31206								
	120106	02/03/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	58.51
	INVOICE: 31226								
	120108	02/03/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	15.41
	INVOICE: 31231								
	120109	02/03/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	581.23
	INVOICE: 31233								
	120113	02/04/26	2929	494522	T	04/14/26	10001224 41614	UNIFORMS & SAFETY EQUIPME	204.37
	INVOICE: 31242								
	VENDOR TOTALS	.00	YTD INVOICED	51,271.54	YTD PAID				4,170.02
116247	LAMB, THEODORE								
	120344	03/31/26		494523	T	04/14/26	10015020 40514	CONTRACT SERVICES	3,600.00
	INVOICE: 03-31-2026								
	VENDOR TOTALS	.00	YTD INVOICED	23,880.00	YTD PAID				3,600.00
107288	LAWSON PRODUCTS, INC.								
	120246	03/13/26		494524	T	04/14/26	60031030 42014	REPAIR & MAINTENANCE SUPP	357.90
	INVOICE: 9313300806								
	VENDOR TOTALS	.00	YTD INVOICED	3,341.61	YTD PAID				357.90
121382	LC ACTION POLICE SUPPLY LTD								
	120074	03/05/26	3194	494525	T	04/14/26	10001224 45184	TRAINING	6,607.90
	INVOICE: 485456								
	VENDOR TOTALS	.00	YTD INVOICED	6,607.90	YTD PAID				6,607.90
104175	LDM ASSOCIATES, INC.								
	120099	03/13/26		494526	T	04/14/26	78942708 45304	RENT HSG RHB CONTRACT SER	625.00
	INVOICE: 8963								
	120104	03/13/26		494526	T	04/14/26	72748420 40514	CONTRACT SERVICES	222.00
	INVOICE: 8960								

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	120107	03/13/26		494526	T	04/14/26	72748420 45394	COMMERCIAL FACADE IMPROVE	317.50
	INVOICE: 8959								
	120110	03/13/26		494526	T	04/14/26	78480010 40514	CONTRACT SERVICES	369.00
	INVOICE: 8958								
	120111	03/13/26		494526	T	04/14/26	49470010 40514	CONTRACT SERVICES	799.50
	INVOICE: 8956								
	120112	03/13/26		494526	T	04/14/26	78948010 40514	CONTRACT SERVICES	2,466.88
	INVOICE: 8957								
	120119	03/13/26	3018	494526	T	04/14/26	72748010 40514	CONTRACT SERVICES	5,382.25
	INVOICE: 8955								
	VENDOR TOTALS		.00 YTD INVOICED				363,619.15 YTD PAID		10,182.13
124766	LEUNG TRUST								
	120364	03/27/26		494447	P	04/14/26	10000109 51940	CODE ENFORCEMENT FEE	750.00
	INVOICE: 2000-115004								
	VENDOR TOTALS		.00 YTD INVOICED				750.00 YTD PAID		750.00
94489	LIEBERT CASSIDY WHITMORE								
	120379	02/28/26	3217	494527	T	04/14/26	25019020 45064	SETTLEMENTS / JUDGEMENTS	5,567.00
	INVOICE: 318404								
	VENDOR TOTALS		.00 YTD INVOICED				22,276.30 YTD PAID		5,567.00
124770	LIMITLESS SKILLS TRAINING FOUNDATION								
	120362	01/28/25		494448	P	04/14/26	10000101 51114	BUSINESS LICENSE TAXES	170.00
	INVOICE: REFUND 012825								
	VENDOR TOTALS		.00 YTD INVOICED				170.00 YTD PAID		170.00
101286	SCP DISTRIBUTORS LLC								
	119707	03/09/26		494528	T	04/14/26	10061090 42124	SWIM POOL MAINTENANCE	172.09
	INVOICE: 37254971								
	120289	12/22/25		494528	T	04/14/26	10061090 42124	SWIM POOL MAINTENANCE	1,855.54
	INVOICE: 37244621								
	120290	03/13/26		494528	T	04/14/26	10061090 42124	SWIM POOL MAINTENANCE	2,096.13
	INVOICE: 37255793								
	120291	02/03/26		494528	T	04/14/26	10061090 42124	SWIM POOL MAINTENANCE	3,957.62
	INVOICE: 29599567								
	VENDOR TOTALS		.00 YTD INVOICED				54,216.14 YTD PAID		8,081.38
121652	LOBBY TRAFFIC SYSTEMS, INC.								
	120297	12/19/25		494449	P	04/14/26	10001221 42024	BUILDING MAINTENANCE	880.50
	INVOICE: 927266								
	VENDOR TOTALS		.00 YTD INVOICED				7,992.84 YTD PAID		880.50
123417	LOS ANGELES CENTERS FOR ALCOHOL AND DRUG ABUSE								
	119990	03/16/26	3011	494529	T	04/14/26	78480020 44824	SUPPORTIVE SERVICES	56,935.68

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	INVOICE: 34								
	VENDOR TOTALS	.00 YTD INVOICED		795,012.14 YTD PAID					56,935.68
105143	LOS ANGELES COUNTY								
	120070	02/25/26		494450	P	04/14/26	10001230 40514	CONTRACT SERVICES	61.76
	INVOICE: January 2026								
	VENDOR TOTALS	.00 YTD INVOICED		21,602.68 YTD PAID					61.76
124525	TRILLIUM INVESTMENTS LLC								
	119980	03/16/26		494530	T	04/14/26	60031030 45144	GASOLINE & OIL	475.01
	INVOICE: 26296961								
	VENDOR TOTALS	110.10 YTD INVOICED		2,187.91 YTD PAID					475.01
116417	LEBO AUTOMOTIVE INC.								
	119993	03/12/26		494531	T	04/14/26	60031030 42064	PARTS	2,481.89
	INVOICE: 708413								
	119994	03/10/26		494531	T	04/14/26	60031030 42064	PARTS	571.90
	INVOICE: 708274								
	VENDOR TOTALS	.00 YTD INVOICED		4,451.30 YTD PAID					3,053.79
122277	MASTON, CAROL L.								
	120200	03/04/26		494532	T	04/14/26	10061010 40504	COMMISSIONER STIPENDS	50.00
	INVOICE: 03042026								
	VENDOR TOTALS	.00 YTD INVOICED		500.00 YTD PAID					50.00
123469	MCCLAIN, TERRENCE								
	120392	03/20/26		494533	T	04/14/26	10061070 41514	OPERATING SUPPLIES	500.00
	INVOICE: 2343								
	VENDOR TOTALS	.00 YTD INVOICED		1,850.00 YTD PAID					500.00
112309	GARDENA HOSPITAL, LP								
	120204	02/26/26		494534	T	04/14/26	10002220 40724	MEDICAL & AMBULANCE	750.00
	INVOICE: 1000624644-0001								
	120205	03/04/26		494534	T	04/14/26	10002220 40724	MEDICAL & AMBULANCE	750.00
	INVOICE: 1000625447-0001								
	120206	02/28/26		494534	T	04/14/26	10002220 40724	MEDICAL & AMBULANCE	750.00
	INVOICE: 1000624985-0001								
	120207	02/25/26		494534	T	04/14/26	10002220 40724	MEDICAL & AMBULANCE	750.00
	INVOICE: 1000624487-0001								
	VENDOR TOTALS	.00 YTD INVOICED		24,680.00 YTD PAID					3,000.00
100108	MERRIMAC PETROLEUM, INC.								
	120237	03/18/26	2965	494535	T	04/14/26	60031030 45144	GASOLINE & OIL	18,117.08
	INVOICE: 2246103								

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	120412	03/30/26	2965	494535	T	04/14/26	60031030 45144	GASOLINE & OIL	16,090.82
	INVOICE: 2246369								
	VENDOR TOTALS		35,779.87 YTD INVOICED				351,629.55 YTD PAID		34,207.90
123575	MISSION LINEN SUPPLY								
	120402	03/23/26		494536	T	04/14/26	10061070 41514	OPERATING SUPPLIES	69.83
	INVOICE: 525712017								
	VENDOR TOTALS		148.94 YTD INVOICED				2,943.30 YTD PAID		69.83
124448	MNS ENGINEERS, INC.								
	118874	01/14/26	2923	494537	T	04/14/26	10042010 40514	CONTRACT SERVICES	12,000.00
	INVOICE: 92536								
	120403	03/12/26	2923	494537	T	04/14/26	10042010 40514	CONTRACT SERVICES	13,600.00
	INVOICE: 93204								
	VENDOR TOTALS		.00 YTD INVOICED				147,060.00 YTD PAID		25,600.00
113432	MOTOROLA SOLUTIONS INC.								
	120173	01/15/26	2993	494538	T	04/14/26	10001222 40514	CONTRACT SERVICES	14,152.00
	INVOICE: 1411229375								
	VENDOR TOTALS		.00 YTD INVOICED				56,184.42 YTD PAID		14,152.00
123082	MPD PLUMBING, INC.								
	120003	03/12/26		494539	T	04/14/26	46715732 42024	BUILDING MAINTENANCE	120.00
	INVOICE: WO#031226								
	VENDOR TOTALS		.00 YTD INVOICED				2,105.00 YTD PAID		120.00
106116	MUNISERVICES, LLC								
	120366	03/25/26	3054	494540	T	04/14/26	10000101 51116	UTILITY USERS TAXES	8,171.30
	INVOICE: INV06-022723								
	VENDOR TOTALS		.00 YTD INVOICED				38,248.54 YTD PAID		8,171.30
120965	NEW LOOK AUTO DETAIL								
	120016	01/26/26		494541	T	04/14/26	60031030 40514	CONTRACT SERVICES	560.00
	INVOICE: 4282								
	120019	02/26/26		494541	T	04/14/26	60031030 40514	CONTRACT SERVICES	560.00
	INVOICE: 4298								
	120020	02/23/26		494541	T	04/14/26	60031030 40514	CONTRACT SERVICES	560.00
	INVOICE: 4297								
	120021	02/17/26		494541	T	04/14/26	60031030 40514	CONTRACT SERVICES	435.00
	INVOICE: 4295								
	120022	02/12/26		494541	T	04/14/26	60031030 40514	CONTRACT SERVICES	560.00
	INVOICE: 4294								
	120023	02/09/26		494541	T	04/14/26	60031030 40514	CONTRACT SERVICES	520.00
	INVOICE: 4293								
	120024	02/05/26		494541	T	04/14/26	60031030 40514	CONTRACT SERVICES	560.00

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	INVOICE: 4292								
	120025	02/03/26		494541	T	04/14/26	60031030 40514	CONTRACT SERVICES	510.00
	INVOICE: 4291								
	120026	02/02/26		494541	T	04/14/26	60031030 40514	CONTRACT SERVICES	560.00
	INVOICE: 4290								
	VENDOR TOTALS	12,385.00 YTD INVOICED					53,555.00 YTD PAID		4,825.00
120571	NMK CORPORATION								
	120157	03/11/26	2985	494542	T	04/14/26	10001222 43054	TELEPHONE	1,937.72
	INVOICE: HPD-034								
	120159	03/11/26	2985	494542	T	04/14/26	10001222 40544	COMPUTER SERVICE	14,826.00
	INVOICE: HPD-035								
	VENDOR TOTALS	.00 YTD INVOICED					35,402.92 YTD PAID		16,763.72
113242	NORMAN, KEITH								
	120005	03/11/26		494543	T	04/14/26	10061050 40264	CONTRACT LABOR SALARIES	210.00
	INVOICE: 2								
	120398	03/24/26		494543	T	04/14/26	10061050 40264	CONTRACT LABOR SALARIES	315.00
	INVOICE: 3								
	VENDOR TOTALS	.00 YTD INVOICED					955.00 YTD PAID		525.00
116422	OCCU-MED, LTD.								
	120247	02/28/26		494544	T	04/14/26	10017010 45324	PHYSICAL EXAMINATIONS	3,595.53
	INVOICE: 0326111.1								
	VENDOR TOTALS	.00 YTD INVOICED					15,147.16 YTD PAID		3,595.53
123279	ODP BUSINESS SOLUTIONS, LLC								
	118726	02/20/26		494545	T	04/14/26	10015010 41514	OPERATING SUPPLIES	15.79
	INVOICE: 459740673001								
	120367	03/23/26		494545	T	04/14/26	10016010 41514	OPERATING SUPPLIES	96.60
	INVOICE: 461559294001								
	VENDOR TOTALS	3,829.70 YTD INVOICED					28,457.86 YTD PAID		112.39
123925	OFFICEUNTITLED, INC.								
	120347	03/16/26		494546	T	04/14/26	18110050 44924	CIVIC CENTER PARK	4,540.00
	INVOICE: 4990								
	120350	03/16/26		494546	T	04/14/26	18110050 44924	CIVIC CENTER PARK	2,437.50
	INVOICE: 4989								
	120352	03/16/26		494546	T	04/14/26	18110050 44924	CIVIC CENTER PARK	950.00
	INVOICE: 4991								
	VENDOR TOTALS	.00 YTD INVOICED					288,035.32 YTD PAID		7,927.50
123098	ORKIN SERVICES OF CALIFORNIA, INC								
	120015	03/12/26		494547	T	04/14/26	10061120 41514	OPERATING SUPPLIES	308.29
	INVOICE: 293692239								

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	120017	02/24/26		494548	T	04/14/26	10061120 41514	OPERATING SUPPLIES	308.29
	INVOICE:	292125907							
	120411	03/25/26		494549	T	04/14/26	10061120 40514	CONTRACT SERVICES	308.29
	INVOICE:	293692240							
	VENDOR TOTALS		276.00 YTD INVOICED				11,338.12 YTD PAID		924.87
99213	PARKHOUSE TIRE, INC.								
	119986	03/10/26	3032	494550	T	04/14/26	60031030 42554	TIRES	1,770.45
	INVOICE:	1011077655							
	VENDOR TOTALS		.00 YTD INVOICED				21,970.33 YTD PAID		1,770.45
107523	PITNEY BOWES								
	120253	03/12/26		494551	T	04/14/26	10016020 47404	MACHINERY & EQUIPMENT	951.48
	INVOICE:	3107723711							
	VENDOR TOTALS		.00 YTD INVOICED				3,805.92 YTD PAID		951.48
124757	PORTER, BETTY								
	120188	02/26/26		494451	P	04/14/26	10000109 51935	RECREATION MISCELLEANOUS	14.00
	INVOICE:	REFUND							
	VENDOR TOTALS		.00 YTD INVOICED				14.00 YTD PAID		14.00
112546	PRICON ENTERPRISE TECHNOLOGIES								
	120154	03/11/26	2983	494552	T	04/14/26	10001222 40614	CITY PRINT SERVICES	110.50
	INVOICE:	115058							
	VENDOR TOTALS		815.49 YTD INVOICED				26,773.05 YTD PAID		110.50
16650	PRUDENTIAL OVERALL SUPPLY								
	119995	03/12/26		494553	T	04/14/26	60031030 40514	CONTRACT SERVICES	75.00
	INVOICE:	43103054							
	119996	03/12/26		494553	T	04/14/26	60031030 40514	CONTRACT SERVICES	82.65
	INVOICE:	43103053							
	120061	01/01/26		494553	T	04/14/26	60031030 40514	CONTRACT SERVICES	75.00
	INVOICE:	43085815							
	120062	12/18/25		494553	T	04/14/26	60031030 40514	CONTRACT SERVICES	75.00
	INVOICE:	43081909							
	120063	12/18/25		494553	T	04/14/26	60031030 40514	CONTRACT SERVICES	270.95
	INVOICE:	43081908							
	120064	12/25/25		494553	T	04/14/26	60031030 40514	CONTRACT SERVICES	78.25
	INVOICE:	43083992							
	120065	01/01/26		494553	T	04/14/26	60031030 40514	CONTRACT SERVICES	82.65
	INVOICE:	43085814							
	120118	02/26/26		494553	T	04/14/26	10041050 40514	CONTRACT SERVICES	58.39
	INVOICE:	43099664							
	120122	03/12/26		494553	T	04/14/26	10041050 40514	CONTRACT SERVICES	58.39
	INVOICE:	43103055							
	120125	02/19/26		494553	T	04/14/26	10041050 40514	CONTRACT SERVICES	58.39

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	INVOICE: 43098187								
	120126	02/12/26		494553	T	04/14/26	10041050 40514	CONTRACT SERVICES	58.39
	INVOICE: 43096180								
	120127	02/05/26		494553	T	04/14/26	10041050 40514	CONTRACT SERVICES	58.39
	INVOICE: 43094377								
	120128	01/15/26		494553	T	04/14/26	10041050 40514	CONTRACT SERVICES	58.39
	INVOICE: 43089262								
	120129	01/08/26		494553	T	04/14/26	10041050 40514	CONTRACT SERVICES	58.39
	INVOICE: 43087556								
	120130	01/01/26		494553	T	04/14/26	10041050 40514	CONTRACT SERVICES	58.39
	INVOICE: 43085816								
	120132	12/25/25		494553	T	04/14/26	10041050 40514	CONTRACT SERVICES	58.39
	INVOICE: 43083993								
	120134	12/18/25		494553	T	04/14/26	10041050 40514	CONTRACT SERVICES	58.39
	INVOICE: 43081881								
	120135	12/11/25		494553	T	04/14/26	10041050 40514	CONTRACT SERVICES	58.39
	INVOICE: 43080625								
	120136	03/19/26		494553	T	04/14/26	10041050 40514	CONTRACT SERVICES	58.39
	INVOICE: 43104790								
	120137	03/05/26		494553	T	04/14/26	10041050 40514	CONTRACT SERVICES	58.39
	INVOICE: 43101455								
	VENDOR TOTALS		231.50 YTD INVOICED				6,451.45 YTD PAID		1,498.57
113575	QUALITY CODE PUBLISHING LLC								
	120153	11/01/25		494452	P	04/14/26	10015010 41574	LAW & REFERENCE LIBRARY	1,445.00
	INVOICE: GC00132374								
	VENDOR TOTALS		.00 YTD INVOICED				4,382.00 YTD PAID		1,445.00
124761	RAMIREZ, LETICIA								
	120190	03/03/26		494453	P	04/14/26	10000109 51935	RECREATION MISCELLEANOUS	14.00
	INVOICE: REFUND								
	VENDOR TOTALS		.00 YTD INVOICED				14.00 YTD PAID		14.00
120618	RCA FLOORING, INC.								
	119873	02/02/26		494554	T	04/14/26	10041050 42024	BUILDING MAINTENANCE	3,250.00
	INVOICE: 57977								
	VENDOR TOTALS		.00 YTD INVOICED				9,184.21 YTD PAID		3,250.00
123234	REECE SUPPLY, LLC								
	120056	03/09/26		494555	T	04/14/26	10001221 42024	BUILDING MAINTENANCE	1,042.77
	INVOICE: S122909914.001								
	VENDOR TOTALS		.00 YTD INVOICED				7,437.30 YTD PAID		1,042.77
121903	RELIANCE STANDARD LIFE INS. CO								
	120261	03/24/26		494556	T	04/14/26	990 20900	INSURANCE BENEFITS	2,873.78
	INVOICE: 4/1/2026_STD/LTD								

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	120262	03/24/26		494556	T	04/14/26	990 20900	INSURANCE BENEFITS	9,125.05
	INVOICE: 4/1/2026_LTD_MISC								
	VENDOR TOTALS	22,742.63 YTD INVOICED					117,450.13 YTD PAID		11,998.83
124485	RENNE PUBLIC LAW GROUP, LLP.								
	120349	02/28/26		494557	T	04/14/26	25019020 45064	SETTLEMENTS / JUDGEMENTS	1,814.40
	INVOICE: 16286								
	VENDOR TOTALS	.00 YTD INVOICED					7,492.81 YTD PAID		1,814.40
115776	REPUBLIC SERVICES								
	120123	03/01/26		494558	T	04/14/26	46847150 45444	UTILITIES	305.52
	INVOICE: 0902-01398645								
	VENDOR TOTALS	.00 YTD INVOICED					122,125.60 YTD PAID		305.52
124155	JESSICA REYES								
	120413	03/11/26		494559	T	04/14/26	10041010 45584	HEALTH AND WELLNESS	173.10
	INVOICE: 03112026								
	VENDOR TOTALS	.00 YTD INVOICED					401.50 YTD PAID		173.10
98822	RICHARDS, WATSON & GERSHON								
	120428	03/30/26	3044	494560	T	04/14/26	10015010 40514	CONTRACT SERVICES	10,776.79
	INVOICE: 257839								
	120429	03/30/26	3044	494560	T	04/14/26	10015010 40514	CONTRACT SERVICES	1,258.00
	INVOICE: 257840								
	120431	03/30/26	3044	494560	T	04/14/26	10015010 40514	CONTRACT SERVICES	837.90
	INVOICE: 257841								
	120432	03/30/26	3044	494560	T	04/14/26	10015010 40514	CONTRACT SERVICES	623.90
	INVOICE: 257842								
	120433	03/30/26	3044	494560	T	04/14/26	10015010 40514	CONTRACT SERVICES	4,799.10
	INVOICE: 257843								
	120434	03/30/26	3044	494560	T	04/14/26	10015010 40514	CONTRACT SERVICES	4,324.40
	INVOICE: 257844								
	120435	03/30/26	3044	494560	T	04/14/26	10015010 40514	CONTRACT SERVICES	4,525.40
	INVOICE: 257845								
	120436	03/30/26	3044	494560	T	04/14/26	10015010 40514	CONTRACT SERVICES	1,832.60
	INVOICE: 257850								
	VENDOR TOTALS	.00 YTD INVOICED					344,018.65 YTD PAID		28,978.09
124323	ROBERT HALF, INC.								
	120149	03/16/26		494561	T	04/14/26	10001222 40514	CONTRACT SERVICES	3,084.41
	INVOICE: 66007218								
	120296	03/23/26		494561	T	04/14/26	10001222 40514	CONTRACT SERVICES	1,993.01
	INVOICE: 66030621								
	VENDOR TOTALS	13,277.00 YTD INVOICED					117,427.08 YTD PAID		5,077.42

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121424	ROGERS,ANDERSON,MALODY & SCOTT, LLP								
	120424	12/31/25	3052	494562	T	04/14/26	81044010 40514	CONTRACT SERVICES	5,775.00
	INVOICE: 79580								
	120425	12/31/25	3052	494562	T	04/14/26	46101112 40524	AUDITING	5,310.00
	INVOICE: 79584								
	120426	12/31/25	3052	494562	T	04/14/26	10016010 40524	AUDITING	5,085.00
	INVOICE: 79583								
	120427	12/31/25	3052	494562	T	04/14/26	10016010 40524	AUDITING	4,830.00
	INVOICE: 79585								
	VENDOR TOTALS		.00 YTD INVOICED				88,070.00 YTD PAID		21,000.00
105807	S W A A A E								
	120417	04/01/26		494563	T	04/14/26	52035030 45104	DUES & SUBSCRIPTIONS	125.00
	INVOICE: 06155								
	VENDOR TOTALS		.00 YTD INVOICED				125.00 YTD PAID		125.00
117610	SAFARILAND, LLC.								
	120072	03/10/26		494564	T	04/14/26	10002215 41514	OPERATING SUPPLIES	378.50
	INVOICE: I010-671151								
	VENDOR TOTALS		.00 YTD INVOICED				785.26 YTD PAID		378.50
116672	SAM'S ALIGNMENT TIRE CENTER, INC.								
	119983	03/05/26	3001	494565	T	04/14/26	60031030 42554	TIRES	125.00
	INVOICE: 35386								
	119984	03/12/26	3001	494565	T	04/14/26	60031030 42554	TIRES	200.00
	INVOICE: 35441								
	VENDOR TOTALS		1,706.10 YTD INVOICED				10,415.02 YTD PAID		325.00
123856	SECTRAN SECURITY INC.								
	120181	03/10/26		494566	T	04/14/26	10016020 40514	CONTRACT SERVICES	352.17
	INVOICE: 26030622								
	VENDOR TOTALS		335.39 YTD INVOICED				3,408.24 YTD PAID		352.17
124733	SINGLETON, SEBASTIAN								
	120006	03/11/26		494567	T	04/14/26	10061050 40264	CONTRACT LABOR SALARIES	245.00
	INVOICE: 2								
	VENDOR TOTALS		.00 YTD INVOICED				385.00 YTD PAID		245.00
121161	SKOVOLD, JOHNATHON								
	120055	02/26/26		494568	T	04/14/26	10001224 45124	EDUCATIONAL REIMBURSEMENT	2,025.00
	INVOICE: EDUC. BAM 540								
	VENDOR TOTALS		.00 YTD INVOICED				6,115.00 YTD PAID		2,025.00
124760	SOROA, ROSA								

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	120189	03/03/26		494454	P	04/14/26	10000109 51935	RECREATION MISCELLEANOUS	14.00
	INVOICE: REFUND								
	VENDOR TOTALS	.00 YTD INVOICED					14.00 YTD PAID		14.00
118577	SOUTH BAY EXPLORER ADVISOR ASSOCIATION								
	120124	02/19/26		494455	P	04/14/26	10001207 45104	DUES & SUBSCRIPTIONS	500.00
	INVOICE: 202604								
	VENDOR TOTALS	.00 YTD INVOICED					500.00 YTD PAID		500.00
101153	SOUTH BAY FORD								
	119893	02/27/26	2973	494569	T	04/14/26	60031030 42064	PARTS	111.10
	INVOICE: 578316								
	119894	02/26/26	2973	494569	T	04/14/26	60031030 42064	PARTS	350.00
	INVOICE: 531491								
	119895	02/26/26	2973	494569	T	04/14/26	60031030 42064	PARTS	274.73
	INVOICE: 578601								
	119896	02/25/26	2973	494569	T	04/14/26	60031030 42064	PARTS	243.94
	INVOICE: 578383								
	119898	02/25/26	2973	494569	T	04/14/26	60031030 42064	PARTS	87.60
	INVOICE: 578363								
	119899	02/24/26	2973	494569	T	04/14/26	60031030 42064	PARTS	1,496.97
	INVOICE: 578259								
	119900	02/24/26	2973	494569	T	04/14/26	60031030 42064	PARTS	420.00
	INVOICE: 531292								
	119901	02/23/26	2973	494569	T	04/14/26	60031030 42064	PARTS	280.00
	INVOICE: 531401								
	119902	01/22/26	2973	494569	T	04/14/26	60031030 42064	PARTS	140.00
	INVOICE: 530833								
	119904	02/20/26	2973	494569	T	04/14/26	60031030 42064	PARTS	140.00
	INVOICE: 531052								
	119905	02/19/26	2973	494569	T	04/14/26	60031030 42064	PARTS	2,604.39
	INVOICE: 531357								
	119906	02/19/26	2973	494569	T	04/14/26	60031030 42064	PARTS	1,347.22
	INVOICE: 577623								
	119907	02/18/26	2973	494569	T	04/14/26	60031030 42064	PARTS	53.70
	INVOICE: 577279								
	119908	02/17/26	2973	494569	T	04/14/26	60031030 42064	PARTS	2,564.95
	INVOICE: 531280								
	119909	01/14/26	2973	494569	T	04/14/26	60031030 42064	PARTS	1,326.00
	INVOICE: 530825								
	119910	02/13/26	2973	494569	T	04/14/26	60031030 42064	PARTS	1,256.27
	INVOICE: 576886								
	119911	02/12/26	2973	494569	T	04/14/26	60031030 42064	PARTS	265.16
	INVOICE: 576905								
	119912	02/11/26	2973	494569	T	04/14/26	60031030 42064	PARTS	140.00
	INVOICE: 531245								
	119913	02/11/26	2973	494569	T	04/14/26	60031030 42064	PARTS	1,684.02
	INVOICE: 576614								
	119914	02/10/26	2973	494569	T	04/14/26	60031030 42064	PARTS	131.54

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VENDOR NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE: 576536								
119915	02/10/26	2973	494569	T	04/14/26	60031030 42064	PARTS	370.59
INVOICE: 576431								
119916	02/10/26	2973	494569	T	04/14/26	60031030 42064	PARTS	3,256.48
INVOICE: 531173								
119917	02/05/26	2973	494569	T	04/14/26	60031030 42064	PARTS	927.16
INVOICE: 575924								
119918	02/05/26	2973	494569	T	04/14/26	60031030 42064	PARTS	1,090.24
INVOICE: 575785								
119919	02/05/26	2973	494569	T	04/14/26	60031030 42064	PARTS	23.21
INVOICE: 575826								
119920	02/04/26	2973	494569	T	04/14/26	60031030 42064	PARTS	85.92
INVOICE: 575723								
119921	02/04/26	2973	494569	T	04/14/26	60031030 42064	PARTS	68.95
INVOICE: 753368								
119922	02/04/26	2973	494569	T	04/14/26	60031030 42064	PARTS	710.17
INVOICE: 575599								
119923	02/03/26	2973	494569	T	04/14/26	60031030 42064	PARTS	398.20
INVOICE: 575530								
119924	02/02/26	2973	494569	T	04/14/26	60031030 42064	PARTS	106.08
INVOICE: 575380								
119925	02/02/26	2973	494569	T	04/14/26	60031030 42064	PARTS	11.33
INVOICE: 575112								
119926	02/24/26	2973	494569	T	04/14/26	60031030 42064	PARTS	1,212.78
INVOICE: 578292								
119927	02/25/26	2973	494569	T	04/14/26	60031030 42064	PARTS	280.00
INVOICE: 531509								
119928	01/23/26	2973	494569	T	04/14/26	60031030 42064	PARTS	420.00
INVOICE: 531076								
119929	02/27/26	2973	494569	T	04/14/26	60031030 42064	PARTS	104.31
INVOICE: 578717								
119930	02/25/26	2973	494569	T	04/14/26	60031030 42064	PARTS	787.30
INVOICE: 578447								
120144	01/14/26		494569	T	04/14/26	60031030 42064	PARTS	-27.63
INVOICE: CM567212								
120145	01/05/26		494569	T	04/14/26	60031030 42064	PARTS	-69.62
INVOICE: CM569272								
120146	12/30/25		494569	T	04/14/26	60031030 42064	PARTS	-25.44
INVOICE: CM570048								
VENDOR TOTALS		.00 YTD INVOICED				228,008.95 YTD PAID		24,647.62
17857 SOUTH BAY REGIONAL PUBLIC								
120376	01/21/26	53	494570	T	04/14/26	60031030 47304	IMPROV OTHER THAN BUILDIN	72,118.98
INVOICE: 04732								
120376	01/21/26	53	494570	T	04/14/26	60031030 47404	MACHINERY & EQUIPMENT	2,538.92
INVOICE: 04732								
120376	01/21/26	1754	494570	T	04/14/26	60031030 40514	CONTRACT SERVICES	15,971.50
INVOICE: 04732								
120376	01/21/26	1754	494570	T	04/14/26	60031030 47424	SBRPCA - EQUIPMENT	100,986.49
INVOICE: 04732								

PAID INVOICES REPORT

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	120376	01/21/26	3178	494570	T	04/14/26	60031030 47404	MACHINERY & EQUIPMENT	177,713.59
	INVOICE: 04732								
	VENDOR TOTALS	1,060,762.15 YTD INVOICED				3,523,334.94 YTD PAID			369,329.48
123302	SOUTHERN TIRE MART, LLC								
	120333	03/24/26		494571	T	04/14/26	60031030 42554	TIRES	1,829.05
	INVOICE: 7100062236								
	VENDOR TOTALS	1,656.10 YTD INVOICED				7,067.09 YTD PAID			1,829.05
123166	CHARTER COMMUNICATIONS HOLDINGS, LLC								
	120036	03/07/26		494572	T	04/14/26	10610010 40514	CONTRACT SERVICES	314.94
	INVOICE: 187580201030726								
	VENDOR TOTALS	5,322.84 YTD INVOICED				58,330.46 YTD PAID			314.94
98746	STATE OF CALIFORNIA, DEPT OF JUSTICE								
	120252	03/04/26		494456	P	04/14/26	10017010 45054	TESTING EXPENSE	678.00
	INVOICE: 028296								
	VENDOR TOTALS	.00 YTD INVOICED				4,216.00 YTD PAID			678.00
124771	SUPACOLOR USA, INC.								
	120363	02/01/26		494457	P	04/14/26	10000101 51114	BUSINESS LICENSE TAXES	990.00
	INVOICE: REFUND 02/01/26								
	VENDOR TOTALS	.00 YTD INVOICED				990.00 YTD PAID			990.00
124007	THE FELDHAKE LAW FIRM, APC								
	120437	04/01/26	3042	494573	T	04/14/26	25019020 40514	CONTRACT SERVICES	3,305.00
	INVOICE: 57326								
	VENDOR TOTALS	4,952.50 YTD INVOICED				41,407.29 YTD PAID			3,305.00
122858	THE LOVEJOY FOUNDATION								
	120071	03/17/26	2927	494574	T	04/14/26	10001230 40514	CONTRACT SERVICES	16,000.00
	INVOICE: COH04012026								
	VENDOR TOTALS	32,000.00 YTD INVOICED				160,000.00 YTD PAID			16,000.00
115132	THE STANDARD INSURANCE CO.								
	120258	03/16/26		494576	T	04/14/26	990 20900	INSURANCE BENEFITS	2,531.25
	INVOICE: 4/1/2026_DIV2								
	VENDOR TOTALS	4,789.50 YTD INVOICED				21,613.25 YTD PAID			2,531.25
112363	THE STANDARD INSURANCE COMPANY, ATTN: EMPLOYEE BE								
	120260	03/16/26		494575	T	04/14/26	990 20900	INSURANCE BENEFITS	2,612.50
	INVOICE: 4/1/2026_DIV1								

PAID INVOICES REPORT

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	VENDOR TOTALS	5,190.63 YTD INVOICED					25,891.28 YTD PAID		2,612.50
123477	THE TEC NETWORK								
	120150	03/17/26	2978	494577	T	04/14/26	10001222 47404	MACHINERY & EQUIPMENT	3,243.61
	INVOICE: 2995								
	VENDOR TOTALS	.00 YTD INVOICED					33,016.91 YTD PAID		3,243.61
124754	TOMOYASU-ALHAMBRA, VALERIE								
	120030	03/17/26		494578	T	04/14/26	25019020 45064	SETTLEMENTS / JUDGEMENTS	680.21
	INVOICE: 03/17/2026								
	VENDOR TOTALS	.00 YTD INVOICED					680.21 YTD PAID		680.21
121873	TRANS UNION LLC.								
	120069	02/25/26		494458	P	04/14/26	10021010 40514	CONTRACT SERVICES	144.83
	INVOICE: 02608777								
	VENDOR TOTALS	.00 YTD INVOICED					1,455.37 YTD PAID		144.83
123415	TRIPEPI, SMITH AND ASSOCIATES, INC.								
	119971	03/15/26	2914	494579	T	04/14/26	10011500 40514	CONTRACT SERVICES	3,300.00
	INVOICE: 16791								
	VENDOR TOTALS	3,300.00 YTD INVOICED					43,901.25 YTD PAID		3,300.00
107614	U S BANK TRUST NATIONAL ASSOC.								
	120034	02/25/26		494580	T	04/14/26	47846010 40584	PAYING AGENT FEE	2,667.50
	INVOICE: 8087483								
	VENDOR TOTALS	.00 YTD INVOICED					8,182.50 YTD PAID		2,667.50
124228	LOS ANGELES TRUCK CENTERS, LLC.								
	119992	03/04/26		494581	T	04/14/26	60031030 42064	PARTS	9.16
	INVOICE: XA220706857:01								
	119997	03/11/26		494581	T	04/14/26	60031030 42064	PARTS	4,862.72
	INVOICE: XA220707993:01								
	120142	03/16/26		494581	T	04/14/26	60031030 42064	PARTS	97.23
	INVOICE: XA220708880:01								
	120143	03/04/26		494581	T	04/14/26	60031030 42064	PARTS	800.61
	INVOICE: XA211494090:01								
	120148	03/12/26		494581	T	04/14/26	60031030 42064	PARTS	638.50
	INVOICE: RA220043825:01								
	VENDOR TOTALS	.00 YTD INVOICED					8,579.41 YTD PAID		6,408.22
95851	VISION SERVICE PLAN - (CA)								
	120255	03/19/26		494582	T	04/14/26	990 20900	INSURANCE BENEFITS	1,924.48
	INVOICE: 824873388								
	120256	03/19/26		494582	T	04/14/26	990 20900	INSURANCE BENEFITS	2,316.03

PAID INVOICES REPORT

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT		GL ACCOUNT DESCRIPTION	
	INVOICE: 824873400									
	120257	03/19/26		494582	T	04/14/26	990	20900	INSURANCE BENEFITS	138.88
	INVOICE: 824877624									
	VENDOR TOTALS	8,850.47 YTD INVOICED						44,361.65 YTD PAID		4,379.39
121370	WARD, JACQUOBY									
	120008	03/11/26		494583	T	04/14/26	10061050	40264	CONTRACT LABOR SALARIES	140.00
	INVOICE: 2									
	VENDOR TOTALS	.00 YTD INVOICED						210.00 YTD PAID		140.00
124385	WESTERN DETENTION PRODUCTS INC.									
	120073	03/16/26		494584	T	04/14/26	10001221	41514	OPERATING SUPPLIES	749.45
	INVOICE: 20260079									
	VENDOR TOTALS	.00 YTD INVOICED						749.45 YTD PAID		749.45
111056	WESTERN GRAPHIX									
	120249	03/13/26		494585	T	04/14/26	10017010	41514	OPERATING SUPPLIES	245.00
	INVOICE: 61529									
	VENDOR TOTALS	.00 YTD INVOICED						615.00 YTD PAID		245.00
120853	WRAP BULLYS, INC.									
	120368	03/26/26		494586	T	04/14/26	60031030	42514	SMALL TOOLS & MINOR EQUIP	1,718.28
	INVOICE: 021226101287									
	120369	03/26/26	2956	494586	T	04/14/26	60031030	42014	REPAIR & MAINTENANCE SUPP	1,200.00
	INVOICE: 61501									
	120370	03/26/26	2956	494586	T	04/14/26	60031030	42014	REPAIR & MAINTENANCE SUPP	600.00
	INVOICE: 61502									
	120371	03/26/26	2956	494586	T	04/14/26	60031030	42014	REPAIR & MAINTENANCE SUPP	300.00
	INVOICE: 61503									
	120372	03/26/26	2956	494586	T	04/14/26	60031030	42014	REPAIR & MAINTENANCE SUPP	600.00
	INVOICE: 61504									
	120373	03/26/26	2956	494586	T	04/14/26	60031030	42014	REPAIR & MAINTENANCE SUPP	300.00
	INVOICE: 61505									
	120374	03/26/26	2956	494586	T	04/14/26	60031030	42014	REPAIR & MAINTENANCE SUPP	600.00
	INVOICE: 61506									
	120375	03/26/26	2956	494586	T	04/14/26	60031030	42014	REPAIR & MAINTENANCE SUPP	450.00
	INVOICE: 61507									
	VENDOR TOTALS	31,150.00 YTD INVOICED						48,618.28 YTD PAID		5,768.28
107828	WUNNO, GUADALUPE									
	120053	03/03/26		494587	T	04/14/26	10021010	45584	HEALTH AND WELLNESS	255.00
	INVOICE: REIMB. 11/29/2025									
	VENDOR TOTALS	.00 YTD INVOICED						480.00 YTD PAID		255.00
122789	YEE, CHERILYN									

PAID INVOICES REPORT

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VENDOR NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
120057	03/11/26		494588	T	04/14/26	10001224 45184	TRAINING	165.72
INVOICE: 021702192026								
VENDOR TOTALS		.00 YTD INVOICED				665.72 YTD PAID		165.72
							REPORT TOTALS	2,321,150.36

	COUNT	AMOUNT
TOTAL PRINTED CHECKS	19	1,321,504.86
TOTAL EFT TRANSFERS	130	999,645.50

** END OF REPORT - Generated by Shuntell Dixon **

City of Hawthorne, CA

PAID INVOICES REPORT

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT		GL ACCOUNT DESCRIPTION	
123301	CREATE THE LAB									
	120439	03/30/26		494589	T	04/08/26	990	23017	MOTHER'S DAY EVENT	750.00
	INVOICE: 3366									
	VENDOR TOTALS		16,685.00 YTD INVOICED					23,830.00 YTD PAID		750.00
123609	RODGERS, KIMBERLY									
	120440	03/31/26		494590	T	04/08/26	990	23017	MOTHER'S DAY EVENT	2,391.05
	INVOICE: QMOAVA5O-0002									
	VENDOR TOTALS		.00 YTD INVOICED					2,391.05 YTD PAID		2,391.05
123130	TELEHEALTH VAN LLC									
	119903	03/11/26	23	494591	T	04/08/26	18110010	40514	CONTRACT SERVICES	3,072.00
	INVOICE: 1112									
	120377	03/24/26	23	494591	T	04/08/26	18110010	40514	CONTRACT SERVICES	4,040.00
	INVOICE: 1113									
	VENDOR TOTALS		18,432.00 YTD INVOICED					116,936.00 YTD PAID		7,112.00
									REPORT TOTALS	10,253.05

	COUNT	AMOUNT
TOTAL EFT TRANSFERS	3	10,253.05

** END OF REPORT - Generated by Shuntell Dixon **

CITY OF HAWTHORNE

FOR THE MEETING OF April 14, 2026

ORIGINATING DEPARTMENT: FINANCE

The City Treasurer submits the following Housing Authority Warrants for your approval:

	Warrant #s			
Date	**Start**	**Ending**	**Warrant type**	**Total $**
4/1/26	81783	82100	HOUSING	943,264.44
4/1/26	82101	82114	HOUSING	28,343.44
4/14/26	82115	82115	HOUSING	76.46
*** Emergency Issue - for ratification only**				971,684.34

State of California, County of Los Angeles SS:

The foregoing claims/demands/warrants have been filed with me; each one bearing an endorsement of the officer or employee of the department, requiring same, that the price is correct.

_____ City Treasurer

_____ City Clerk

City of Hawthorne, CA

PAID INVOICES REPORT

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
123883	11430 CEDAR AVE APARTMENTS LLC								
	119515	04/01/26		81784	T	04/01/26	81544100 45904	HOUSING VOUCHER	754.00
	INVOICE: 10780								
	VENDOR TOTALS	942.00 YTD INVOICED					9,044.00 YTD PAID		754.00
123039	11725 YORK, LLC								
	118901	04/01/26		81785	T	04/01/26	82044100 45904	HOUSING VOUCHER	2,093.00
	INVOICE: 10882								
	118902	04/01/26		81785	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,116.00
	INVOICE: 8596								
	VENDOR TOTALS	1,932.00 YTD INVOICED					27,952.00 YTD PAID		4,209.00
123247	11841 GALE CROSS LLC								
	119373	04/01/26		81786	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,021.00
	INVOICE: 9136								
	VENDOR TOTALS	914.00 YTD INVOICED					9,782.00 YTD PAID		1,021.00
122747	12304 GREVILLEA LLC.								
	119493	04/01/26		81787	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,116.00
	INVOICE: 10622								
	VENDOR TOTALS	3,348.00 YTD INVOICED					26,156.00 YTD PAID		2,116.00
121806	12915 ROSELLE AVENUE, LLC.								
	119374	04/01/26		81788	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,654.00
	INVOICE: 10438								
	119375	04/01/26		81788	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,654.00
	INVOICE: 10561								
	119376	04/01/26		81788	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,719.00
	INVOICE: 10743								
	VENDOR TOTALS	5,004.00 YTD INVOICED					50,259.00 YTD PAID		5,027.00
123702	13526 KORNBLUM LLC								
	119472	04/01/26		81789	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,459.00
	INVOICE: 10016								
	119474	04/01/26		81789	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,293.00
	INVOICE: 10083								
	119481	04/01/26		81789	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,253.00
	INVOICE: 10266								
	119488	04/01/26		81789	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,103.00
	INVOICE: 10532								
	119543	04/01/26		81789	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,155.00
	INVOICE: 8319								
	119552	04/01/26		81789	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,302.00
	INVOICE: 9155								

PAID INVOICES REPORT

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	VENDOR TOTALS	7,368.00 YTD INVOICED				74,416.00 YTD PAID			7,565.00
123706	13533 LEMOLI LLC								
	119480	04/01/26		81790	T	04/01/26	81544100	45904 HOUSING VOUCHER	1,096.00
	INVOICE: 10227								
	119495	04/01/26		81790	T	04/01/26	83440010	45904 HOUSING VOUCHER	1,453.00
	INVOICE: 10679								
	VENDOR TOTALS	2,677.00 YTD INVOICED				26,505.00 YTD PAID			2,549.00
123705	13600 CHADRON LLC								
	119476	04/01/26		81791	T	04/01/26	81544100	45904 HOUSING VOUCHER	1,359.00
	INVOICE: 10125								
	119484	04/01/26		81791	T	04/01/26	81544100	45904 HOUSING VOUCHER	640.00
	INVOICE: 10319								
	119490	04/01/26		81791	T	04/01/26	81544100	45904 HOUSING VOUCHER	1,472.00
	INVOICE: 10582								
	119494	04/01/26		81791	T	04/01/26	81544100	45904 HOUSING VOUCHER	1,675.00
	INVOICE: 10644								
	119531	04/01/26		81791	T	04/01/26	82044100	45904 HOUSING VOUCHER	1,161.00
	INVOICE: 10874								
	119548	04/01/26		81791	T	04/01/26	81544100	45904 HOUSING VOUCHER	1,438.00
	INVOICE: 8794								
	119556	04/01/26		81791	T	04/01/26	81544100	45904 HOUSING VOUCHER	1,204.00
	INVOICE: 9561								
	VENDOR TOTALS	9,632.00 YTD INVOICED				90,532.00 YTD PAID			8,949.00
123462	13601 KORNBLUM AVENUE LLC								
	119377	04/01/26		81792	T	04/01/26	81544100	45904 HOUSING VOUCHER	502.00
	INVOICE: 10130								
	119378	04/01/26		81792	T	04/01/26	81544100	45904 HOUSING VOUCHER	1,341.00
	INVOICE: 10250								
	119379	04/01/26		81792	T	04/01/26	81544100	45904 HOUSING VOUCHER	1,466.00
	INVOICE: 10604								
	119380	04/01/26		81792	T	04/01/26	81544100	45904 HOUSING VOUCHER	1,308.00
	INVOICE: 8270								
	119381	04/01/26		81792	T	04/01/26	81544100	45904 HOUSING VOUCHER	1,410.00
	INVOICE: 9723								
	119382	04/01/26		81792	T	04/01/26	81544100	45904 HOUSING VOUCHER	1,600.00
	INVOICE: 9842								
	VENDOR TOTALS	7,634.00 YTD INVOICED				76,262.00 YTD PAID			7,627.00
105745	13615 CERISE AVENUE L.P.								
	118903	04/01/26		81793	T	04/01/26	81544100	45904 HOUSING VOUCHER	1,359.00
	INVOICE: 10405								
	118904	04/01/26		81793	T	04/01/26	81544100	45904 HOUSING VOUCHER	1,636.00
	INVOICE: 10588								
	118905	04/01/26		81793	T	04/01/26	82044100	45904 HOUSING VOUCHER	1,915.00

PAID INVOICES REPORT

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	INVOICE: 10595								
	118906	04/01/26		81793	T	04/01/26	84440010 45904	HOUSING VOUCHER	1,462.00
	INVOICE: 10678								
	118907	04/01/26		81793	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,063.00
	INVOICE: 8010								
	VENDOR TOTALS		9,234.00 YTD INVOICED				78,913.00 YTD PAID		7,435.00
120429	13802 CERISE AVE LLC.								
	118908	04/01/26		81794	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,581.00
	INVOICE: 10108								
	118909	04/01/26		81794	T	04/01/26	81544100 45904	HOUSING VOUCHER	760.00
	INVOICE: 10219								
	118910	04/01/26		81794	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,395.00
	INVOICE: 9855								
	VENDOR TOTALS		5,053.00 YTD INVOICED				39,013.00 YTD PAID		3,736.00
123716	13921 YUKON AVE								
	119502	04/01/26		81795	T	04/01/26	84440010 45904	HOUSING VOUCHER	1,398.00
	INVOICE: 10713								
	119509	04/01/26		81795	T	04/01/26	84440010 45904	HOUSING VOUCHER	1,729.00
	INVOICE: 10759								
	VENDOR TOTALS		5,754.00 YTD INVOICED				33,897.00 YTD PAID		3,127.00
101895	139TH STREET ASSOCIATES								
	118911	04/01/26		81796	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,851.00
	INVOICE: 7024								
	VENDOR TOTALS		1,675.00 YTD INVOICED				17,341.00 YTD PAID		1,851.00
117074	2300 W. EL SEGUNDO LP								
	119383	04/01/26		81797	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,076.00
	INVOICE: 10572								
	119384	04/01/26		81797	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,133.00
	INVOICE: 10585								
	119385	04/01/26		81797	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,485.00
	INVOICE: 10597								
	119386	04/01/26		81797	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,075.00
	INVOICE: 10783								
	VENDOR TOTALS		6,032.00 YTD INVOICED				57,839.00 YTD PAID		5,769.00
122702	3 PEACOCKS LP.								
	118912	04/01/26		81798	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,461.00
	INVOICE: 10617								
	118913	04/01/26		81798	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,801.00
	INVOICE: 9389								

PAID INVOICES REPORT

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	VENDOR TOTALS	2,996.00 YTD INVOICED				32,299.00 YTD PAID			3,262.00
121121	360PARTNERSHIP LP								
	118914	04/01/26		81799	T	04/01/26	81544100 45904	HOUSING VOUCHER	887.00
	INVOICE: 10343								
	VENDOR TOTALS	888.00 YTD INVOICED				8,875.00 YTD PAID			887.00
121007	4037 W 142ND STREET PROPERTY, INC.								
	119389	04/01/26		81800	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,891.00
	INVOICE: 10782								
	VENDOR TOTALS	1,889.00 YTD INVOICED				18,894.00 YTD PAID			1,891.00
105695	4431 W. 118TH ST. LLC								
	118915	04/01/26		81801	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,114.00
	INVOICE: 10220								
	118916	04/01/26		81801	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,164.00
	INVOICE: 10326								
	118917	04/01/26		81801	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,204.00
	INVOICE: 10393								
	118918	04/01/26		81801	T	04/01/26	81544100 45904	HOUSING VOUCHER	948.00
	INVOICE: 10440								
	118919	04/01/26		81801	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,402.00
	INVOICE: 10598								
	118920	04/01/26		81801	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,321.00
	INVOICE: 8324								
	118921	04/01/26		81801	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,584.00
	INVOICE: 8887								
	118922	04/01/26		81801	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,112.00
	INVOICE: 9425								
	VENDOR TOTALS	9,287.00 YTD INVOICED				97,562.00 YTD PAID			9,849.00
124512	4436 137TH ST. LLC.								
	118989	04/01/26		81802	T	04/01/26	83440010 45904	HOUSING VOUCHER	314.00
	INVOICE: 10693								
	VENDOR TOTALS	781.00 YTD INVOICED				7,343.00 YTD PAID			314.00
123978	ABOLGHASSEM, ALI								
	119546	04/01/26		81803	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,070.00
	INVOICE: 8522								
	VENDOR TOTALS	2,594.00 YTD INVOICED				23,041.00 YTD PAID			2,070.00
121510	AC. MAZZEO LLC.								
	118923	04/01/26		81804	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,472.00
	INVOICE: 9525								

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VENDOR TOTALS	1,394.00 YTD INVOICED				14,096.00 YTD PAID			1,472.00
110532 ACCESS COMMUNITY HOUSING								
118924	04/01/26		81805	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,380.00
INVOICE: 10003								
118925	04/01/26		81805	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,323.00
INVOICE: 10170								
118926	04/01/26		81805	T	04/01/26	81544100 45904	HOUSING VOUCHER	943.00
INVOICE: 10202								
118927	04/01/26		81805	T	04/01/26	81544100 45904	HOUSING VOUCHER	773.00
INVOICE: 10316								
118928	04/01/26		81805	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,720.00
INVOICE: 10333								
118929	04/01/26		81805	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,562.00
INVOICE: 10384								
118930	04/01/26		81805	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,470.00
INVOICE: 10409								
118931	04/01/26		81805	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,839.00
INVOICE: 10457								
118932	04/01/26		81805	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,359.00
INVOICE: 10472								
118933	04/01/26		81805	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,324.00
INVOICE: 10525								
118934	04/01/26		81805	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,135.00
INVOICE: 10662								
118935	04/01/26		81805	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,900.00
INVOICE: 10677								
118936	04/01/26		81805	T	04/01/26	81544100 45904	HOUSING VOUCHER	326.00
INVOICE: 4304								
118937	04/01/26		81805	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,599.00
INVOICE: 4387								
118938	04/01/26		81805	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,532.00
INVOICE: 6073								
118939	04/01/26		81805	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,329.00
INVOICE: 7057								
118940	04/01/26		81805	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,453.00
INVOICE: 8827								
118941	04/01/26		81805	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,798.00
INVOICE: 9438								
118942	04/01/26		81805	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,277.00
INVOICE: 9736								
VENDOR TOTALS	16,116.00 YTD INVOICED				272,333.00 YTD PAID			27,042.00
123224 ACHATZ, RICHARD								
119497	04/01/26		81806	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,408.00
INVOICE: 10688								
119498	04/01/26		81806	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,503.00
INVOICE: 10690								

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	VENDOR TOTALS	2,911.00 YTD INVOICED				29,110.00 YTD PAID			2,911.00
121196	AESM, L.P.								
	118943	04/01/26		81807	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,690.00
	INVOICE: 10573								
	118944	04/01/26		81807	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,012.00
	INVOICE: 7043								
	118945	04/01/26		81807	T	04/01/26	81544100 45904	HOUSING VOUCHER	842.00
	INVOICE: 9902								
	VENDOR TOTALS	3,209.00 YTD INVOICED				35,068.00 YTD PAID			3,544.00
121406	AGRA ASSET MGMT., L.P.								
	119391	04/01/26		81808	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,750.00
	INVOICE: 10827								
	119392	04/01/26		81808	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,195.00
	INVOICE: 10849								
	VENDOR TOTALS	2,953.00 YTD INVOICED				29,514.00 YTD PAID			2,945.00
124387	AJIE, IJEOMA								
	118946	04/01/26		81809	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,609.00
	INVOICE: 10240								
	VENDOR TOTALS	2,319.00 YTD INVOICED				24,140.00 YTD PAID			2,609.00
122546	AJITO, EMI								
	118947	04/01/26		81810	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,384.00
	INVOICE: 9760								
	VENDOR TOTALS	2,384.00 YTD INVOICED				23,840.00 YTD PAID			2,384.00
123266	AMERICAN NATIONAL REAL ESTATE								
	119393	04/01/26		81811	T	04/01/26	81544100 45904	HOUSING VOUCHER	833.00
	INVOICE: 10111								
	119394	04/01/26		81811	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,524.00
	INVOICE: 10524								
	119395	04/01/26		81811	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,345.00
	INVOICE: 10777								
	119396	04/01/26		81811	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,468.00
	INVOICE: 8674								
	119397	04/01/26		81811	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,250.00
	INVOICE: 9344								
	119398	04/01/26		81811	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,229.00
	INVOICE: 9593								
	VENDOR TOTALS	7,563.00 YTD INVOICED				84,462.00 YTD PAID			7,649.00
117676	AMINI, MORTEZA								
	118950	04/01/26		81812	T	04/01/26	81544100 45904	HOUSING VOUCHER	642.00

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	INVOICE: 10649								
	118951	04/01/26		81812	T	04/01/26	82044100 45904	HOUSING VOUCHER	2,420.00
	INVOICE: 10840								
	118952	04/01/26		81812	T	04/01/26	81544100 45904	HOUSING VOUCHER	672.00
	INVOICE: 7035								
	VENDOR TOTALS	3,581.00 YTD INVOICED					37,697.00 YTD PAID		3,734.00
124097	AMS PROPERTIES								
	119537	04/01/26		81813	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,044.00
	INVOICE: 4200								
	VENDOR TOTALS	947.00 YTD INVOICED					10,049.00 YTD PAID		1,044.00
97386	ANASTASI CONSTRUCTION COMPANY, INC.								
	118953	04/01/26		81814	T	04/01/26	81544100 45904	HOUSING VOUCHER	876.00
	INVOICE: 10026								
	118954	04/01/26		81814	T	04/01/26	81544100 45904	HOUSING VOUCHER	224.00
	INVOICE: 10161								
	118955	04/01/26		81814	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,268.00
	INVOICE: 10185								
	118956	04/01/26		81814	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,435.00
	INVOICE: 10653								
	118957	04/01/26		81814	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,694.00
	INVOICE: 10848								
	118958	04/01/26		81814	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,371.00
	INVOICE: 8615								
	118959	04/01/26		81814	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,264.00
	INVOICE: 8743								
	118960	04/01/26		81814	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,244.00
	INVOICE: 8914								
	118961	04/01/26		81814	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,169.00
	INVOICE: 9245								
	VENDOR TOTALS	10,599.00 YTD INVOICED					105,932.00 YTD PAID		10,545.00
105935	ANDELIN, EVELYN								
	118962	04/01/26		81815	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,654.00
	INVOICE: 10091								
	118963	04/01/26		81815	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,648.00
	INVOICE: 10142								
	118964	04/01/26		81815	T	04/01/26	83440010 45904	HOUSING VOUCHER	975.00
	INVOICE: 10699								
	118965	04/01/26		81815	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,607.00
	INVOICE: 4693								
	118966	04/01/26		81815	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,648.00
	INVOICE: 8954								
	118967	04/01/26		81815	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,654.00
	INVOICE: 9151								
	118968	04/01/26		81815	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,198.00
	INVOICE: 9508								

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	VENDOR TOTALS		12,199.00 YTD INVOICED				113,607.00 YTD PAID		11,384.00
105854	ANDELIN, RICHARD								
	119184	04/01/26		81816	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,519.00
	INVOICE: 9713								
	VENDOR TOTALS		1,535.00 YTD INVOICED				15,302.00 YTD PAID		1,519.00
114626	ARANA SR., EDUARDO								
	119098	04/01/26		81817	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,124.00
	INVOICE: 6061								
	VENDOR TOTALS		1,124.00 YTD INVOICED				9,177.00 YTD PAID		1,124.00
121043	BARNES, GINA R.								
	118972	04/01/26		81818	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,648.00
	INVOICE: 10328								
	VENDOR TOTALS		1,510.00 YTD INVOICED				16,197.00 YTD PAID		1,648.00
120507	BARSOUM, MAKARIOS								
	119198	04/01/26		81819	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,100.00
	INVOICE: 10485								
	119199	04/01/26		81819	T	04/01/26	81544100 45904	HOUSING VOUCHER	944.00
	INVOICE: 8504								
	VENDOR TOTALS		3,098.00 YTD INVOICED				21,295.00 YTD PAID		2,044.00
117697	BASKARON, EDWARD								
	119099	04/01/26		81820	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,095.00
	INVOICE: 8910								
	VENDOR TOTALS		1,833.00 YTD INVOICED				11,688.00 YTD PAID		1,095.00
123463	BEACH FRONT CLASSIC, LLC.								
	119390	04/01/26		81821	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,391.00
	INVOICE: 10733								
	VENDOR TOTALS		1,382.00 YTD INVOICED				13,874.00 YTD PAID		1,391.00
101241	BENNETT, MARY E.								
	118973	04/01/26		81822	T	04/01/26	82044100 45904	HOUSING VOUCHER	2,770.00
	INVOICE: 10490								
	118974	04/01/26		81822	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,808.00
	INVOICE: 10727								
	VENDOR TOTALS		6,973.00 YTD INVOICED				62,164.00 YTD PAID		4,578.00
124121	BENTON, BENNIE								
	119518	04/01/26		81823	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,574.00

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	INVOICE: 10798								
	VENDOR TOTALS	1,585.00 YTD INVOICED				15,751.00 YTD PAID			1,574.00
121941	BENTON, DARNICE R.								
	119401	04/01/26		81824	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,486.00
	INVOICE: 10474								
	VENDOR TOTALS	1,355.00 YTD INVOICED				13,681.00 YTD PAID			1,486.00
124115	BF PROPERTIES 1 LLC.								
	119519	04/01/26		81825	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,542.00
	INVOICE: 10802								
	VENDOR TOTALS	1,531.00 YTD INVOICED				15,398.00 YTD PAID			1,542.00
121741	BH INVESTMENT GROUP LLC.								
	119402	04/01/26		81826	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,317.00
	INVOICE: 9754								
	VENDOR TOTALS	1,317.00 YTD INVOICED				13,170.00 YTD PAID			1,317.00
123208	BJ PROPERTY MANAGEMENT INC.								
	118975	04/01/26		81827	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,573.00
	INVOICE: 10723								
	118976	04/01/26		81827	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,324.00
	INVOICE: 9534								
	VENDOR TOTALS	1,430.00 YTD INVOICED				20,228.00 YTD PAID			2,897.00
122728	BK HOLDINGS II LLLP								
	119403	04/01/26		81828	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,977.00
	INVOICE: 10776								
	119404	04/01/26		81828	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,467.00
	INVOICE: 9493								
	VENDOR TOTALS	3,667.00 YTD INVOICED				35,284.00 YTD PAID			3,444.00
121648	BLUE WATER ASSET MANAGEMENT, LP								
	118977	04/01/26		81829	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,162.00
	INVOICE: 10426								
	118978	04/01/26		81829	T	04/01/26	81544100 45904	HOUSING VOUCHER	893.00
	INVOICE: 10442								
	118979	04/01/26		81829	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,755.00
	INVOICE: 10454								
	118980	04/01/26		81829	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,105.00
	INVOICE: 10471								
	VENDOR TOTALS	4,884.00 YTD INVOICED				41,742.00 YTD PAID			4,915.00
123324	BOLL, ERIKA								

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	119449	04/01/26		81830	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,873.00
	INVOICE: 10685								
	VENDOR TOTALS		1,735.00 YTD INVOICED				18,316.00 YTD PAID		1,873.00
100388	BOLL, LARRY F.								
	119162	04/01/26		81831	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,278.00
	INVOICE: 2340								
	VENDOR TOTALS		1,143.00 YTD INVOICED				12,230.00 YTD PAID		1,278.00
123938	BOLL, MICHAEL								
	119516	04/01/26		81832	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,034.00
	INVOICE: 10796								
	VENDOR TOTALS		2,895.00 YTD INVOICED				12,201.00 YTD PAID		1,034.00
121069	BORGES, ARMANDO								
	118981	04/01/26		81833	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,492.00
	INVOICE: 9419								
	VENDOR TOTALS		1,492.00 YTD INVOICED				14,920.00 YTD PAID		1,492.00
108539	BOTACH MANAGEMENT LLC								
	118982	04/01/26		81834	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,023.00
	INVOICE: 10626								
	VENDOR TOTALS		1,883.00 YTD INVOICED				13,337.00 YTD PAID		1,023.00
121731	BRADLEY, ROBERT								
	118983	04/01/26		81835	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,990.00
	INVOICE: 10458								
	118984	04/01/26		81835	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,643.00
	INVOICE: 10790								
	VENDOR TOTALS		3,469.00 YTD INVOICED				35,230.00 YTD PAID		3,633.00
101545	BROWN JR, FLOYD								
	119108	04/01/26		81836	T	04/01/26	81544100 45904	HOUSING VOUCHER	265.00
	INVOICE: 3385								
	VENDOR TOTALS		302.00 YTD INVOICED				2,909.00 YTD PAID		265.00
120727	BTS, LLP								
	118985	04/01/26		81837	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,843.00
	INVOICE: 10674								
	118986	04/01/26		81837	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,791.00
	INVOICE: 10737								
	VENDOR TOTALS		668.00 YTD INVOICED				31,422.00 YTD PAID		3,634.00

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122011	BURKE, SUSAN								
	118987	04/01/26		81838	T	04/01/26	81544100 45904	HOUSING VOUCHER	727.00
	INVOICE: 9977								
	VENDOR TOTALS		721.00 YTD INVOICED				7,252.00 YTD PAID		727.00
103810	BURNETT, DONALD OR DEBORAH								
	118988	04/01/26		81839	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,314.00
	INVOICE: 6046								
	VENDOR TOTALS		1,181.00 YTD INVOICED				13,007.00 YTD PAID		1,314.00
124330	BURNETT, VINQUISHA TORRIEA								
	119358	04/01/26		81840	T	04/01/26	81544100 45904	HOUSING VOUCHER	153.00
	INVOICE: 10827-U								
	VENDOR TOTALS		548.00 YTD INVOICED				1,727.00 YTD PAID		153.00
122911	BYRNE, MICHAEL L.								
	119473	04/01/26		81841	T	04/01/26	81544100 45904	HOUSING VOUCHER	401.00
	INVOICE: 10063								
	VENDOR TOTALS		701.00 YTD INVOICED				4,610.00 YTD PAID		401.00
119295	CABEZAS, KELLY EUGENE								
	118990	04/01/26		81842	T	04/01/26	81544100 45904	HOUSING VOUCHER	939.00
	INVOICE: 10023								
	VENDOR TOTALS		1,800.00 YTD INVOICED				15,417.00 YTD PAID		939.00
123889	CADMAN GROUP								
	119499	04/01/26		81843	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,015.00
	INVOICE: 10694								
	VENDOR TOTALS		1,015.00 YTD INVOICED				10,150.00 YTD PAID		1,015.00
110721	CAMINO, CRISTINA								
	119406	04/01/26		81844	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,028.00
	INVOICE: 9099								
	VENDOR TOTALS		1,089.00 YTD INVOICED				10,951.00 YTD PAID		1,028.00
121902	CANOES, LLC.								
	118991	04/01/26		81845	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,503.00
	INVOICE: 8543								
	118992	04/01/26		81845	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,754.00
	INVOICE: 9280								
	VENDOR TOTALS		3,144.00 YTD INVOICED				32,029.00 YTD PAID		3,257.00
100458	CARRANZA, PATSY JEAN								

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	118993	04/01/26		81846	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,881.00
	INVOICE: 10675								
	VENDOR TOTALS	2,223.00 YTD INVOICED				23,769.00 YTD PAID			1,881.00
102354	CARTER, RONALD L.								
	119574	04/01/26		81847	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,628.00
	INVOICE: 10799								
	VENDOR TOTALS	1,862.00 YTD INVOICED				16,514.00 YTD PAID			1,628.00
121048	CERISE INVESTMENT CO., LLC.								
	118994	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,717.00
	INVOICE: 10131								
	118995	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,509.00
	INVOICE: 10149								
	118996	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,946.00
	INVOICE: 10234								
	118997	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,625.00
	INVOICE: 10262								
	118998	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,727.00
	INVOICE: 10287								
	118999	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,944.00
	INVOICE: 10290								
	119000	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,435.00
	INVOICE: 10322								
	119001	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,752.00
	INVOICE: 10329								
	119002	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	720.00
	INVOICE: 10330								
	119003	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,680.00
	INVOICE: 10564								
	119004	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	932.00
	INVOICE: 10591								
	119005	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,494.00
	INVOICE: 10618								
	119006	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,829.00
	INVOICE: 10647								
	119007	04/01/26		81848	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,255.00
	INVOICE: 10845								
	119008	04/01/26		81848	T	04/01/26	82044100 45904	HOUSING VOUCHER	162.00
	INVOICE: 10862								
	119009	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,453.00
	INVOICE: 4892								
	119010	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	932.00
	INVOICE: 5031								
	119011	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,586.00
	INVOICE: 5060								
	119012	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,716.00
	INVOICE: 5099								
	119013	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,542.00

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INVOICE: 7095								
119014	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,654.00
INVOICE: 8058								
119015	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,357.00
INVOICE: 8348								
119016	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,536.00
INVOICE: 8545								
119017	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,732.00
INVOICE: 8940								
119018	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	934.00
INVOICE: 9302								
119019	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	749.00
INVOICE: 9637								
119020	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,502.00
INVOICE: 9642								
119021	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,656.00
INVOICE: 9650								
119022	04/01/26		81848	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,079.00
INVOICE: 9985								
VENDOR TOTALS		37,878.00 YTD INVOICED				452,134.00 YTD PAID		44,155.00
121492 CHADRON TERRACE, LLC.								
119023	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,393.00
INVOICE: 10128								
119024	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,382.00
INVOICE: 10226								
119025	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,168.00
INVOICE: 10230								
119026	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	257.00
INVOICE: 10280								
119027	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,277.00
INVOICE: 10310								
119028	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,776.00
INVOICE: 10423								
119029	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,365.00
INVOICE: 10446								
119030	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,072.00
INVOICE: 10499								
119031	04/01/26		81849	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,695.00
INVOICE: 10513								
119032	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,342.00
INVOICE: 10518								
119033	04/01/26		81849	T	04/01/26	82044100 45904	HOUSING VOUCHER	2,526.00
INVOICE: 10520								
119034	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,283.00
INVOICE: 10521								
119035	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	287.00
INVOICE: 10554								
119036	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,200.00
INVOICE: 10558								

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	119037	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,253.00
	INVOICE: 10560								
	119038	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,256.00
	INVOICE: 10562								
	119039	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,327.00
	INVOICE: 10570								
	119040	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,797.00
	INVOICE: 10576								
	119041	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,578.00
	INVOICE: 10578								
	119042	04/01/26		81849	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,416.00
	INVOICE: 10583								
	119043	04/01/26		81849	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,638.00
	INVOICE: 10601								
	119044	04/01/26		81849	T	04/01/26	82044100 45904	HOUSING VOUCHER	972.00
	INVOICE: 10628								
	119045	04/01/26		81849	T	04/01/26	82044100 45904	HOUSING VOUCHER	2,200.00
	INVOICE: 10638								
	119046	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,754.00
	INVOICE: 10841								
	119047	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,840.00
	INVOICE: 5019								
	119048	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,836.00
	INVOICE: 8599								
	119049	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,149.00
	INVOICE: 9545								
	119050	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,584.00
	INVOICE: 9619								
	119051	04/01/26		81849	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,829.00
	INVOICE: 9773								
	VENDOR TOTALS		57,073.00 YTD INVOICED				485,258.00 YTD PAID		43,452.00
110283	CHATEAU SOMERA								
	119052	04/01/26		81850	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,194.00
	INVOICE: 10544								
	119053	04/01/26		81850	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,133.00
	INVOICE: 8715								
	119054	04/01/26		81850	T	04/01/26	81544100 45904	HOUSING VOUCHER	946.00
	INVOICE: 9447								
	VENDOR TOTALS		3,191.00 YTD INVOICED				32,556.00 YTD PAID		3,273.00
122413	CHEN, TERRENCE								
	119055	04/01/26		81851	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,294.00
	INVOICE: 8773								
	VENDOR TOTALS		2,181.00 YTD INVOICED				22,262.00 YTD PAID		2,294.00
107554	CHIKWENDU, KIERAN								
	119157	04/01/26		81852	T	04/01/26	82044100 45904	HOUSING VOUCHER	2,598.00

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INVOICE: 10611								
119158	04/01/26		81852	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,654.00
INVOICE: 4966								
VENDOR TOTALS	4,252.00 YTD INVOICED					42,520.00 YTD PAID		4,252.00
113024 CITY OF HAWTHORNE/REDEVELOP.								
119057	04/01/26		81853	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,166.00
INVOICE: 10145								
119058	04/01/26		81853	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,078.00
INVOICE: 10444								
119059	04/01/26		81853	T	04/01/26	81544100 45904	HOUSING VOUCHER	832.00
INVOICE: 10470								
119060	04/01/26		81853	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,645.00
INVOICE: 10479								
119061	04/01/26		81853	T	04/01/26	81544100 45904	HOUSING VOUCHER	838.00
INVOICE: 10489								
119062	04/01/26		81853	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,354.00
INVOICE: 10526								
119063	04/01/26		81853	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,419.00
INVOICE: 9412								
119064	04/01/26		81853	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,494.00
INVOICE: 9521								
119065	04/01/26		81853	T	04/01/26	81544100 45904	HOUSING VOUCHER	632.00
INVOICE: 9614								
VENDOR TOTALS	9,562.00 YTD INVOICED					100,201.00 YTD PAID		10,458.00
103417 CITY OF INGLEWOOD								
118888	04/01/26		81854	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	107.39
INVOICE: 10412								
118889	04/01/26		81854	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	109.21
INVOICE: 10448								
118890	04/01/26		81854	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	107.39
INVOICE: 4891								
118891	04/01/26		81854	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	109.21
INVOICE: 8095								
119066	04/01/26		81854	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,048.00
INVOICE: 10412								
119067	04/01/26		81854	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,216.00
INVOICE: 10448								
119068	04/01/26		81854	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,461.00
INVOICE: 4891								
119069	04/01/26		81854	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,479.00
INVOICE: 8095								
VENDOR TOTALS	28,125.98 YTD INVOICED					147,781.69 YTD PAID		6,637.20
124635 CLEAR PROPERTIES L.A. LLC.								
119070	04/01/26		81855	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,712.00
INVOICE: 10210								

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	VENDOR TOTALS		.00 YTD INVOICED				6,848.00 YTD PAID		1,712.00
120953	COCKE, LAWRENCE AND DONNA								
	119560	04/01/26		81856	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,865.00
	INVOICE: 10103								
	119561	04/01/26		81856	T	04/01/26	81544100 45904	HOUSING VOUCHER	563.00
	INVOICE: 10831								
	119562	04/01/26		81856	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,481.00
	INVOICE: 9299								
	VENDOR TOTALS		3,185.00 YTD INVOICED				41,491.00 YTD PAID		3,909.00
113465	COELLO, ENRIQUE								
	119103	04/01/26		81857	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,268.00
	INVOICE: 9021								
	VENDOR TOTALS		1,257.00 YTD INVOICED				12,658.00 YTD PAID		1,268.00
122466	COLE, ANTHONY								
	119071	04/01/26		81858	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,371.00
	INVOICE: 10581								
	VENDOR TOTALS		1,335.00 YTD INVOICED				13,494.00 YTD PAID		1,371.00
120237	CORRALES, ANNA CHRISTINA								
	119072	04/01/26		81859	T	04/01/26	81544100 45904	HOUSING VOUCHER	291.00
	INVOICE: 4772								
	VENDOR TOTALS		557.00 YTD INVOICED				3,176.00 YTD PAID		291.00
119168	COSTA, FRANCO								
	119073	04/01/26		81860	T	04/01/26	81544100 45904	HOUSING VOUCHER	718.00
	INVOICE: 9234								
	119074	04/01/26		81860	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,485.00
	INVOICE: 9286								
	VENDOR TOTALS		2,296.00 YTD INVOICED				22,343.00 YTD PAID		2,203.00
102245	CRC MANAGEMENT INC.								
	119115	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,072.00
	INVOICE: 4766								
	119408	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,690.00
	INVOICE: 74								
	119409	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,738.00
	INVOICE: 10160								
	119411	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,654.00
	INVOICE: 10180								
	119412	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,399.00
	INVOICE: 10201								
	119413	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,735.00

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INVOICE: 10370								
119414	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,725.00
INVOICE: 10377								
119415	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,613.00
INVOICE: 10441								
119416	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,648.00
INVOICE: 10623								
119417	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,690.00
INVOICE: 10652								
119418	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,539.00
INVOICE: 10661								
119419	04/01/26		81861	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,715.00
INVOICE: 10670								
119420	04/01/26		81861	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,318.00
INVOICE: 10673								
119421	04/01/26		81861	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,835.00
INVOICE: 10720								
119422	04/01/26		81861	T	04/01/26	82044100 45904	HOUSING VOUCHER	2,020.00
INVOICE: 10785								
119423	04/01/26		81861	T	04/01/26	84440010 45904	HOUSING VOUCHER	1,476.00
INVOICE: 10793								
119424	04/01/26		81861	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,956.00
INVOICE: 10801								
119425	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	996.00
INVOICE: 10823								
119426	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	554.00
INVOICE: 5052								
119427	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,507.00
INVOICE: 8325								
119428	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,743.00
INVOICE: 8328								
119429	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,654.00
INVOICE: 8470								
119430	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,692.00
INVOICE: 8508								
119431	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,449.00
INVOICE: 8587								
119432	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,590.00
INVOICE: 8727								
119433	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,466.00
INVOICE: 9143								
119434	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,568.00
INVOICE: 9388								
119435	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,622.00
INVOICE: 9450								
119436	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,209.00
INVOICE: 9465								
119437	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,679.00
INVOICE: 9675								
119438	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,648.00
INVOICE: 9686								

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	119439	04/01/26		81861	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,362.00
	INVOICE: 9789								
	119890	03/01/26		81861	T	04/01/26	82044100 45904	HOUSING VOUCHER	-1,162.00
	INVOICE: 10164-D								
	VENDOR TOTALS		53,318.00 YTD INVOICED				506,969.00 YTD PAID		48,400.00
113819	CRESCENT APTS, LLC.								
	119075	04/01/26		81862	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,052.00
	INVOICE: 9612								
	VENDOR TOTALS		1,052.00 YTD INVOICED				10,520.00 YTD PAID		1,052.00
113818	CRESTMOOR APTS, LLC.								
	119076	04/01/26		81863	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,465.00
	INVOICE: 10451								
	VENDOR TOTALS		1,391.00 YTD INVOICED				14,116.00 YTD PAID		1,465.00
99701	DALY, JOHN								
	119467	04/01/26		81864	T	04/01/26	81544100 45904	HOUSING VOUCHER	457.00
	INVOICE: 10286								
	119468	04/01/26		81864	T	04/01/26	81544100 45904	HOUSING VOUCHER	711.00
	INVOICE: 5011								
	119469	04/01/26		81864	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,456.00
	INVOICE: 6096								
	119470	04/01/26		81864	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,117.00
	INVOICE: 8559								
	VENDOR TOTALS		4,911.00 YTD INVOICED				47,759.00 YTD PAID		4,741.00
112946	DANTZLER, SAMUEL L								
	119440	04/01/26		81865	T	04/01/26	81544100 45904	HOUSING VOUCHER	952.00
	INVOICE: 10650								
	119441	04/01/26		81865	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,172.00
	INVOICE: 10784								
	VENDOR TOTALS		2,392.00 YTD INVOICED				21,579.00 YTD PAID		2,124.00
124504	DAUGHERTY, NICOLA								
	119359	04/01/26		81866	T	04/01/26	81544100 45904	HOUSING VOUCHER	32.00
	INVOICE: 10636								
	VENDOR TOTALS		684.00 YTD INVOICED				972.00 YTD PAID		32.00
110168	DAVES-HOLMES, LULA								
	119078	04/01/26		81867	T	04/01/26	81544100 45904	HOUSING VOUCHER	431.00
	INVOICE: 10224								
	119079	04/01/26		81867	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,900.00
	INVOICE: 10587								
	119080	04/01/26		81867	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,374.00

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INVOICE: 10658								
119081	04/01/26		81867	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,625.00
INVOICE: 10714								
119082	04/01/26		81867	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,754.00
INVOICE: 3966								
119083	04/01/26		81867	T	04/01/26	81544100 45904	HOUSING VOUCHER	998.00
INVOICE: 9262								
119084	04/01/26		81867	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,477.00
INVOICE: 9529								
VENDOR TOTALS		10,443.00 YTD INVOICED				96,564.00 YTD PAID		9,559.00
114033 DAVIS, CLARK AND KAREN								
119407	04/01/26		81868	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,844.00
INVOICE: 3555								
VENDOR TOTALS		2,024.00 YTD INVOICED				18,980.00 YTD PAID		1,844.00
124507 DAVIS, KIWANNA R.								
119360	04/01/26		81869	T	04/01/26	82044100 45904	HOUSING VOUCHER	50.00
INVOICE: 10840								
VENDOR TOTALS		168.00 YTD INVOICED				534.00 YTD PAID		50.00
124141 DAVIS, TAMEL								
119487	04/01/26		81870	T	04/01/26	81544100 45904	HOUSING VOUCHER	201.00
INVOICE: 10455								
VENDOR TOTALS		1,039.00 YTD INVOICED				13,952.00 YTD PAID		201.00
123375 DHIMAN, JAIPAL								
119466	04/01/26		81871	T	04/01/26	84440010 45904	HOUSING VOUCHER	1,303.00
INVOICE: 10718								
VENDOR TOTALS		1,316.00 YTD INVOICED				13,043.00 YTD PAID		1,303.00
123331 DI PASQUALE, FRANK								
119501	04/01/26		81872	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,557.00
INVOICE: 10711								
VENDOR TOTALS		1,691.00 YTD INVOICED				15,972.00 YTD PAID		1,557.00
123052 DIAMOND 1, LP.								
119085	04/01/26		81873	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,368.00
INVOICE: 10593								
119086	04/01/26		81873	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,231.00
INVOICE: 10736								
119087	04/01/26		81873	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,229.00
INVOICE: 9909								

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	VENDOR TOTALS		7,549.00 YTD INVOICED				59,956.00 YTD PAID		5,828.00
123496	DICKERSON, GAYLE YVONNE MORTON								
	119496	04/01/26		81874	T	04/01/26	84440010 45904	HOUSING VOUCHER	1,642.00
	INVOICE: 10681								
	VENDOR TOTALS		1,791.00 YTD INVOICED				17,612.00 YTD PAID		1,642.00
122907	DICRISCI APARTMENTS								
	119088	04/01/26		81875	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,368.00
	INVOICE: 4939								
	119089	04/01/26		81875	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,668.00
	INVOICE: 9712								
	VENDOR TOTALS		2,762.00 YTD INVOICED				28,664.00 YTD PAID		3,036.00
122786	DILRUBA MOHAMMED								
	119166	04/01/26		81876	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,310.00
	INVOICE: 10109								
	VENDOR TOTALS		2,388.00 YTD INVOICED				23,490.00 YTD PAID		2,310.00
118260	DOMINGUEZ, ELOY								
	119102	04/01/26		81877	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,591.00
	INVOICE: 8200								
	VENDOR TOTALS		1,455.00 YTD INVOICED				14,818.00 YTD PAID		1,591.00
123921	DONDI CHERRY REVOCABLE TRUST								
	119557	04/01/26		81878	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,386.00
	INVOICE: 9646								
	VENDOR TOTALS		-479.00 YTD INVOICED				16,949.00 YTD PAID		2,386.00
117343	DOTY RENTALS, LLC.								
	119092	04/01/26		81879	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,683.00
	INVOICE: 10619								
	119093	04/01/26		81879	T	04/01/26	83440010 45904	HOUSING VOUCHER	2,781.00
	INVOICE: 10833								
	VENDOR TOTALS		4,523.00 YTD INVOICED				44,687.00 YTD PAID		4,464.00
116373	DUHE, URSULA								
	119094	04/01/26		81880	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,504.00
	INVOICE: 4735								
	VENDOR TOTALS		1,504.00 YTD INVOICED				15,040.00 YTD PAID		1,504.00
108655	DUNLAP, PAUL LOUIS								
	119095	04/01/26		81881	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,796.00

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	INVOICE: 10203								
	VENDOR TOTALS	2,100.00 YTD INVOICED			17,808.00 YTD PAID				1,796.00
118661	E.J. PARTNERS								
	119096	04/01/26		81882	T	04/01/26	81544100	45904 HOUSING VOUCHER	2,168.00
	INVOICE: 10842								
	119097	04/01/26		81882	T	04/01/26	81544100	45904 HOUSING VOUCHER	1,053.00
	INVOICE: 9331								
	VENDOR TOTALS	3,182.00 YTD INVOICED			31,965.00 YTD PAID				3,221.00
123163	EAM PROPERTIES, LLC.								
	119443	04/01/26		81883	T	04/01/26	82044100	45904 HOUSING VOUCHER	150.00
	INVOICE: 10665								
	VENDOR TOTALS	200.00 YTD INVOICED			1,800.00 YTD PAID				150.00
108700	ECHEVERRY, JOSE E. & MARIA E.								
	119144	04/01/26		81884	T	04/01/26	81544100	45904 HOUSING VOUCHER	567.00
	INVOICE: 9765								
	119145	04/01/26		81884	T	04/01/26	81544100	45904 HOUSING VOUCHER	1,169.00
	INVOICE: 9922								
	VENDOR TOTALS	2,852.00 YTD INVOICED			19,297.00 YTD PAID				1,736.00
123755	EDGAR, LAWRENCE G.								
	119512	04/01/26		81885	T	04/01/26	81544100	45904 HOUSING VOUCHER	888.00
	INVOICE: 10769								
	VENDOR TOTALS	2,826.00 YTD INVOICED			26,298.00 YTD PAID				888.00
122125	EDWARD J. JENKINS TRUST								
	119100	04/01/26		81886	T	04/01/26	81544100	45904 HOUSING VOUCHER	774.00
	INVOICE: 8781								
	VENDOR TOTALS	770.00 YTD INVOICED			7,720.00 YTD PAID				774.00
121491	EL PORTO LLC.								
	119101	04/01/26		81887	T	04/01/26	81544100	45904 HOUSING VOUCHER	2,184.00
	INVOICE: 10750								
	VENDOR TOTALS	2,184.00 YTD INVOICED			21,840.00 YTD PAID				2,184.00
120416	ELAMIN, IBTISAM								
	119361	04/01/26		81888	T	04/01/26	81544100	45904 HOUSING VOUCHER	36.00
	INVOICE: 7050-U								
	VENDOR TOTALS	19.00 YTD INVOICED			207.00 YTD PAID				36.00
111173	ELLIS, STEPHANIE								

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	119522	04/01/26		81889	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,368.00
	INVOICE: 10813								
	VENDOR TOTALS		1,783.00 YTD INVOICED				21,925.00 YTD PAID		2,368.00
119601	EQUITY HOLDINGS, LLC.								
	119444	04/01/26		81890	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,681.00
	INVOICE: 10186								
	119445	04/01/26		81890	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,351.00
	INVOICE: 10663								
	119446	04/01/26		81890	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,418.00
	INVOICE: 10680								
	119447	04/01/26		81890	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,258.00
	INVOICE: 10710								
	119448	04/01/26		81890	T	04/01/26	81544100 45904	HOUSING VOUCHER	852.00
	INVOICE: 9225								
	VENDOR TOTALS		5,939.00 YTD INVOICED				63,604.00 YTD PAID		6,560.00
104455	ESHO, NOEL T.								
	119106	04/01/26		81891	T	04/01/26	81544100 45904	HOUSING VOUCHER	579.00
	INVOICE: 10351								
	VENDOR TOTALS		1,570.00 YTD INVOICED				7,489.00 YTD PAID		579.00
124278	EXILES LLC.								
	119174	04/01/26		81892	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,653.00
	INVOICE: 10820								
	VENDOR TOTALS		1,279.00 YTD INVOICED				15,269.00 YTD PAID		1,653.00
121827	FIGGE, ANDREW								
	118969	04/01/26		81893	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,229.00
	INVOICE: 9770								
	VENDOR TOTALS		2,229.00 YTD INVOICED				22,290.00 YTD PAID		2,229.00
123265	FITZGERALD, WESLEY								
	119171	04/01/26		81894	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,917.00
	INVOICE: 10692								
	VENDOR TOTALS		1,749.00 YTD INVOICED				17,994.00 YTD PAID		1,917.00
124193	FLORES, MARIA								
	119107	04/01/26		81895	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,850.00
	INVOICE: 10812								
	VENDOR TOTALS		2,064.00 YTD INVOICED				19,570.00 YTD PAID		1,850.00
122420	FLOYD JR., KING S.								
	119109	04/01/26		81896	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,888.00

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	INVOICE: 10555								
	VENDOR TOTALS		2,320.00 YTD INVOICED				18,720.00 YTD PAID		1,888.00
124741	FRANCHISE TAX BOARD								
	119664	04/01/26		81783	P	04/01/26	81544100 45904	HOUSING VOUCHER	219.50
	INVOICE: DEBT LEVY								
	VENDOR TOTALS		.00 YTD INVOICED				219.50 YTD PAID		219.50
120780	FRANCO, SILVANO								
	119538	04/01/26		81897	T	04/01/26	81544100 45904	HOUSING VOUCHER	887.00
	INVOICE: 4617								
	VENDOR TOTALS		886.00 YTD INVOICED				8,869.00 YTD PAID		887.00
105403	FRANCO, WALTER & SANDRA								
	119450	04/01/26		81898	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,653.00
	INVOICE: 8033								
	VENDOR TOTALS		1,511.00 YTD INVOICED				15,252.00 YTD PAID		1,653.00
122987	FRANKLIN DENNIS CASE, TRUSTEE OF DENNIS CASE TRUST								
	119451	04/01/26		81899	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,219.00
	INVOICE: 10612								
	VENDOR TOTALS		1,181.00 YTD INVOICED				11,848.00 YTD PAID		1,219.00
93783	FREDERIKSEN, PETER								
	119110	04/01/26		81900	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,448.00
	INVOICE: 10062								
	119111	04/01/26		81900	T	04/01/26	81544100 45904	HOUSING VOUCHER	685.00
	INVOICE: 8985								
	VENDOR TOTALS		4,190.00 YTD INVOICED				30,047.00 YTD PAID		2,133.00
108406	FURBERT, REGINALD								
	119112	04/01/26		81901	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,058.00
	INVOICE: 10244								
	119113	04/01/26		81901	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,314.00
	INVOICE: 8573								
	119114	04/01/26		81901	T	04/01/26	81544100 45904	HOUSING VOUCHER	292.00
	INVOICE: 9792								
	VENDOR TOTALS		-1,218.00 YTD INVOICED				31,227.00 YTD PAID		3,664.00
103655	GAMBOA, LUIS								
	119196	04/01/26		81902	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,501.00
	INVOICE: 10531								

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	VENDOR TOTALS		2,844.00 YTD INVOICED				16,353.00 YTD PAID		1,501.00
118612	GARG, ANU								
	119453	04/01/26		81903	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,242.00
	INVOICE: 10756								
	VENDOR TOTALS		2,242.00 YTD INVOICED				22,420.00 YTD PAID		2,242.00
124539	GARG, URMILLA K.								
	119116	04/01/26		81904	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,634.00
	INVOICE: 10088								
	119117	04/01/26		81904	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,462.00
	INVOICE: 10402								
	119118	04/01/26		81904	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,577.00
	INVOICE: 10416								
	119119	04/01/26		81904	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,511.00
	INVOICE: 10806								
	119120	04/01/26		81904	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,066.00
	INVOICE: 10811								
	119121	04/01/26		81904	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,605.00
	INVOICE: 8286								
	119122	04/01/26		81904	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,254.00
	INVOICE: 8551								
	119123	04/01/26		81904	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,716.00
	INVOICE: 9693								
	119124	04/01/26		81904	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,479.00
	INVOICE: 9700								
	VENDOR TOTALS		-2,514.00 YTD INVOICED				103,545.00 YTD PAID		13,304.00
124339	GIACONI, MIRKO								
	119125	04/01/26		81905	T	04/01/26	81544100 45904	HOUSING VOUCHER	923.00
	INVOICE: 2229								
	VENDOR TOTALS		1,938.00 YTD INVOICED				13,290.00 YTD PAID		923.00
119132	GLADNEY, BEVERLY								
	119126	04/01/26		81906	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,433.00
	INVOICE: 9879								
	VENDOR TOTALS		1,433.00 YTD INVOICED				14,330.00 YTD PAID		1,433.00
111586	GOFF, MARK								
	119127	04/01/26		81907	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,303.00
	INVOICE: 10641								
	VENDOR TOTALS		1,303.00 YTD INVOICED				13,030.00 YTD PAID		1,303.00
105399	GOLBAZ-HAGH, MASOUD								
	119206	04/01/26		81908	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,623.00

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	INVOICE: 4601									
	VENDOR TOTALS		1,704.00 YTD INVOICED				16,318.00 YTD PAID			1,623.00
124503	GOLDSMITH, CHRISTIAN									
	119362	04/01/26		81909	T	04/01/26	83440010	45904	HOUSING VOUCHER	60.00
	INVOICE: 10685									
	VENDOR TOTALS		1,104.00 YTD INVOICED				1,644.00 YTD PAID			60.00
124564	GULL VIEW LLC.									
	119344	04/01/26		81910	T	04/01/26	82044100	45904	HOUSING VOUCHER	720.00
	INVOICE: 10870									
	VENDOR TOTALS		.00 YTD INVOICED				5,664.00 YTD PAID			720.00
120993	H&JR DEVELOPMENT LLC.									
	119128	04/01/26		81911	T	04/01/26	82044100	45904	HOUSING VOUCHER	2,667.00
	INVOICE: 10556									
	119129	04/01/26		81911	T	04/01/26	81544100	45904	HOUSING VOUCHER	2,415.00
	INVOICE: 10805									
	119130	04/01/26		81911	T	04/01/26	81544100	45904	HOUSING VOUCHER	1,780.00
	INVOICE: 9817									
	VENDOR TOTALS		7,119.00 YTD INVOICED				68,233.00 YTD PAID			6,862.00
100966	HANAFI, MOHAMMAD									
	119405	04/01/26		81912	T	04/01/26	81544100	45904	HOUSING VOUCHER	1,659.00
	INVOICE: 4738									
	VENDOR TOTALS		1,660.00 YTD INVOICED				16,594.00 YTD PAID			1,659.00
101692	HANNA, ATEF									
	118970	04/01/26		81913	T	04/01/26	81544100	45904	HOUSING VOUCHER	244.00
	INVOICE: 4887									
	VENDOR TOTALS		492.00 YTD INVOICED				980.00 YTD PAID			244.00
119116	HANNA, JOSEPH									
	119148	04/01/26		81914	T	04/01/26	81544100	45904	HOUSING VOUCHER	974.00
	INVOICE: 5082									
	VENDOR TOTALS		967.00 YTD INVOICED				9,705.00 YTD PAID			974.00
124332	HARRIS, LILLIAN									
	119363	04/01/26		81915	T	04/01/26	82044100	45904	HOUSING VOUCHER	33.00
	INVOICE: 10133									
	VENDOR TOTALS		19.00 YTD INVOICED				260.00 YTD PAID			33.00
122151	HAWK MGMT, INC.									

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	119131	04/01/26		81916	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,082.00
	INVOICE: 8641								
	119132	04/01/26		81916	T	04/01/26	81544100 45904	HOUSING VOUCHER	975.00
	INVOICE: 9028								
	VENDOR TOTALS	1,969.00 YTD INVOICED					20,108.00 YTD PAID		2,057.00
122211	HAWTHORNE CHATEAU APTS., LTD								
	119133	04/01/26		81917	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,517.00
	INVOICE: 9620								
	VENDOR TOTALS	1,517.00 YTD INVOICED					15,170.00 YTD PAID		1,517.00
121644	HAWTHORNE PACIFIC ASSOCIATES, LP								
	119454	04/01/26		81918	T	04/01/26	81544100 45904	HOUSING VOUCHER	884.00
	INVOICE: 10779								
	119455	04/01/26		81918	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,404.00
	INVOICE: 10832								
	VENDOR TOTALS	2,398.00 YTD INVOICED					24,041.00 YTD PAID		2,288.00
115163	HAYWOOD, LARON								
	119161	04/01/26		81919	T	04/01/26	82044100 45904	HOUSING VOUCHER	2,387.00
	INVOICE: 10795								
	VENDOR TOTALS	3,378.00 YTD INVOICED					29,816.00 YTD PAID		2,387.00
101156	HEMPHILL, RUBY								
	119576	04/01/26		81920	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,039.00
	INVOICE: 10774								
	VENDOR TOTALS	1,037.00 YTD INVOICED					10,676.00 YTD PAID		1,039.00
110755	HENRY, JAMES R.								
	119140	04/01/26		81921	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,203.00
	INVOICE: 7021								
	119141	04/01/26		81921	T	04/01/26	81544100 45904	HOUSING VOUCHER	953.00
	INVOICE: 9153								
	VENDOR TOTALS	2,781.00 YTD INVOICED					24,322.00 YTD PAID		2,156.00
123723	HICKS, KELVIN								
	119485	04/01/26		81922	T	04/01/26	81544100 45904	HOUSING VOUCHER	910.00
	INVOICE: 10340								
	VENDOR TOTALS	816.00 YTD INVOICED					8,724.00 YTD PAID		910.00
113153	HINKLE, M. SIMONNE								
	119134	04/01/26		81923	T	04/01/26	81544100 45904	HOUSING VOUCHER	469.00
	INVOICE: 10534								
	119135	04/01/26		81923	T	04/01/26	81544100 45904	HOUSING VOUCHER	619.00

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INVOICE: 9656								
VENDOR TOTALS	931.00 YTD INVOICED		10,664.00 YTD PAID					1,088.00
123622 HIRATA PROPERTIES, LLC.								
119456	04/01/26		81924	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,800.00
INVOICE: 10133								
119457	04/01/26		81924	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,712.00
INVOICE: 10390								
119458	04/01/26		81924	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,441.00
INVOICE: 10659								
119459	04/01/26		81924	T	04/01/26	81544100 45904	HOUSING VOUCHER	624.00
INVOICE: 8096								
119460	04/01/26		81924	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,140.00
INVOICE: 8997								
119461	04/01/26		81924	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,383.00
INVOICE: 9456								
119462	04/01/26		81924	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,530.00
INVOICE: 9520								
VENDOR TOTALS	12,769.00 YTD INVOICED		104,786.00 YTD PAID					10,630.00
112248 HOANG, NGUYET								
119237	04/01/26		81925	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,188.00
INVOICE: 8788								
VENDOR TOTALS	1,140.00 YTD INVOICED		11,544.00 YTD PAID					1,188.00
101176 HOLLADAY, MARSHALL								
119204	04/01/26		81926	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,110.00
INVOICE: 2600								
VENDOR TOTALS	1,131.00 YTD INVOICED		11,226.00 YTD PAID					1,110.00
110936 HOUSING AUTHORITY OF THE, COUNTY OF SAN BERNARDIN								
118896	04/01/26		81927	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	104.54
INVOICE: 10074								
118897	04/01/26		81927	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	110.11
INVOICE: 10719								
118898	04/01/26		81927	T	04/01/26	83440020 45944	ADMIN FEES PAID - VOUCHER	100.28
INVOICE: 10740								
119291	04/01/26		81927	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,022.00
INVOICE: 10074								
119292	04/01/26		81927	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,902.00
INVOICE: 10719								
119293	04/01/26		81927	T	04/01/26	83440010 45904	HOUSING VOUCHER	2,324.00
INVOICE: 10740								
VENDOR TOTALS	27,099.14 YTD INVOICED		105,804.71 YTD PAID					7,562.93
124727 HOUSING AUTHORITY OF THE CITY OF LOS ANGELES								

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	119865	04/01/26		81928	T	04/01/26	83440010 45904	HOUSING VOUCHER	2,043.00
	INVOICE: 10707								
	119865	04/01/26		81928	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	110.42
	INVOICE: 10707								
	VENDOR TOTALS		.00 YTD INVOICED				2,153.42 YTD PAID		2,153.42
110936	HOUSING AUTHORITY OF THE, COUNTY OF SAN BERNARDIN								
	119888	04/01/26		81927	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,049.00
	INVOICE: 4961								
	119888	04/01/26		81927	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	108.90
	INVOICE: 4961								
	VENDOR TOTALS		27,099.14 YTD INVOICED				105,804.71 YTD PAID		1,157.90
124614	HOUSTON HOUSING AUTHORITY								
	118892	04/01/26		81929	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	80.54
	INVOICE: 9004								
	119136	04/01/26		81929	T	04/01/26	81544100 45904	HOUSING VOUCHER	252.00
	INVOICE: 9004								
	VENDOR TOTALS		.00 YTD INVOICED				2,571.78 YTD PAID		332.54
96638	HOUSTON, ROBERT AND/OR ROBBIE								
	119281	04/01/26		81930	T	04/01/26	81544100 45904	HOUSING VOUCHER	895.00
	INVOICE: 9039								
	VENDOR TOTALS		896.00 YTD INVOICED				8,956.00 YTD PAID		895.00
116670	HOWARD, CHRISTINE								
	119137	04/01/26		81931	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,017.00
	INVOICE: 10509								
	119138	04/01/26		81931	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,239.00
	INVOICE: 10566								
	VENDOR TOTALS		2,783.00 YTD INVOICED				29,634.00 YTD PAID		3,256.00
123879	HRW 13700 KORNBLUM LLC								
	119514	04/01/26		81932	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,459.00
	INVOICE: 10778								
	VENDOR TOTALS		1,386.00 YTD INVOICED				14,121.00 YTD PAID		1,459.00
122522	HUNT ENTERPRISES, INC.								
	119139	04/01/26		81933	T	04/01/26	81544100 45904	HOUSING VOUCHER	319.00
	INVOICE: 10600								
	VENDOR TOTALS		359.00 YTD INVOICED				3,470.00 YTD PAID		319.00
123479	INFINITY PROPERTY MANAGEMENT INC.								
	119463	04/01/26		81934	T	04/01/26	83440010 45904	HOUSING VOUCHER	681.00

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	INVOICE: 10716								
	119464	04/01/26		81934	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,466.00
	INVOICE: 10722								
	VENDOR TOTALS		2,286.00 YTD INVOICED				21,748.00 YTD PAID		2,147.00
123217	IRD, LP								
	119465	04/01/26		81935	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,182.00
	INVOICE: 10755								
	VENDOR TOTALS		1,137.00 YTD INVOICED				11,640.00 YTD PAID		1,182.00
114933	JEFFERIES, JOYCE E.								
	119151	04/01/26		81936	T	04/01/26	81544100 45904	HOUSING VOUCHER	351.00
	INVOICE: 9319								
	VENDOR TOTALS		304.00 YTD INVOICED				3,416.00 YTD PAID		351.00
123367	JODELE, TOMAS								
	119578	04/01/26		81937	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,583.00
	INVOICE: 1708								
	VENDOR TOTALS		1,440.00 YTD INVOICED				14,543.00 YTD PAID		1,583.00
119730	JOHNSON, NORIKO								
	119143	04/01/26		81938	T	04/01/26	81544100 45904	HOUSING VOUCHER	843.00
	INVOICE: 10106								
	VENDOR TOTALS		835.00 YTD INVOICED				8,390.00 YTD PAID		843.00
108271	JOHNSON, STEVE A.								
	119314	04/01/26		81939	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,310.00
	INVOICE: 4728								
	119315	04/01/26		81939	T	04/01/26	81544100 45904	HOUSING VOUCHER	872.00
	INVOICE: 8398								
	VENDOR TOTALS		1,878.00 YTD INVOICED				16,343.00 YTD PAID		2,182.00
101465	JOHNSON, TERRY								
	119320	04/01/26		81940	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,654.00
	INVOICE: 10568								
	119321	04/01/26		81940	T	04/01/26	81544100 45904	HOUSING VOUCHER	924.00
	INVOICE: 9752								
	VENDOR TOTALS		4,070.00 YTD INVOICED				28,520.00 YTD PAID		2,578.00
123425	JR AJ, LLC.								
	119524	04/01/26		81941	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,423.00
	INVOICE: 10826								
	119526	04/01/26		81941	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,224.00
	INVOICE: 10857								

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	119544	04/01/26		81941	T	04/01/26	81544100 45904	HOUSING VOUCHER	588.00
	INVOICE: 8412								
	VENDOR TOTALS		5,504.00 YTD INVOICED				44,871.00 YTD PAID		3,235.00
118833	KANNIKE-MARTINS, JOSEPHINE								
	119149	04/01/26		81942	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,648.00
	INVOICE: 10559								
	VENDOR TOTALS		4,749.00 YTD INVOICED				25,549.00 YTD PAID		1,648.00
124222	KELLY DAVID FRENCH TRUST								
	119181	04/01/26		81943	T	04/01/26	81544100 45904	HOUSING VOUCHER	726.00
	INVOICE: 8649								
	VENDOR TOTALS		594.00 YTD INVOICED				6,864.00 YTD PAID		726.00
121877	KGM LLC.								
	119156	04/01/26		81944	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,067.00
	INVOICE: 10467								
	VENDOR TOTALS		627.00 YTD INVOICED				8,908.00 YTD PAID		1,067.00
117978	KOBAYASHI, DAVID								
	119442	04/01/26		81945	T	04/01/26	81544100 45904	HOUSING VOUCHER	130.00
	INVOICE: 10060								
	VENDOR TOTALS		580.00 YTD INVOICED				3,100.00 YTD PAID		130.00
123939	KOUTEK, NORMAN								
	119567	04/01/26		81946	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,677.00
	INVOICE: 9774								
	VENDOR TOTALS		2,208.00 YTD INVOICED				21,018.00 YTD PAID		1,677.00
123700	KSR HAWTHORNE 1 LLC								
	119528	04/01/26		81947	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,581.00
	INVOICE: 10861								
	119529	04/01/26		81947	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,195.00
	INVOICE: 10869								
	119536	04/01/26		81947	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,563.00
	INVOICE: 4101								
	VENDOR TOTALS		1,540.00 YTD INVOICED				37,693.00 YTD PAID		4,339.00
123701	KSR HAWTHORNE 2 LLC								
	119477	04/01/26		81948	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,389.00
	INVOICE: 10126								
	119483	04/01/26		81948	T	04/01/26	81544100 45904	HOUSING VOUCHER	800.00
	INVOICE: 10277								
	119554	04/01/26		81948	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,393.00

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	INVOICE: 9540								
	VENDOR TOTALS		4,400.00 YTD INVOICED				39,926.00 YTD PAID		3,582.00
123855	KSR SAN BERNARDINO LLC								
	119185	04/01/26		81949	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,258.00
	INVOICE: 9764								
	VENDOR TOTALS		1,127.00 YTD INVOICED				12,318.00 YTD PAID		1,258.00
108846	KUHR ENTERPRISES								
	119159	04/01/26		81950	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,181.00
	INVOICE: 9648								
	VENDOR TOTALS		1,086.00 YTD INVOICED				11,715.00 YTD PAID		1,181.00
121862	KUMAMOTO, BRIAN A.								
	119168	04/01/26		81951	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,387.00
	INVOICE: 10459								
	VENDOR TOTALS		1,423.00 YTD INVOICED				14,658.00 YTD PAID		1,387.00
120290	LAM, DIEP								
	119090	04/01/26		81952	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,900.00
	INVOICE: 7050								
	VENDOR TOTALS		1,900.00 YTD INVOICED				19,000.00 YTD PAID		1,900.00
113862	LANEY, GARY								
	119160	04/01/26		81953	T	04/01/26	81544100 45904	HOUSING VOUCHER	617.00
	INVOICE: 9654								
	VENDOR TOTALS		1,181.00 YTD INVOICED				7,198.00 YTD PAID		617.00
121310	LARSON, KIRBY								
	119163	04/01/26		81954	T	04/01/26	81544100 45904	HOUSING VOUCHER	944.00
	INVOICE: 4128								
	119164	04/01/26		81954	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,390.00
	INVOICE: 9167								
	VENDOR TOTALS		3,723.00 YTD INVOICED				30,305.00 YTD PAID		2,334.00
124021	LAWRENCE AND DONNA COCKE FAMILY TRUST								
	119475	04/01/26		81955	T	04/01/26	82044100 45904	HOUSING VOUCHER	877.00
	INVOICE: 10121								
	119517	04/01/26		81955	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,420.00
	INVOICE: 10797								
	119520	04/01/26		81955	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,786.00
	INVOICE: 10807								
	119530	04/01/26		81955	T	04/01/26	82044100 45904	HOUSING VOUCHER	898.00
	INVOICE: 10873								

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	VENDOR TOTALS	2,659.00 YTD INVOICED					42,640.00 YTD PAID		4,981.00
108097	LE, TIEN								
	119167	04/01/26		81956	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,247.00
	INVOICE: 10225								
	119169	04/01/26		81956	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,797.00
	INVOICE: 10610								
	VENDOR TOTALS	3,044.00 YTD INVOICED					30,440.00 YTD PAID		3,044.00
101260	LEE, JUXIN (BOB)								
	119155	04/01/26		81957	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,805.00
	INVOICE: 2638								
	VENDOR TOTALS	1,736.00 YTD INVOICED					17,498.00 YTD PAID		1,805.00
123397	LEMOLI PARTNERS-93, A CALIFORNIA PARTNERSHIP								
	119563	04/01/26		81958	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,420.00
	INVOICE: 10834								
	VENDOR TOTALS	-1,297.00 YTD INVOICED					10,083.00 YTD PAID		1,420.00
122038	LEONARD, JOHN								
	119187	04/01/26		81959	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,735.00
	INVOICE: 10408								
	VENDOR TOTALS	1,635.00 YTD INVOICED					16,650.00 YTD PAID		1,735.00
123113	LESTER & JENNIFER CANO								
	119186	04/01/26		81960	T	04/01/26	81544100 45904	HOUSING VOUCHER	139.00
	INVOICE: 9971								
	VENDOR TOTALS	139.00 YTD INVOICED					1,390.00 YTD PAID		139.00
124277	LFD LEMOLI LLC.								
	119286	04/01/26		81961	T	04/01/26	81544100 45904	HOUSING VOUCHER	937.00
	INVOICE: 10803								
	119287	04/01/26		81961	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,646.00
	INVOICE: 10818								
	119288	04/01/26		81961	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,800.00
	INVOICE: 10838								
	VENDOR TOTALS	4,181.00 YTD INVOICED					43,418.00 YTD PAID		4,383.00
117147	LIMRA, LLC.								
	119188	04/01/26		81962	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,596.00
	INVOICE: 8900								
	VENDOR TOTALS	1,596.00 YTD INVOICED					15,960.00 YTD PAID		1,596.00

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94084	LINCIR, TOM								
	119330	04/01/26		81963	T	04/01/26	81544100 45904	HOUSING VOUCHER	772.00
	INVOICE: 8500								
	VENDOR TOTALS		760.00 YTD INVOICED				7,672.00 YTD PAID		772.00
123316	LING, PAUL SIONG KUONG								
	119387	04/01/26		81964	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,114.00
	INVOICE: 10231								
	119388	04/01/26		81964	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,275.00
	INVOICE: 4974								
	VENDOR TOTALS		3,264.00 YTD INVOICED				33,144.00 YTD PAID		3,389.00
123419	LING, PAUL SIONG KUONG								
	119504	04/01/26		81965	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,602.00
	INVOICE: 10725								
	VENDOR TOTALS		1,469.00 YTD INVOICED				15,761.00 YTD PAID		1,602.00
122235	LLS GRP #3, LLC								
	119189	04/01/26		81966	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,006.00
	INVOICE: 10008								
	119190	04/01/26		81966	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,642.00
	INVOICE: 3883								
	VENDOR TOTALS		2,862.00 YTD INVOICED				27,704.00 YTD PAID		2,648.00
124235	LO, CHING PING								
	119056	04/01/26		81967	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,575.00
	INVOICE: 10819								
	VENDOR TOTALS		1,584.00 YTD INVOICED				15,786.00 YTD PAID		1,575.00
121100	LOMBARDO, JEANINE								
	119539	04/01/26		81968	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,673.00
	INVOICE: 4729								
	VENDOR TOTALS		1,673.00 YTD INVOICED				16,730.00 YTD PAID		1,673.00
111766	LOS ANGELES COUNTY								
	118893	04/01/26		81969	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	109.21
	INVOICE: 10469								
	118894	04/01/26		81969	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	109.21
	INVOICE: 10633								
	118895	04/01/26		81969	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	109.21
	INVOICE: 10830								
	119191	04/01/26		81969	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,834.00
	INVOICE: 10469								
	119192	04/01/26		81969	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,747.00
	INVOICE: 10633								

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	119193	04/01/26		81969	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,452.00
	INVOICE: 10830								
	VENDOR TOTALS		749.00 YTD INVOICED				54,575.86 YTD PAID		6,360.63
124126	LOUIS HAHNE REVOCABLE TRUST								
	119183	04/01/26		81970	T	04/01/26	81544100 45904	HOUSING VOUCHER	572.00
	INVOICE: 9139								
	VENDOR TOTALS		691.00 YTD INVOICED				6,077.00 YTD PAID		572.00
103811	LOZANO, JESUS AND NATALIA								
	119194	04/01/26		81971	T	04/01/26	81544100 45904	HOUSING VOUCHER	955.00
	INVOICE: 9407								
	VENDOR TOTALS		327.00 YTD INVOICED				8,294.00 YTD PAID		955.00
112319	LUCHA, ENRIQUE								
	119104	04/01/26		81972	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,220.00
	INVOICE: 10545								
	VENDOR TOTALS		1,211.00 YTD INVOICED				12,182.00 YTD PAID		1,220.00
100503	LY, ANDY QUOC								
	119170	04/01/26		81973	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,365.00
	INVOICE: 10651								
	VENDOR TOTALS		1,247.00 YTD INVOICED				13,532.00 YTD PAID		1,365.00
119952	MALEK, FARSHID								
	119180	04/01/26		81974	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,573.00
	INVOICE: 8488								
	VENDOR TOTALS		1,571.00 YTD INVOICED				15,724.00 YTD PAID		1,573.00
101822	MALONEY, KEVIN								
	119471	04/01/26		81975	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,247.00
	INVOICE: 9435								
	VENDOR TOTALS		2,257.00 YTD INVOICED				20,910.00 YTD PAID		1,247.00
124569	MANVIK REAL ESTATE LLC.								
	119372	04/01/26		81976	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,872.00
	INVOICE: 10815								
	VENDOR TOTALS		.00 YTD INVOICED				11,232.00 YTD PAID		1,872.00
120949	MAOR, NOAM								
	119179	04/01/26		81977	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,110.00
	INVOICE: 8323								

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	VENDOR TOTALS		1,102.00 YTD INVOICED				11,028.00 YTD PAID		1,110.00
115853	MARSELA DEVELOPMENT CORP.								
	119202	04/01/26		81978	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,525.00
	INVOICE: 9500								
	VENDOR TOTALS		1,395.00 YTD INVOICED				15,120.00 YTD PAID		1,525.00
107637	MARSH, JAMES								
	119203	04/01/26		81979	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,564.00
	INVOICE: 9184								
	VENDOR TOTALS		1,835.00 YTD INVOICED				18,508.00 YTD PAID		1,564.00
124280	MASSIMO, DONALD								
	119091	04/01/26		81980	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,458.00
	INVOICE: 10817								
	VENDOR TOTALS		2,376.00 YTD INVOICED				24,252.00 YTD PAID		2,458.00
122935	MATTHEWS FAMILY LIVING TRUST								
	119207	04/01/26		81981	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,500.00
	INVOICE: 10636								
	VENDOR TOTALS		1,500.00 YTD INVOICED				15,000.00 YTD PAID		1,500.00
121781	MEA PROPERTIES, LLC.								
	119564	04/01/26		81982	T	04/01/26	81544100 45904	HOUSING VOUCHER	822.00
	INVOICE: 8417								
	VENDOR TOTALS		1,622.00 YTD INVOICED				8,998.00 YTD PAID		822.00
124375	MERINO, ALICIA MONIQUE								
	119365	04/01/26		81983	T	04/01/26	83440010 45904	HOUSING VOUCHER	23.00
	INVOICE: 10677-U								
	VENDOR TOTALS		16.00 YTD INVOICED				209.00 YTD PAID		23.00
120580	MESA PARK SOUTH, LLC.								
	119208	04/01/26		81984	T	04/01/26	81544100 45904	HOUSING VOUCHER	631.00
	INVOICE: 9563								
	119209	04/01/26		81984	T	04/01/26	81544100 45904	HOUSING VOUCHER	877.00
	INVOICE: 9571								
	VENDOR TOTALS		1,712.00 YTD INVOICED				16,304.00 YTD PAID		1,508.00
115116	MICHAEL, SAMIR								
	119210	04/01/26		81985	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,494.00
	INVOICE: 10089								
	119211	04/01/26		81985	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,738.00

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	INVOICE: 10300								
	119212	04/01/26		81985	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,494.00
	INVOICE: 8632								
	VENDOR TOTALS		7,364.00 YTD INVOICED				66,879.00 YTD PAID		6,726.00
104002	MINGO, WILLIAM & RUBY								
	119213	04/01/26		81986	T	04/01/26	81544100 45904	HOUSING VOUCHER	474.00
	INVOICE: 9771								
	VENDOR TOTALS		1,658.00 YTD INVOICED				12,729.00 YTD PAID		474.00
123677	MITTAL ASSETS, LP.								
	119525	04/01/26		81987	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,714.00
	INVOICE: 10839								
	119527	04/01/26		81987	T	04/01/26	82044100 45904	HOUSING VOUCHER	967.00
	INVOICE: 10859								
	119541	04/01/26		81987	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,371.00
	INVOICE: 4834								
	VENDOR TOTALS		2,962.00 YTD INVOICED				39,430.00 YTD PAID		4,052.00
123465	MITTAL LEGACY, LP.								
	119492	04/01/26		81988	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,364.00
	INVOICE: 10603								
	119521	04/01/26		81988	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,912.00
	INVOICE: 10808								
	VENDOR TOTALS		3,548.00 YTD INVOICED				33,336.00 YTD PAID		3,276.00
123111	ML-12020 GREVILLEA LLC								
	119214	04/01/26		81989	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,279.00
	INVOICE: 10039								
	VENDOR TOTALS		139.00 YTD INVOICED				8,324.00 YTD PAID		1,279.00
111620	MOBRICI, ALBERTO								
	118948	04/01/26		81990	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,196.00
	INVOICE: 10449								
	118949	04/01/26		81990	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,011.00
	INVOICE: 4684								
	VENDOR TOTALS		2,179.00 YTD INVOICED				21,939.00 YTD PAID		2,207.00
112018	MONARK, LP								
	119215	04/01/26		81991	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,228.00
	INVOICE: 10732								
	119216	04/01/26		81991	T	04/01/26	84440010 45904	HOUSING VOUCHER	1,851.00
	INVOICE: 10752								

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	VENDOR TOTALS		2,912.00 YTD INVOICED				30,623.00 YTD PAID		3,079.00
99468	MONGELLI, RICK								
	119276	04/01/26		81992	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,654.00
	INVOICE: 8707								
	VENDOR TOTALS		1,661.00 YTD INVOICED				16,554.00 YTD PAID		1,654.00
107461	MONICA WUERTH DAVIS								
	119565	04/01/26		81993	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,174.00
	INVOICE: 10634								
	119566	04/01/26		81993	T	04/01/26	84440010 45904	HOUSING VOUCHER	686.00
	INVOICE: 10747								
	VENDOR TOTALS		4,098.00 YTD INVOICED				32,461.00 YTD PAID		1,860.00
30143	MONUS, BELA C								
	119217	04/01/26		81994	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,941.00
	INVOICE: 10281								
	119218	04/01/26		81994	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,940.00
	INVOICE: 10493								
	119219	04/01/26		81994	T	04/01/26	81544100 45904	HOUSING VOUCHER	622.00
	INVOICE: 8113								
	119220	04/01/26		81994	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,625.00
	INVOICE: 8807								
	119221	04/01/26		81994	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,464.00
	INVOICE: 9420								
	VENDOR TOTALS		8,626.00 YTD INVOICED				86,413.00 YTD PAID		8,592.00
124511	MOODY, ROZALIND								
	119366	04/01/26		81995	T	04/01/26	82044100 45904	HOUSING VOUCHER	79.00
	INVOICE: 10601								
	VENDOR TOTALS		3,180.00 YTD INVOICED				4,197.00 YTD PAID		79.00
111172	MORA, RUBEN								
	119222	04/01/26		81996	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,712.00
	INVOICE: 4943								
	VENDOR TOTALS		1,726.00 YTD INVOICED				17,246.00 YTD PAID		1,712.00
123963	MORAN, ALEX MILTON								
	119367	04/01/26		81997	T	04/01/26	82044100 45904	HOUSING VOUCHER	25.00
	INVOICE: 10785								
	VENDOR TOTALS		9.00 YTD INVOICED				122.00 YTD PAID		25.00
123495	MOSCOL, JOANA MARIBEL								
	119506	04/01/26		81998	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,504.00

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	INVOICE: 10741								
	VENDOR TOTALS	1,530.00 YTD INVOICED				15,196.00 YTD PAID			1,504.00
119610	MUNOZ, ERNESTO								
	119105	04/01/26		81999	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,519.00
	INVOICE: 10102								
	VENDOR TOTALS	1,384.00 YTD INVOICED				14,920.00 YTD PAID			1,519.00
110239	NAGER, JAY								
	119223	04/01/26		82000	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,010.00
	INVOICE: 9397								
	VENDOR TOTALS	312.00 YTD INVOICED				9,840.00 YTD PAID			2,010.00
116979	NATIONAL COMMUNITY RENAISSANCE								
	119224	04/01/26		82001	T	04/01/26	81544100 45904	HOUSING VOUCHER	641.00
	INVOICE: 10259								
	119225	04/01/26		82001	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,583.00
	INVOICE: 10348								
	119226	04/01/26		82001	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,700.00
	INVOICE: 10816								
	119227	04/01/26		82001	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,745.00
	INVOICE: 4099								
	119228	04/01/26		82001	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,569.00
	INVOICE: 4104								
	119229	04/01/26		82001	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,475.00
	INVOICE: 4247								
	119230	04/01/26		82001	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,628.00
	INVOICE: 8563								
	119231	04/01/26		82001	T	04/01/26	81544100 45904	HOUSING VOUCHER	873.00
	INVOICE: 8687								
	119232	04/01/26		82001	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,643.00
	INVOICE: 9312								
	119233	04/01/26		82001	T	04/01/26	81544100 45904	HOUSING VOUCHER	661.00
	INVOICE: 9327								
	119234	04/01/26		82001	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,385.00
	INVOICE: 9688								
	VENDOR TOTALS	18,900.00 YTD INVOICED				178,217.00 YTD PAID			14,903.00
124311	NEO STEPNEY LLC								
	119235	04/01/26		82002	T	04/01/26	81544100 45904	HOUSING VOUCHER	956.00
	INVOICE: 10676								
	VENDOR TOTALS	1,539.00 YTD INVOICED				13,641.00 YTD PAID			956.00
109774	NEVAREZ, JOSE								
	119146	04/01/26		82003	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,465.00
	INVOICE: 10696								

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119147	04/01/26		82003	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,091.00
INVOICE: 10843								
VENDOR TOTALS		2,584.00 YTD INVOICED				21,965.00 YTD PAID		2,556.00
121197 NGUYEN, MAI								
119197	04/01/26		82004	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,391.00
INVOICE: 10375								
VENDOR TOTALS		1,859.00 YTD INVOICED				16,250.00 YTD PAID		1,391.00
120381 NGUYEN, STEVE								
119316	04/01/26		82005	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,257.00
INVOICE: 9047								
VENDOR TOTALS		1,253.00 YTD INVOICED				12,542.00 YTD PAID		1,257.00
121905 NGUYEN, THAN THI								
119236	04/01/26		82006	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,615.00
INVOICE: 10828								
VENDOR TOTALS		1,233.00 YTD INVOICED				10,541.00 YTD PAID		1,615.00
109058 NOUH, JOSEPHINE								
119150	04/01/26		82007	T	04/01/26	81544100 45904	HOUSING VOUCHER	278.00
INVOICE: 8484								
VENDOR TOTALS		210.00 YTD INVOICED				2,644.00 YTD PAID		278.00
106411 NWOKO, JOHN								
119142	04/01/26		82008	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,019.00
INVOICE: 8869								
VENDOR TOTALS		1,019.00 YTD INVOICED				10,190.00 YTD PAID		1,019.00
121322 OKOOBOH, SYLVANUS								
119238	04/01/26		82009	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,374.00
INVOICE: 10120								
119239	04/01/26		82009	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,402.00
INVOICE: 10809								
119240	04/01/26		82009	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,131.00
INVOICE: 9625								
VENDOR TOTALS		5,173.00 YTD INVOICED				42,935.00 YTD PAID		3,907.00
122967 OLIVARES, SAL								
119177	04/01/26		82010	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,065.00
INVOICE: 4755								
119178	04/01/26		82010	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,616.00
INVOICE: 4777								

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	VENDOR TOTALS	2,869.00 YTD INVOICED				27,374.00 YTD PAID			2,681.00
120180	PARSLEY, LLC.								
	119568	04/01/26		82011	T	04/01/26	81544100 45904	HOUSING VOUCHER	900.00
	INVOICE: 10208								
	119569	04/01/26		82011	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,700.00
	INVOICE: 10608								
	119570	04/01/26		82011	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,413.00
	INVOICE: 9496								
	119571	04/01/26		82011	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,431.00
	INVOICE: 9987								
	VENDOR TOTALS	5,837.00 YTD INVOICED				55,936.00 YTD PAID			5,444.00
122956	PAZZIA, JENNIFER								
	118971	04/01/26		82012	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,051.00
	INVOICE: 4652								
	VENDOR TOTALS	2,051.00 YTD INVOICED				20,510.00 YTD PAID			2,051.00
123502	PAZZIA, JENNIFER								
	119399	04/01/26		82013	T	04/01/26	81544100 45904	HOUSING VOUCHER	492.00
	INVOICE: 8976								
	119400	04/01/26		82013	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,774.00
	INVOICE: 9258								
	VENDOR TOTALS	3,566.00 YTD INVOICED				39,901.00 YTD PAID			3,266.00
102871	PETTWAY, VERRIE O.								
	119343	04/01/26		82014	T	04/01/26	81544100 45904	HOUSING VOUCHER	707.00
	INVOICE: 9583								
	VENDOR TOTALS	-631.00 YTD INVOICED				6,008.00 YTD PAID			707.00
114815	PINNACLE ACACIA LLC								
	119242	04/01/26		82015	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,594.00
	INVOICE: 5023								
	119243	04/01/26		82015	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,678.00
	INVOICE: 9180								
	VENDOR TOTALS	3,229.00 YTD INVOICED				32,561.00 YTD PAID			3,272.00
120583	PINNACLE DOTY LLC.								
	119244	04/01/26		82016	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,683.00
	INVOICE: 10395								
	119245	04/01/26		82016	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,700.00
	INVOICE: 10399								
	119246	04/01/26		82016	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,648.00
	INVOICE: 9926								

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	VENDOR TOTALS	4,895.00 YTD INVOICED				49,673.00 YTD PAID			5,031.00
118916	PINNACLE LEMOLI LLC.								
	119247	04/01/26		82017	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,686.00
	INVOICE: 10367								
	119248	04/01/26		82017	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,670.00
	INVOICE: 10431								
	119249	04/01/26		82017	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,192.00
	INVOICE: 10473								
	119250	04/01/26		82017	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,627.00
	INVOICE: 10476								
	VENDOR TOTALS	6,032.00 YTD INVOICED				60,936.00 YTD PAID			6,175.00
113548	POWELLS, TAURENCE KEVIN								
	119535	04/01/26		82018	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,670.00
	INVOICE: 3304								
	VENDOR TOTALS	1,610.00 YTD INVOICED				16,400.00 YTD PAID			1,670.00
120470	POZZOULI FAMILY LLC.								
	119251	04/01/26		82019	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,174.00
	INVOICE: 10238								
	119252	04/01/26		82019	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,001.00
	INVOICE: 10278								
	119253	04/01/26		82019	T	04/01/26	81544100 45904	HOUSING VOUCHER	680.00
	INVOICE: 10345								
	119254	04/01/26		82019	T	04/01/26	83440010 45904	HOUSING VOUCHER	787.00
	INVOICE: 10742								
	119255	04/01/26		82019	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,450.00
	INVOICE: 10881								
	119256	04/01/26		82019	T	04/01/26	81544100 45904	HOUSING VOUCHER	963.00
	INVOICE: 4952								
	119257	04/01/26		82019	T	04/01/26	81544100 45904	HOUSING VOUCHER	857.00
	INVOICE: 8878								
	119258	04/01/26		82019	T	04/01/26	81544100 45904	HOUSING VOUCHER	800.00
	INVOICE: 9831								
	119259	04/01/26		82019	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,742.00
	INVOICE: 9996								
	VENDOR TOTALS	10,806.00 YTD INVOICED				103,470.00 YTD PAID			9,454.00
121650	PRAIRIE RENTALS, LLC								
	119260	04/01/26		82020	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,440.00
	INVOICE: 10398								
	VENDOR TOTALS	1,600.00 YTD INVOICED				14,822.00 YTD PAID			1,440.00
122042	PROFESSIONAL PROPERTY MANAGERS, INC.								
	119261	04/01/26		82021	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,290.00

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VENDOR NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE: 10249								
119262	04/01/26		82021	T	04/01/26	81544100 45904	HOUSING VOUCHER	464.00
INVOICE: 10602								
119263	04/01/26		82021	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,546.00
INVOICE: 10700								
119264	04/01/26		82021	T	04/01/26	84440010 45904	HOUSING VOUCHER	1,989.00
INVOICE: 10705								
119265	04/01/26		82021	T	04/01/26	84440010 45904	HOUSING VOUCHER	1,362.00
INVOICE: 10729								
119266	04/01/26		82021	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,600.00
INVOICE: 10738								
119267	04/01/26		82021	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,548.00
INVOICE: 10829								
119268	04/01/26		82021	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,304.00
INVOICE: 2525								
119269	04/01/26		82021	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,234.00
INVOICE: 6018								
VENDOR TOTALS		14,826.00 YTD INVOICED				131,015.00 YTD PAID		12,337.00
123313 QUALITY DEVELOPMENT CORP.								
119153	04/01/26		82022	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,037.00
INVOICE: 2719								
119154	04/01/26		82022	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,142.00
INVOICE: 8955								
VENDOR TOTALS		1,973.00 YTD INVOICED				21,166.00 YTD PAID		2,179.00
109045 QUERUBIN, JAMES & MYLENE								
119270	04/01/26		82023	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,138.00
INVOICE: 5037								
VENDOR TOTALS		1,012.00 YTD INVOICED				10,627.00 YTD PAID		1,138.00
123704 R3 PROPERTIES 1 LLC								
119478	04/01/26		82024	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,268.00
INVOICE: 10181								
119479	04/01/26		82024	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,223.00
INVOICE: 10215								
119486	04/01/26		82024	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,507.00
INVOICE: 10386								
119500	04/01/26		82024	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,025.00
INVOICE: 10703								
119505	04/01/26		82024	T	04/01/26	84440010 45904	HOUSING VOUCHER	1,320.00
INVOICE: 10734								
119532	04/01/26		82024	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,247.00
INVOICE: 10876								
119533	04/01/26		82024	T	04/01/26	84440010 45904	HOUSING VOUCHER	2,150.00
INVOICE: 10878								
119559	04/01/26		82024	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,418.00
INVOICE: 9921								

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	VENDOR TOTALS	9,434.00 YTD INVOICED		93,452.00 YTD PAID					12,158.00
121412	RABNUB, LLC.								
	119271	04/01/26		82025	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,291.00
	INVOICE: 9251								
	VENDOR TOTALS	1,311.00 YTD INVOICED		12,798.00 YTD PAID					1,291.00
123212	REAL PROPERTY MANAGEMENT INC.								
	119573	04/01/26		82026	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,242.00
	INVOICE: 10682								
	VENDOR TOTALS	923.00 YTD INVOICED		9,549.00 YTD PAID					1,242.00
123731	REED, LANCE								
	119511	04/01/26		82027	T	04/01/26	81544100 45904	HOUSING VOUCHER	515.00
	INVOICE: 10767								
	VENDOR TOTALS	545.00 YTD INVOICED		5,210.00 YTD PAID					515.00
120283	RICKS, PATRICIA								
	119241	04/01/26		82028	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,042.00
	INVOICE: 10853								
	VENDOR TOTALS	4,137.00 YTD INVOICED		33,336.00 YTD PAID					1,042.00
124706	RICKS, PATRICIA								
	119277	04/01/26		82029	T	04/01/26	81544100 45904	HOUSING VOUCHER	881.00
	INVOICE: 10552								
	119278	04/01/26		82029	T	04/01/26	81544100 45904	HOUSING VOUCHER	815.00
	INVOICE: 5036								
	119279	04/01/26		82029	T	04/01/26	81544100 45904	HOUSING VOUCHER	775.00
	INVOICE: 9451								
	VENDOR TOTALS	.00 YTD INVOICED		4,942.00 YTD PAID					2,471.00
120616	RIDGWAY, JR., WILLIAM								
	119508	04/01/26		82030	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,718.00
	INVOICE: 10754								
	119547	04/01/26		82030	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,603.00
	INVOICE: 8700								
	119558	04/01/26		82030	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,617.00
	INVOICE: 9823								
	VENDOR TOTALS	4,829.00 YTD INVOICED		48,944.00 YTD PAID					4,938.00
121872	RIVAS, JR., JOSE N.								
	119152	04/01/26		82031	T	04/01/26	81544100 45904	HOUSING VOUCHER	878.00
	INVOICE: 10523								
	119663	04/01/26		82031	T	04/01/26	81544100 45904	HOUSING VOUCHER	-219.50

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INVOICE: DEBT LEVY-D								
VENDOR TOTALS		878.00 YTD INVOICED				8,560.50 YTD PAID		658.50
119641 RIVERA, YOLY								
119280	04/01/26		82032	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,301.00
INVOICE: 10478								
VENDOR TOTALS		1,301.00 YTD INVOICED				13,010.00 YTD PAID		1,301.00
124267 ROPERIA, JITENDER S.								
119284	04/01/26		82033	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,432.00
INVOICE: 4701								
VENDOR TOTALS		1,349.00 YTD INVOICED				13,795.00 YTD PAID		1,432.00
121526 ROSALES PROPERTY INVESTMENTS INC.								
119285	04/01/26		82034	T	04/01/26	81544100 45904	HOUSING VOUCHER	844.00
INVOICE: 8695								
VENDOR TOTALS		1,164.00 YTD INVOICED				8,488.00 YTD PAID		844.00
104881 ROSENBERG, BARBARA								
119503	04/01/26		82035	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,550.00
INVOICE: 10717								
VENDOR TOTALS		1,550.00 YTD INVOICED				15,500.00 YTD PAID		1,550.00
122999 ROSS MOORE REALTY INC								
119575	04/01/26		82036	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,424.00
INVOICE: 10708								
VENDOR TOTALS		1,445.00 YTD INVOICED				14,387.00 YTD PAID		1,424.00
123211 ROULETTE, GAIL R.								
119452	04/01/26		82037	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,208.00
INVOICE: 4265								
VENDOR TOTALS		749.00 YTD INVOICED				11,621.00 YTD PAID		1,208.00
121988 ROUSSEVE, DARVI								
119182	04/01/26		82038	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,684.00
INVOICE: 8691								
VENDOR TOTALS		1,046.00 YTD INVOICED				17,050.00 YTD PAID		1,684.00
123578 RT 2, LLC								
119482	04/01/26		82039	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,654.00
INVOICE: 10273								

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	VENDOR TOTALS		1,661.00 YTD INVOICED				16,561.00 YTD PAID		1,654.00
123903	SAINT DANIEL BUILDING LLC.								
	119540	04/01/26		82040	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,092.00
	INVOICE: 4798								
	VENDOR TOTALS		1,092.00 YTD INVOICED				10,920.00 YTD PAID		1,092.00
123904	SAINT DAVID BUILDING LLC.								
	119551	04/01/26		82041	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,654.00
	INVOICE: 8980								
	VENDOR TOTALS		2,033.00 YTD INVOICED				16,933.00 YTD PAID		1,654.00
119012	SAINT MARK PROPERTY LLC.								
	119290	04/01/26		82042	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,099.00
	INVOICE: 8265								
	VENDOR TOTALS		1,331.00 YTD INVOICED				11,258.00 YTD PAID		1,099.00
102029	SAMIA, IMELDA								
	119176	04/01/26		82043	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,198.00
	INVOICE: 4133								
	VENDOR TOTALS		1,092.00 YTD INVOICED				11,766.00 YTD PAID		1,198.00
115679	SAMMUT, TOM								
	119331	04/01/26		82044	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,012.00
	INVOICE: 9436								
	VENDOR TOTALS		1,012.00 YTD INVOICED				10,120.00 YTD PAID		1,012.00
117370	SANCHEZ, MANUEL								
	119200	04/01/26		82045	T	04/01/26	81544100 45904	HOUSING VOUCHER	643.00
	INVOICE: 10379								
	VENDOR TOTALS		507.00 YTD INVOICED				6,294.00 YTD PAID		643.00
111243	SANFORD, TERESA								
	119489	04/01/26		82046	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,858.00
	INVOICE: 10557								
	119542	04/01/26		82046	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,162.00
	INVOICE: 8017								
	119555	04/01/26		82046	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,561.00
	INVOICE: 9551								
	VENDOR TOTALS		5,937.00 YTD INVOICED				57,541.00 YTD PAID		5,581.00
121206	SCOTT, FRED								
	119294	04/01/26		82047	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,378.00

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	INVOICE: 10258								
	119295	04/01/26		82047	T	04/01/26	81544100 45904	HOUSING VOUCHER	627.00
	INVOICE: 10770								
	119296	04/01/26		82047	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,334.00
	INVOICE: 9998								
	VENDOR TOTALS	3,376.00 YTD INVOICED					32,655.00 YTD PAID		3,339.00
106104	SCOTT, FRED A. & EMMA L.								
	119297	04/01/26		82048	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,083.00
	INVOICE: 8030								
	VENDOR TOTALS	1,151.00 YTD INVOICED					11,306.00 YTD PAID		1,083.00
122385	SCROGGINS, FRANK								
	119298	04/01/26		82049	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,632.00
	INVOICE: 10546								
	VENDOR TOTALS	1,623.00 YTD INVOICED					16,302.00 YTD PAID		1,632.00
120252	SF KINGS TOWER PROPERTIES LLC.								
	119299	04/01/26		82050	T	04/01/26	82044100 45904	HOUSING VOUCHER	3,213.00
	INVOICE: 10763								
	119300	04/01/26		82050	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,226.00
	INVOICE: 7088								
	119301	04/01/26		82050	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,536.00
	INVOICE: 9453								
	VENDOR TOTALS	5,534.00 YTD INVOICED					57,437.00 YTD PAID		5,975.00
109678	SHEPHERD, DEREK								
	119195	04/01/26		82051	T	04/01/26	82044100 45904	HOUSING VOUCHER	2,289.00
	INVOICE: 10624								
	VENDOR TOTALS	2,289.00 YTD INVOICED					22,890.00 YTD PAID		2,289.00
121972	SHORE WEST PROPERTIES, LLC.								
	119302	04/01/26		82052	T	04/01/26	81544100 45904	HOUSING VOUCHER	544.00
	INVOICE: 10421								
	119303	04/01/26		82052	T	04/01/26	81544100 45904	HOUSING VOUCHER	947.00
	INVOICE: 8721								
	119304	04/01/26		82052	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,501.00
	INVOICE: 9080								
	VENDOR TOTALS	2,960.00 YTD INVOICED					34,025.00 YTD PAID		2,992.00
119834	SHORTER, JEFFREY A.								
	119305	04/01/26		82053	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,556.00
	INVOICE: 4596								

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	VENDOR TOTALS		1,552.00 YTD INVOICED				15,524.00 YTD PAID		1,556.00
117711	SIMERAL, STEVE								
	119306	04/01/26		82054	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,571.00
	INVOICE: 10657								
	119307	04/01/26		82054	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,037.00
	INVOICE: 9533								
	VENDOR TOTALS		3,487.00 YTD INVOICED				35,212.00 YTD PAID		3,608.00
124541	SINGLETON, EARNEST								
	119308	04/01/26		82055	T	04/01/26	81544100 45904	HOUSING VOUCHER	982.00
	INVOICE: 10439								
	VENDOR TOTALS		.00 YTD INVOICED				7,652.00 YTD PAID		982.00
111337	SMITH, VIOLA M.								
	119577	04/01/26		82056	T	04/01/26	84440010 45904	HOUSING VOUCHER	1,392.00
	INVOICE: 10721								
	VENDOR TOTALS		1,360.00 YTD INVOICED				13,824.00 YTD PAID		1,392.00
123703	SMR 1 LLC								
	119491	04/01/26		82057	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,327.00
	INVOICE: 10594								
	VENDOR TOTALS		1,330.00 YTD INVOICED				13,288.00 YTD PAID		1,327.00
104618	SOTO, RUTH								
	119289	04/01/26		82058	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,654.00
	INVOICE: 8978								
	VENDOR TOTALS		1,661.00 YTD INVOICED				16,561.00 YTD PAID		1,654.00
93156	SOUTH BAY SENIOR HOUSING CORP.								
	119309	04/01/26		82059	T	04/01/26	81544100 45904	HOUSING VOUCHER	869.00
	INVOICE: 10445								
	VENDOR TOTALS		866.00 YTD INVOICED				8,675.00 YTD PAID		869.00
117710	SOUTHERN NEVADA REGIONAL								
	118899	04/01/26		82060	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	96.48
	INVOICE: 10669								
	118900	04/01/26		82060	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	94.34
	INVOICE: 10768								
	119310	04/01/26		82060	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,630.00
	INVOICE: 10669								
	119311	04/01/26		82060	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,788.00
	INVOICE: 10768								

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	VENDOR TOTALS	8,208.20 YTD INVOICED				30,838.97 YTD PAID			3,608.82
123779	STANDIFER SR, DELBERT								
	119513	04/01/26		82061	T	04/01/26	82044100 45904	HOUSING VOUCHER	2,155.00
	INVOICE: 10773								
	119523	04/01/26		82061	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,371.00
	INVOICE: 10814								
	VENDOR TOTALS	4,134.00 YTD INVOICED				35,550.00 YTD PAID			3,526.00
103194	STEPHENSON, RUDDIE L.								
	119312	04/01/26		82062	T	04/01/26	81544100 45904	HOUSING VOUCHER	890.00
	INVOICE: 10359								
	119313	04/01/26		82062	T	04/01/26	81544100 45904	HOUSING VOUCHER	521.00
	INVOICE: 3480								
	VENDOR TOTALS	2,814.00 YTD INVOICED				16,940.00 YTD PAID			1,411.00
116817	SUKARTO, NANY								
	119317	04/01/26		82063	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,153.00
	INVOICE: 8867								
	119318	04/01/26		82063	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,152.00
	INVOICE: 8939								
	VENDOR TOTALS	8,153.00 YTD INVOICED				53,564.00 YTD PAID			4,305.00
124386	SULLIVAN, TERENCE								
	119319	04/01/26		82064	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,066.00
	INVOICE: 9482								
	VENDOR TOTALS	4,995.00 YTD INVOICED				22,000.00 YTD PAID			2,066.00
123758	TAYLOR, CLAUDETTE L.								
	119510	04/01/26		82065	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,642.00
	INVOICE: 10766								
	VENDOR TOTALS	1,617.00 YTD INVOICED				16,345.00 YTD PAID			1,642.00
105118	TED KOLBY REVOCABLE TRUST DATED JULY 9, 2020								
	119572	04/01/26		82066	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,168.00
	INVOICE: 9342								
	VENDOR TOTALS	1,383.00 YTD INVOICED				12,495.00 YTD PAID			1,168.00
119666	THE MONTECITO APTS. INVESTMENT, LP								
	119322	04/01/26		82067	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,542.00
	INVOICE: 4754								
	119323	04/01/26		82067	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,648.00
	INVOICE: 5024								

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	VENDOR TOTALS	3,434.00 YTD INVOICED					31,942.00 YTD PAID		3,190.00
124274	THE PALMS AT 120TH STREET LP								
	119324	04/01/26		82068	T	04/01/26	81544100 45904	HOUSING VOUCHER	908.00
	INVOICE: 10858								
	VENDOR TOTALS	891.00 YTD INVOICED					8,927.00 YTD PAID		908.00
119883	TARLOW, MARVIN								
	119325	04/01/26		82069	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,107.00
	INVOICE: 10099								
	VENDOR TOTALS	1,114.00 YTD INVOICED					11,105.00 YTD PAID		1,107.00
124500	THIERRY, ALBERT								
	119326	04/01/26		82070	T	04/01/26	81544100 45904	HOUSING VOUCHER	770.00
	INVOICE: 9954								
	VENDOR TOTALS	50.00 YTD INVOICED					6,980.00 YTD PAID		770.00
122416	THREE RAINBOWS LLC.								
	119327	04/01/26		82071	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,499.00
	INVOICE: 10547								
	119328	04/01/26		82071	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,626.00
	INVOICE: 9038								
	VENDOR TOTALS	5,618.00 YTD INVOICED					41,015.00 YTD PAID		3,125.00
113165	TOBAR, LUIS								
	119329	04/01/26		82072	T	04/01/26	81544100 45904	HOUSING VOUCHER	548.00
	INVOICE: 10596								
	VENDOR TOTALS	562.00 YTD INVOICED					5,564.00 YTD PAID		548.00
122711	TOMI LYNN KATZ FAMILY TRUST								
	119332	04/01/26		82073	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,303.00
	INVOICE: 10512								
	119333	04/01/26		82073	T	04/01/26	82044100 45904	HOUSING VOUCHER	2,976.00
	INVOICE: 10664								
	VENDOR TOTALS	4,069.00 YTD INVOICED					41,858.00 YTD PAID		4,279.00
115015	TOWNSEND, LATANYA								
	119334	04/01/26		82074	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,389.00
	INVOICE: 10079								
	119335	04/01/26		82074	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,164.00
	INVOICE: 9332								
	VENDOR TOTALS	2,816.00 YTD INVOICED					26,165.00 YTD PAID		2,553.00

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
119386	TRAN, TRINH								
	119339	04/01/26		82075	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,238.00
	INVOICE: 10368								
	119340	04/01/26		82075	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,445.00
	INVOICE: 8934								
	VENDOR TOTALS		2,655.00 YTD INVOICED				26,606.00 YTD PAID		2,683.00
124310	TRIFECTA CALIFORNIA PROPERTIES, LLC.								
	119336	04/01/26		82076	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,826.00
	INVOICE: 10739								
	119337	04/01/26		82076	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,004.00
	INVOICE: 8855								
	119338	04/01/26		82076	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,568.00
	INVOICE: 9610								
	VENDOR TOTALS		5,819.00 YTD INVOICED				53,081.00 YTD PAID		4,398.00
124294	TRINITY MANAGEMENT INC.								
	119272	04/01/26		82077	T	04/01/26	81544100 45904	HOUSING VOUCHER	446.00
	INVOICE: 10362								
	119273	04/01/26		82077	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,357.00
	INVOICE: 3849								
	119274	04/01/26		82077	T	04/01/26	81544100 45904	HOUSING VOUCHER	623.00
	INVOICE: 4786								
	119275	04/01/26		82077	T	04/01/26	81544100 45904	HOUSING VOUCHER	388.00
	INVOICE: 4885								
	VENDOR TOTALS		1,873.00 YTD INVOICED				24,551.00 YTD PAID		2,814.00
109127	TRUJILLO, DANIEL								
	119077	04/01/26		82078	T	04/01/26	81544100 45904	HOUSING VOUCHER	314.00
	INVOICE: 8460								
	VENDOR TOTALS		527.00 YTD INVOICED				1,621.00 YTD PAID		314.00
123667	TRUONG, NICOLE								
	119553	04/01/26		82079	T	04/01/26	81544100 45904	HOUSING VOUCHER	155.00
	INVOICE: 9338								
	VENDOR TOTALS		3,438.00 YTD INVOICED				4,833.00 YTD PAID		155.00
103619	TUCKER, LENVILLE H.								
	119341	04/01/26		82080	T	04/01/26	82044100 45904	HOUSING VOUCHER	2,317.00
	INVOICE: 10536								
	119342	04/01/26		82080	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,654.00
	INVOICE: 7040								
	VENDOR TOTALS		3,832.00 YTD INVOICED				38,205.00 YTD PAID		3,971.00
107689	UMUKORO, JAMES								

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	119579	04/01/26		82081	T	04/01/26	82044100 45904	HOUSING VOUCHER	949.00
	INVOICE: 10450								
	119580	04/01/26		82081	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,797.00
	INVOICE: 10590								
	119581	04/01/26		82081	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,912.00
	INVOICE: 10800								
	119582	04/01/26		82081	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,555.00
	INVOICE: 10810								
	119583	04/01/26		82081	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,289.00
	INVOICE: 10821								
	119584	04/01/26		82081	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,733.00
	INVOICE: 8462								
	VENDOR TOTALS		12,263.00 YTD INVOICED				108,795.00 YTD PAID		10,235.00
123449	VELASQUEZ, ROBERTO								
	119534	04/01/26		82082	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,510.00
	INVOICE: 3157								
	VENDOR TOTALS		1,189.00 YTD INVOICED				12,211.00 YTD PAID		1,510.00
123143	VIDJAK, FRANK V.								
	119549	04/01/26		82083	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,385.00
	INVOICE: 8812								
	VENDOR TOTALS		1,257.00 YTD INVOICED				12,954.00 YTD PAID		1,385.00
116891	VISCOT VENTURES, LLC								
	119585	04/01/26		82084	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,158.00
	INVOICE: 9681								
	VENDOR TOTALS		1,116.00 YTD INVOICED				11,370.00 YTD PAID		1,158.00
123979	WALKER, JENNIFER LEIGH								
	119369	04/01/26		82085	T	04/01/26	81544100 45904	HOUSING VOUCHER	241.00
	INVOICE: 10756								
	VENDOR TOTALS		241.00 YTD INVOICED				2,410.00 YTD PAID		241.00
110341	WALTER, MELVIN E.								
	119345	04/01/26		82086	T	04/01/26	81544100 45904	HOUSING VOUCHER	2,486.00
	INVOICE: 10233								
	119346	04/01/26		82086	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,775.00
	INVOICE: 10400								
	119347	04/01/26		82086	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,337.00
	INVOICE: 10855								
	VENDOR TOTALS		4,465.00 YTD INVOICED				50,375.00 YTD PAID		5,598.00
107712	WARD, JULIUS								
	119172	04/01/26		82087	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,585.00

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	INVOICE: 10771								
	119173	04/01/26		82087	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,642.00
	INVOICE: 10772								
	VENDOR TOTALS	3,004.00 YTD INVOICED					31,196.00 YTD PAID		3,227.00
100596	WATSON, HUBERT								
	119348	04/01/26		82088	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,239.00
	INVOICE: 10358								
	119349	04/01/26		82088	T	04/01/26	81544100 45904	HOUSING VOUCHER	706.00
	INVOICE: 10462								
	119350	04/01/26		82088	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,454.00
	INVOICE: 10648								
	119351	04/01/26		82088	T	04/01/26	83440010 45904	HOUSING VOUCHER	834.00
	INVOICE: 10728								
	119352	04/01/26		82088	T	04/01/26	84440010 45904	HOUSING VOUCHER	1,759.00
	INVOICE: 10757								
	119353	04/01/26		82088	T	04/01/26	82044100 45904	HOUSING VOUCHER	2,248.00
	INVOICE: 10761								
	119354	04/01/26		82088	T	04/01/26	82044100 45904	HOUSING VOUCHER	941.00
	INVOICE: 9106								
	VENDOR TOTALS	9,925.00 YTD INVOICED					90,447.00 YTD PAID		9,181.00
123246	WEIR, JONATHAN								
	119550	04/01/26		82089	T	04/01/26	81544100 45904	HOUSING VOUCHER	628.00
	INVOICE: 8824								
	VENDOR TOTALS	638.00 YTD INVOICED					6,360.00 YTD PAID		628.00
121311	WHITE, FREDDIE								
	119355	04/01/26		82090	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,061.00
	INVOICE: 5094								
	VENDOR TOTALS	1,061.00 YTD INVOICED					10,610.00 YTD PAID		1,061.00
107451	WIJESIRIWARDENA, LASANTHA								
	119165	04/01/26		82091	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,319.00
	INVOICE: 8899								
	VENDOR TOTALS	1,220.00 YTD INVOICED					12,794.00 YTD PAID		1,319.00
121801	WILLIAMS, MARSHALL								
	119205	04/01/26		82092	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,399.00
	INVOICE: 9067								
	VENDOR TOTALS	1,386.00 YTD INVOICED					13,899.00 YTD PAID		1,399.00
124526	WILLIAMS, TY'QUWISHA								
	119371	04/01/26		82093	T	04/01/26	81544100 45904	HOUSING VOUCHER	25.00
	INVOICE: 10644								

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	VENDOR TOTALS		147.00 YTD INVOICED				372.00 YTD PAID		25.00
111459	WILSON, TERI								
	119586	04/01/26		82094	T	04/01/26	81544100 45904	HOUSING VOUCHER	780.00
	INVOICE: 10475								
	119587	04/01/26		82094	T	04/01/26	82044100 45904	HOUSING VOUCHER	1,495.00
	INVOICE: 4541								
	VENDOR TOTALS		4,458.00 YTD INVOICED				25,621.00 YTD PAID		2,275.00
108377	WRIGHT, PAMELA D.								
	119356	04/01/26		82095	T	04/01/26	84440010 45904	HOUSING VOUCHER	1,528.00
	INVOICE: 10746								
	119357	04/01/26		82095	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,168.00
	INVOICE: 8234								
	VENDOR TOTALS		2,445.00 YTD INVOICED				24,952.00 YTD PAID		2,696.00
110909	WYNNE, MARJORIE								
	119201	04/01/26		82096	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,741.00
	INVOICE: 8332								
	VENDOR TOTALS		3,524.00 YTD INVOICED				26,252.00 YTD PAID		1,741.00
124279	11651 - 11652 YORK AVENUE, LLC.								
	119175	04/01/26		82097	T	04/01/26	81544100 45904	HOUSING VOUCHER	951.00
	INVOICE: 10822								
	VENDOR TOTALS		856.00 YTD INVOICED				8,890.00 YTD PAID		951.00
123707	YORK ROSE LLC								
	119507	04/01/26		82098	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,351.00
	INVOICE: 10745								
	119545	04/01/26		82098	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,801.00
	INVOICE: 8422								
	VENDOR TOTALS		2,390.00 YTD INVOICED				31,349.00 YTD PAID		3,152.00
91877	ZAPF (12318 BIRCH AVE), RODNEY								
	119282	04/01/26		82099	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,532.00
	INVOICE: 10656								
	VENDOR TOTALS		1,904.00 YTD INVOICED				15,692.00 YTD PAID		1,532.00
115662	ZAPF (12726 TRURO), ROD								
	119283	04/01/26		82100	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,085.00
	INVOICE: 9963								
	VENDOR TOTALS		950.00 YTD INVOICED				9,635.00 YTD PAID		1,085.00

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						REPORT TOTALS		943,264.44

	COUNT	AMOUNT
TOTAL PRINTED CHECKS	1	219.50
TOTAL EFT TRANSFERS	317	943,044.94

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
105745	13615 CERISE AVENUE L.P.								
	119968	03/01/26		82101	T	04/01/26	81544100 45904	HOUSING VOUCHER	200.00
	INVOICE: 8010-1								
	VENDOR TOTALS	9,234.00 YTD INVOICED					79,113.00 YTD PAID		200.00
117074	2300 W. EL SEGUNDO LP								
	119962	03/01/26		82102	T	04/01/26	81544100 45904	HOUSING VOUCHER	14.00
	INVOICE: 10783-1								
	VENDOR TOTALS	6,032.00 YTD INVOICED					57,853.00 YTD PAID		14.00
121648	BLUE WATER ASSET MANAGEMENT, LP								
	119957	03/01/26		82103	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,226.00
	INVOICE: 10454-1								
	VENDOR TOTALS	4,884.00 YTD INVOICED					42,968.00 YTD PAID		1,226.00
121492	CHADRON TERRACE, LLC.								
	119950	02/01/26		82104	T	04/01/26	82044100 45904	HOUSING VOUCHER	222.00
	INVOICE: 10583-1								
	119958	03/01/26		82104	T	04/01/26	82044100 45904	HOUSING VOUCHER	222.00
	INVOICE: 10583-1								
	VENDOR TOTALS	57,073.00 YTD INVOICED					485,702.00 YTD PAID		444.00
119168	COSTA, FRANCO								
	119959	03/01/26		82105	T	04/01/26	81544100 45904	HOUSING VOUCHER	435.00
	INVOICE: 9286-1								
	VENDOR TOTALS	2,296.00 YTD INVOICED					22,778.00 YTD PAID		435.00
102245	CRC MANAGEMENT INC.								
	119963	03/01/26		82106	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,568.00
	INVOICE: 9388-1								
	VENDOR TOTALS	53,318.00 YTD INVOICED					508,537.00 YTD PAID		1,568.00
123921	DONDI CHERRY REVOCABLE TRUST								
	119967	03/01/26		82107	T	04/01/26	81544100 45904	HOUSING VOUCHER	585.00
	INVOICE: 9646-1								
	VENDOR TOTALS	-479.00 YTD INVOICED					17,534.00 YTD PAID		585.00
123622	HIRATA PROPERTIES, LLC.								
	119964	03/01/26		82108	T	04/01/26	81544100 45904	HOUSING VOUCHER	192.00
	INVOICE: 10659-1								
	VENDOR TOTALS	12,769.00 YTD INVOICED					104,978.00 YTD PAID		192.00
124727	HOUSING AUTHORITY OF THE CITY OF LOS ANGELES								

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VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	119948	01/01/26		82110	T	04/01/26	83440010 45904	HOUSING VOUCHER	1,779.00
	INVOICE:	10707-1							
	119954	02/01/26		82110	T	04/01/26	83440010 45904	HOUSING VOUCHER	2,043.00
	INVOICE:	10707-1							
	119954	02/01/26		82110	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	110.42
	INVOICE:	10707-1							
	VENDOR TOTALS		.00 YTD INVOICED				8,239.26 YTD PAID		3,932.42
110936	HOUSING AUTHORITY OF THE, COUNTY OF SAN BERNARDIN								
	119955	03/01/26		82109	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	108.90
	INVOICE:	4961-1							
	119960	03/01/26		82109	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,049.00
	INVOICE:	4961-1							
	VENDOR TOTALS		27,099.14 YTD INVOICED				106,962.61 YTD PAID		1,157.90
124727	HOUSING AUTHORITY OF THE CITY OF LOS ANGELES								
	119969	03/01/26		82110	T	04/01/26	83440010 45904	HOUSING VOUCHER	2,043.00
	INVOICE:	10707-1							
	119969	03/01/26		82110	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	110.42
	INVOICE:	10707-1							
	VENDOR TOTALS		.00 YTD INVOICED				8,239.26 YTD PAID		2,153.42
123425	JR AJ, LLC.								
	119952	02/01/26		82111	T	04/01/26	81544100 45904	HOUSING VOUCHER	395.00
	INVOICE:	10826-1							
	119965	03/01/26		82111	T	04/01/26	81544100 45904	HOUSING VOUCHER	395.00
	INVOICE:	10826-1							
	VENDOR TOTALS		5,504.00 YTD INVOICED				45,661.00 YTD PAID		790.00
100096	ORANGE COUNTY HOUSING AUTHORITY								
	119938	12/01/24		82112	T	04/01/26	81544100 45904	HOUSING VOUCHER	999.00
	INVOICE:	10551-1							
	119939	01/01/25		82112	T	04/01/26	81544100 45904	HOUSING VOUCHER	999.00
	INVOICE:	10551-1							
	119940	02/01/25		82112	T	04/01/26	81544100 45904	HOUSING VOUCHER	999.00
	INVOICE:	10551-1							
	119941	03/01/25		82112	T	04/01/26	81544100 45904	HOUSING VOUCHER	999.00
	INVOICE:	10551-1							
	119942	04/01/25		82112	T	04/01/26	81544100 45904	HOUSING VOUCHER	512.00
	INVOICE:	10551-1							
	119943	05/01/25		82112	T	04/01/26	81544100 45904	HOUSING VOUCHER	512.00
	INVOICE:	10551-1							
	119944	06/01/25		82112	T	04/01/26	81544100 45904	HOUSING VOUCHER	512.00
	INVOICE:	10551-1							
	119945	06/01/25		82112	T	04/01/26	81544100 45904	HOUSING VOUCHER	3,738.00
	INVOICE:	10171-1							
	119945	06/01/25		82112	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	110.42

PAID INVOICES REPORT

CHECK: H040126X TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	INVOICE: 10171-1								
	119970	03/01/26		82112	T	04/01/26	81544100 45904	HOUSING VOUCHER	22.84
	INVOICE: 5048-1								
	VENDOR TOTALS		9,380.42 YTD INVOICED				19,244.10 YTD PAID		9,403.26
117710	SOUTHERN NEVADA REGIONAL								
	119946	12/01/25		82113	T	04/01/26	81544100 45904	HOUSING VOUCHER	421.00
	INVOICE: 10669-1								
	119947	01/01/26		82113	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	96.48
	INVOICE: 10669-1								
	119947	01/01/26		82113	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,630.00
	INVOICE: 10669-1								
	119949	02/01/26		82113	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	96.48
	INVOICE: 10669-1								
	119951	02/01/26		82113	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,630.00
	INVOICE: 10669-1								
	119956	03/01/26		82113	T	04/01/26	81044010 45944	ADMIN FEES PAID - VOUCHER	96.48
	INVOICE: 10669-1								
	119961	03/01/26		82113	T	04/01/26	81544100 45904	HOUSING VOUCHER	1,630.00
	INVOICE: 10669-1								
	VENDOR TOTALS		8,208.20 YTD INVOICED				36,439.41 YTD PAID		5,600.44
123449	VELASQUEZ, ROBERTO								
	119953	02/01/26		82114	T	04/01/26	81544100 45904	HOUSING VOUCHER	321.00
	INVOICE: 3157-1								
	119966	03/01/26		82114	T	04/01/26	81544100 45904	HOUSING VOUCHER	321.00
	INVOICE: 3157-1								
	VENDOR TOTALS		1,189.00 YTD INVOICED				12,853.00 YTD PAID		642.00
								REPORT TOTALS	28,343.44

	COUNT	AMOUNT
TOTAL EFT TRANSFERS	14	28,343.44

** END OF REPORT - Generated by Shuntell Dixon **

City of Hawthorne, CA

PAID INVOICES REPORT

CHECK: H041426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
123058	ACCESS INFORMATION INTERMEDIATE HOLDINGS I, LLC.								
	120422	03/31/26		82115	T	04/14/26	81044010 41514	OPERATING SUPPLIES	76.45
	INVOICE: 12125078								
	VENDOR TOTALS		.00 YTD INVOICED				19,510.58 YTD PAID		76.45
								REPORT TOTALS	76.45

	COUNT	AMOUNT
TOTAL EFT TRANSFERS	1	76.45

** END OF REPORT - Generated by Shuntell Dixon **

CITY OF HAWTHORNE

FOR THE MEETING OF April 14, 2026

ORIGINATING DEPARTMENT: FINANCE

The City Treasurer submits the following Asset Forfeiture Warrants for your approval:

	Warrant #s			
Date	**Start**	**Ending**	**Warrant type**	**Total $**
4/14/26	11137	11138	ASSET FORFEITURE	6,781.44
4/14/26	11139	11140	ASSET FORFEITURE	1,580.05
*** Emergency Issue - for ratification only**				8,361.49

State of California, County of Los Angeles SS:

The foregoing claims/demands/warrants have been filed with me; each one bearing an endorsement of the officer or employee of the department, requiring same, that the price is correct.

_____ City Treasurer

_____ City Clerk

City of Hawthorne, CA

PAID INVOICES REPORT

CHECK: AJ041426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
124328	ENTERPRISE FLEET MANAGEMENT INC.								
	120131	03/04/26	2721	11137	T	04/14/26	22210010 47404	MACHINERY & EQUIPMENT	5,374.50
	INVOICE: 464335-030426								
	VENDOR TOTALS	7,692.06 YTD INVOICED					65,528.36 YTD PAID		5,374.50
123386	VITALITY GROUP INTERNATIONAL, INC.								
	120133	03/17/26		11138	T	04/14/26	22210010 41514	OPERATING SUPPLIES	1,406.94
	INVOICE: 90053826								
	VENDOR TOTALS	1,702.40 YTD INVOICED					14,319.12 YTD PAID		1,406.94
								REPORT TOTALS	6,781.44

	COUNT	AMOUNT
TOTAL EFT TRANSFERS	2	6,781.44

** END OF REPORT - Generated by Shuntell Dixon **

City of Hawthorne, CA

PAID INVOICES REPORT

CHECK: AT041426 TO FISCAL 2026/01 07/01/2025 TO 06/30/2026

VENDOR	NAME / DOCUMENT	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
124321	US BANK NATIONAL ASSOCIATION								
	120209	03/13/26		11139	T	04/14/26	23002244 45144	GASOLINE & OIL	338.51
	INVOICE: 61174280								
	120210	03/20/26		11139	T	04/14/26	23002244 45144	GASOLINE & OIL	270.90
	INVOICE: 612156411								
	VENDOR TOTALS		453.86 YTD INVOICED				6,253.52 YTD PAID		609.41
123899	M & S AIR SUPPLY, INC.								
	120208	03/17/26	2933	11140	T	04/14/26	23002244 42014	REPAIR & MAINTENANCE SUPP	970.64
	INVOICE: 19852								
	VENDOR TOTALS		19,741.46 YTD INVOICED				110,953.23 YTD PAID		970.64
								REPORT TOTALS	1,580.05

	COUNT	AMOUNT
TOTAL EFT TRANSFERS	2	1,580.05

** END OF REPORT - Generated by Shuntell Dixon **

AGENDA ITEM NO. 2.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: City Clerk

City Manager: Department Head:

SUBJECT:
Approval of City Council meeting minutes for the regular meeting of March 24, 2026. Motion to approve minutes.

RECOMMENDED MOTION:
Staff recommends that the Council approve the regular City Council meeting minutes of March 24, 2026.

DISCUSSION:
The purpose of the minutes is to historically preserve the events of the City Council meetings. The minutes typically describe the event of the meeting and may include a list of attendees, a statement of the issues considered by the participants and related responses or decisions related to the issues. It is not a requirement that the minutes be a transcript, but instead a historical preservation/record of the actions, guidance, and directives provided in conducting the wishes and the business of the City of Hawthorne by the said policy-making body.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
None.

FISCAL IMPACT:
None.

NOTICING PROCEDURE:
72 Hours posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS
M 03.24.26

DRAFT

MINUTES OF A REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF HAWTHORNE,
CALIFORNIA HELD MARCH 24, 2026

CALL TO ORDER

The evening's meeting was called to order at 6:06pm.

INVOCATION

The invocation was led by Pastor Rueben Sanders.

PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Councilmember Katrina Manning.

ROLL CALL

Present:	Mayor Alex Vargas; Mayor Pro Tem Alex Monteiro; Council Member Katrina Manning; Council Member Angie Reyes English
Absent:	Council Member Faye Johnson
Also Present:	City Manager Vontray Norris; City Attorney David Caceres; City Clerk Dayna Williams-Hunter

PROCLAMATIONS/CERTIFICATES/PRESENTATIONS

1. Centinela Valley Union High School District Board (President Hugo M. Rojas II and Superintendent Dr. Stephen Nellman) -- (A. Monteiro)

2. Fair Housing Month (April) -- (A. Monteiro)

3. Deckard Technologies - Short Term Rentals -- (K. Manning)

4. Recognizing City of Hawthorne Media Division -- (K. Manning)

PUBLIC COMMENTS

Wendy Rodriguez, expressed various safety concerns regarding homeless activities around her residence, requested support for a double-reinforced gate.
Kyle Patterson, expressed concerns regarding tax fraud day of action
Pat Donaldson, announced the Business and Restaurant expo on May 14, 2026 and Networking and Mixer on April 15, 2026
Dyamond Daniel, shared information and introduced the organization Pieces Together Family Foundation, requesting funding resources to host events.
Osmani, provided an update on the outcome of the Easter egg Hunt event.
Kyle Oreman, announced the Vietnam Veterans of America South Bay Chapter 53 scholarship program, the deadline is April 5th also announced a veteran housing resource available on April 8th at Bob Hope Patriotic Hall.
Rueben Sanchez, spoke regarding non-permitted pop-ups and permit enforcement
Vincent Littlejohn, shared concerns regarding an experience with the police department

CITY CLERK'S CONSENT CALENDAR

5. The Finance Department requests approval of the warrants. Motion to approve the warrants.

   RECOMMENDED MOTION:
   Staff Recommends that the City Council approve the warrants issued for the period of 03/11/2026 to 03/24/2026 for a total of $6,000,084.58.

6. Approval of City Council meeting minutes for the regular meetings of March 10, 2026. Motion to approve minutes.

   RECOMMENDED MOTION:
   Staff recommends that the Council approve the regular City Council meeting minutes of March 10, 2026.

7. Approval of waiver of full readings of resolutions and ordinances on Tuesday, March 24, 2026's agenda. Motion to waive full

readings.

RESOLUTIONS

8. Resolution No. 8591 -- A Resolution of the City Council of the City of Hawthorne, California Approving a Third Amendment to the Professional Services Agreement with Citiguard Inc.

RECOMMENDED MOTION:
1. Approve the third amendment to the Professional Services Agreement with Citiguard for the period of one year from 3/14/2026 to 3/14/2027 to provide security services for the Bridge of Hope Community Housing (BHCH) site.

2. Authorize the City Manager, or designee, to execute, amend, and keep a record of documents necessary to administer the Fiscal Year 2026-2027 Professional Services Agreement with Citiguard.

3. Authorize the Department of Finance to establish a blanket purchase order for Citiguard not to exceed $237,961 in administrative fees.

Mayor Pro Tem Monteiro moved, Mayor Vargas seconded to approve the City Clerk's Consent Calendar (Items 5-8)

AYES: Councilmembers Manning, Reyes English, Mayor Pro Tem Monteiro, and Mayor Vargas
NOES: None.
ABSENT: Councilmember Johnson

ORDINANCES
(None at this time)

BIDS: OPENINGS & RESULTS

9. Bid opening for Moneta Gardens Improvement Project (Project # 22-08).

RECOMMENDED MOTION:
Staff recommends opening bids for Moneta Gardens Improvement Project (Project # 22-08).

Mayor Vargas moved, Councilmember Reyes English seconded to refer this item to staff for further study and recommendation (Item 9)

AYES: Councilmembers Manning, Reyes English, Mayor Pro Tem Monteiro, and Mayor Vargas
NOES: None.
ABSENT: Councilmember Johnson

PUBLIC HEARINGS
(None at this time)

GENERAL MATTERS
(None at this time)

CITY MANAGER'S CONSENT CALENDAR

10. Annual Progress Reports for the General Plan and Housing Element for 2025.

RECOMMENDED MOTION:
Approve the 2025 Annual Progress Reports (APR) for the General Plan and Housing Element so that they may be submitted to the appropriate state offices by the deadline of April 1, 2026.

11. Housing Successor Agency Report for Fiscal Year Ending 2024-25.

RECOMMENDED MOTION:
Staff recommends that the City Council receive and file the City of Hawthorne Housing Successor Agency Annual Report for Fiscal Year 2024-25.

12. Approval of a Grant Agreement with the California Department of Transportation (Caltrans) for the Clean California Local Grant Program.

RECOMMENDED MOTION:
Staff recommends approving the grant agreement and authorizing the City Manager to execute the agreement and all related documents as necessary.

13. Voluntary Transient Occupancy Tax Agreement between the City of Hawthorne (City) and Airbnb, Inc.

    RECOMMENDED MOTION:
    Staff recommends that the City Council approve the Voluntary Collection Agreement with Airbnb, Inc. and authorize the City Manager to Execute the Agreement and make any minor changes, if necessary.

14. Award of Water System Operations and Maintenance Agreement to Water Workforce and Authorization for the City Manager to Negotiate and Execute Agreement.

    RECOMMENDED MOTION:
    Staff recommends that the City Council approve the selection of Water Workforce for operation and Maintenance of the City's municipal water system and authorize the City Manager to negotiate and execute an agreement, subject to City Attorney approval.

15. First Amendment to the Consultant Agreement for Labor Compliance Monitoring Services ("First Amendment") between the City of Hawthorne ("City") and LDM Associates, Inc. ("Consultant").

    RECOMMENDED MOTION:
    Staff recommends that the City Council approve this First Amendment and authorize the City Manager or his designee to execute the First Amendment to the Consultant Agreement.

16. Hawthorne Housing Rehabilitation 2026 Phase II (City Project #26-11) -- Out to Bid.

    RECOMMENDED MOTION:

    Staff recommends that the City Council approve the Plans and Specifications and authorize the Director of Public Works to advertise for construction bids with a return date of May 12th, 2026.

17. Progress Payment #12 in the amount of $796,124.92 due to PCN3 Inc of Los Alamitos, CA for City of Hawthorne New Senior Center (Project #24-03).

    RECOMMENDED MOTION:
    Staff recommends that the City Council approve this Progress Payment #12 and all change orders associated with this progress payment to PCN3 Inc of Los Alamitos, CA

    Mayor Vargas moved, Mayor Pro Tem Monteiro seconded to approve the City Manager's Consent Calendar (Items 10,11, and 13-17)
    Councilmember Reyes English pulled Item 12 for discussion.

    AYES: Councilmembers Manning, Reyes English, Mayor Pro Tem Monteiro, and Mayor Vargas
    NOES: None.
    ABSENT: Councilmember Johnson

    Councilmember Reyes English moved, Mayor Pro Tem Monteiro seconded to approve Item 12 the City Manager's Consent Calendar.

    AYES: Councilmembers Manning, Reyes English, Mayor Pro Tem Monteiro, and Mayor Vargas
    NOES: None.
    ABSENT: Councilmember Johnson

CITY ATTORNEY'S CONSENT CALENDAR

(None at this time)

DISCUSSION ITEMS

18. Exhibit A -- List of Organizations for City Council Stipend Donations for Review -- A. Monteiro

    Mayor Pro Tem Monteiro tabled Item 18 for another meeting.

19. Adding Sanctuary of Hope and Ramona Elementary School PTA Board to Exhibit A Resolution 8434 for Stipend Donations - K. Manning

    Councilmember Mannig moved, Mayor Vargas seconded to approve Item 19.

    AYES: Councilmembers Manning, Reyes English, Mayor Pro Tem Monteiro, and Mayor Vargas
    NOES: None.
    ABSENT: Councilmember Johnson

20. Non-City-Owned Underutilized Parking Areas in the City -- A. Reyes English

Councilmember Reyes English moved, Mayor Pro Tem Monteiro seconded to approve Item 20 send letters to businesses with underutilized parking areas.

AYES: Councilmembers Manning, Reyes English, Mayor Pro Tem Monteiro, and Mayor Vargas
NOES: None.
ABSENT: Councilmember Johnson

ELECTED OFFICIALS REPORTS

COUNCIL DIRECTIVES

Mayor Pro Tem Monteiro gave the directive to bring back as a discussion the renaming of Cesar Chavez day.

Mayor Pro Tem Monteiro moved, Councilmember Reyes English seconded to approve this directive.

AYES: Councilmembers Manning, Reyes English, Mayor Pro Tem Monteiro, and Mayor Vargas
NOES: None.
ABSENT: Councilmember Johnson

CLOSED SESSION

(None at this time)

ADJOURNMENT

The evening's meeting was adjourned at 8:15pm.

CERTIFICATION

Passed and approved this 14th day of April 2026.

_____
Dayna Williams-Hunter
City Clerk

AGENDA ITEM NO. 4.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: City Attorney

City Manager: Department Head:

SUBJECT:
RESOLUTION NO. 8592 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, PROCLAIMING MAY 3, 2026 THROUGH MAY 9, 2026 AS "MUNICIPAL CLERK'S WEEK" IN HAWTHORNE.

RECOMMENDED MOTION:
Staff Recommends that the City Council adopt Resolution No. 8592.

DISCUSSION:
Initiated in 1969, and sponsored by the International Institute of Municipal Clerks ("IIMC"), Municipal Clerk's Week recognizes the important role of Municipal Clerks in local government, and their contribution in servicing their communities and educating the public on the significance of their roles.

Municipal clerks perform some of the principal functions of the democratic process. With the assistance of their deputies, they administer the local elections which can take months to organize. They remind the city councils of certain restrictions on contemplated legislative actions. They prepare agendas, take minutes, maintain ordinance and resolution files, keep the municipality's historical records and record the action of the various commissions.

One of local government's oldest positions is the Municipal Clerk. Their duties have expanded over the years and, today, modern technology assists them with their increasing responsibilities. To stay abreast of new computer applications, records management and other relevant information, many Municipal and Deputy Clerks return to the classroom to increase their knowledge of these issues, learn new material and sharpen old skills.

The City of Hawthorne in support of and in recognition of the efforts of the International Institute Municipal Clerks (IIMC) designates May 3, 2026 through May 9, 2026, as Municipal Clerk's Week in the City of Hawthorne.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
N/A

FISCAL IMPACT:
None

NOTICING PROCEDURE:
72 hours posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS
Reso 8592

RESOLUTION NO. 8592

A RESOLUTION OF THE CITY COUNCIL, OF THE CITY OF HAWTHORNE, CALIFORNIA, PROCLAIMING MAY 3, 2026 THROUGH MAY 9, 2026 AS "MUNICIPAL CLERK'S WEEK" IN HAWTHORNE

WHEREAS, the Office of the Municipal Clerk, a time honored and vital part of local government exists throughout the world; and

WHEREAS, the Office of the Municipal Clerk is the oldest among public servants; and

WHEREAS, the Office of the Municipal Clerk provides the professional link between the citizens, the local government bodies and agencies of government at other levels; and

WHEREAS, Municipal Clerks have pledged to be ever mindful to their neutrality and impartiality, rendering equal service to all; and

WHEREAS, the Municipal Clerk serves as the information center on functions of local government and community; and

WHEREAS, Municipal Clerks continually strive to improve the administration of the affairs of the Office of the Municipal Clerk through participation in education programs, seminars, workshops and the annual meetings of their state, province, county and international professional organizational; and

WHEREAS, the Office of the City Clerk for the City of Hawthorne has diligently and tirelessly progressed toward providing the citizens of Hawthorne with advancements in agenda management technology, records management, and the supervision of municipal elections in order to enable the public to fully participate in the governmental process and make informed decisions affecting the quality of lives.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Hawthorne as follows:

Section 1. The City Council of the City of Hawthorne, California, hereby incorporates by reference all the recitals herein and finds that they are true and correct.

Section 2. The City Council of the City of Hawthorne, California, hereby proclaims that the week of May 3, 2026 through May 9, 2026 is Municipal Clerks Week, and further extends its appreciation to our Municipal Clerk Dayna Williams-Hunter, her hardworking staff, and to all Municipal Clerks across the nation for the vital services they perform and their exemplary dedication to the communities they represent.

Section 3. The City Clerk shall certify to the adoption of this Resolution and shall cause this Resolution and her certification to be entered in the Book of Resolutions of the Council of the City.

Section 4. This resolution shall be in full force and effect immediately upon its passage and adoption thereof.

PASSED, APPROVED AND ADOPTED this 14th day of April, 2026.

ALEX VARGAS, Mayor
City of Hawthorne, California

ATTEST:

DAYNA WILLIAMS-HUNTER, City Clerk
City of Hawthorne, California

APPROVED AS TO FORM:

DAVID CACERES, City Attorney
City of Hawthorne, California

AGENDA ITEM NO. 5.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: City Attorney

City Manager: Department Head:

SUBJECT:
RESOLUTION NO. 8493 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, CALLING AND GIVING NOTICE OF A GENERAL MUNICIPAL ELECTION TO BE HELD IN THE CITY OF HAWTHORNE FOR THE ELECTIONS OF CERTAIN OFFICERS CONSOLIDATED WITH THE STATEWIDE GENERAL ELECTION SCHEDULED FOR TUESDAY, NOVEMBER 3, 2026, AND REQUESTING THAT THE BOARD OF SUPERVISORS ISSUES INSTRUCTIONS TO THE REGISTRAR RECORDER TO TAKE ANY AND ALL STEPS NECESSARY FOR THE HOLDING OF THE CONSOLIDATED ELECTION.

RECOMMENDED MOTION:
Staff recommends that the City Council approve Resolution No. 8493.

DISCUSSION:
The City is required to give notice of the general municipal election to select two Council Members, City Treasurer and City Clerk, all for a term of four years each. The County registrar has previously informed us that there is no need for the City to request a consolidated election with the Statewide General Election because the County has the City of Hawthorne on a list of cities continuing such requests so that the County Board of Supervisors do not need to call for a vote for each election.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
N/A

FISCAL IMPACT:
The estimates as provided by the Los Angeles County Registrar-Recorder total $213,695.72 without a ballot measure and $240,635.26 with a ballot measure.

NOTICING PROCEDURE:
72 hours posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS
Reso 8493

RESOLUTION NO. 8493

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, CALLING AND GIVING NOTICE OF A GENERAL MUNICIPAL ELECTION TO BE HELD IN THE CITY OF HAWTHORNE FOR THE ELECTIONS OF CERTAIN OFFICERS CONSOLIDATED WITH THE STATEWIDE GENERAL ELECTION SCHEDULED FOR TUESDAY, NOVEMBER 3, 2026 AND REQUESTING THAT THE BOARD OF SUPERVISORS ISSUES INSTRUCTIONS TO THE REGISTRAR - RECORDER TO TAKE ANY AND ALL STEPS NECESSARY FOR THE HOLDING OF THE CONSOLIDATED ELECTION.

WHEREAS, under the provisions of the laws relating to General Law Cities in the State of California, a general municipal election shall be held on Tuesday, November 3, 2026, for the election of two members of the City Council for the full term of four years, the election of the City Treasurer for the full term of four years and the election of the City Clerk for the full term of four years; and

WHEREAS, it is desirable that said general municipal election be consolidated with the statewide general election to be held on the same date and that within said City the precincts, polling places and election of officers of the two elections be the same, and that the Registrar-Recorder of the County of Los Angeles canvass the returns of the municipal election and that said general municipal election be held in all respects as if there were only one election.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That pursuant to the requirements of the laws of the State of California relating to General Law Cities within said State, there hereby called and ordered, to be held in the City of Hawthorne, California, on Tuesday, November 3, 2026, a general municipal election of the qualified electors of the City to be consolidated with the statewide general election for the purpose of electing two members of the City Council for the full term of four years, the election of the City Treasurer for the full term of four years and the election of the City Clerk for the full term of four years (the "Election").

Section 2. The Registrar-Recorder is hereby authorized to canvas the returns of the Election consolidated with the statewide general election to be held on the same date, with said elections to be held in all respects as if there were only one election, and only one form of ballot shall be used.

Section 3. That the Board of Supervisors is hereby requested to issue instruction to

the Registrar-Recorder to take any and all steps necessary for the holding of the consolidated election.

Section 4. That the City of Hawthorne recognizes that additional costs will be incurred by the County by reason of this consolidation and agrees to reimburse the county for any cost.

Section 5. That the City Clerk is authorized, instructed and directed to procure and furnish any and all official documents, notices printed matter, an all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

Section 6. that the polls for the election shall be open at seven o'clock a.m. of the day of the election and shall remain open continuously from said time until eight o'clock p.m. of the same day when the polls shall be closed, except as provided in Section 14401 of the Elections Code of the State of California.

Section 7. That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

Section 8. That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of election, in time, form and manner required by law.

Section 9. That the City Clerk is hereby directed to file a certified copy of this resolution with Los Angele County Board of Supervisors and the County Election Department.

Section 10. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED, and **ADOPTED** this 14th day of April 2026.

_____
ALEX VARGAS, Mayor
City of Hawthorne, California

ATTEST:

_____
DAYNA S. WILLIAMS-HUNTER, City Clerk
City of Hawthorne, California

_____
DAVID CACERES, City Attorney
City of Hawthorne, California

AGENDA ITEM NO. 6.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: Housing

City Manager: Department Head:



SUBJECT:
RESOLUTION NO. 8594 -- A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA APPROVING A THIRD AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH THE LOS ANGELES CENTERS FOR ALCOHOL AND DRUG ABUSE (LA CADA).

RECOMMENDED MOTION:
1. Approve the third amendment to the Professional Services Agreement with LA CADA for the period of one year from 4/17/2026 to 4/17/2027 to provide site management for the Bridge of Hope Community Housing (BHCH) site.

2. Authorize the City Manager, or designee, to execute, amend, and keep a record of documents necessary to administer the Fiscal Year 2026-2027 Professional Services Agreement with LA CADA.

3. Authorize the Department of Finance to establish a blanket purchase order for LA CADA not to exceed $486,878 in administrative fees.

DISCUSSION:
On March 28, 2024, the City Council approved a Professional Services Agreement with LA CADA for BHCH site management. There is now a need to amend the agreement with an updated Scope of Work and change in rates. The proposal reflects a 39% decrease in fees. The number of staff has been reduced to eliminate redundancies and improve operational efficiency.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
None.

FISCAL IMPACT:
None.

NOTICING PROCEDURE:
72 hours posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS
Resolution No. 8594

RESOLUTION NO. 8594

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, APPROVING THE THIRD AMENDMENT OF THE CITY OF HAWTHORNE AGREEMENT FOR PROFESSIONAL SERVICES WITH THE LOS ANGELES CENTERS FOR ALCOHOL AND DRUG ABUSE (LA CADA) AND ACKNOWLEDGING THE TRANSACTIONS REQUIRING PAYMENTS OR "OBLIGATIONS" AS REQUIRED PER THE AGREEMENT

WHEREAS, in response to Hawthorne's Homeless Crisis, the City Council, on February 14, 2023, accepted a proposal for a consultant to develop an Operations and Services Plan for a non-congregate (tiny home) bridge housing site and to operate the site located at 3200 W 131st St, Hawthorne, CA 90250, known as the Bridge of Hope Community Housing Project (BHCH); and

WHEREAS, on March 28, 2023, the City Council approved the Professional Services Agreement with the LA CADA for the period of one year from 4/17/2023 to 04/17/2024 to provide professional services necessary to operate the BHCH site; and

WHEREAS, City and Consultant entered into the First Amendment to City of Hawthorne Agreement for Consultant Services ("First Amendment") dated April 15, 2024 extending the term of the Original Agreement up to and including April 17, 2025;

WHEREAS, City and Consultant entered into a Second Amendment to City of Hawthorne Agreement for Consultant Services ("Second Amendment") dated March 10, 2025 extending the term of the Original Agreement up to April 17, 2026;

WHEREAS, City and Consultant now desire to extend the term for one (1) year, through April 17, 2027 (the "Extended Period"); and

WHEREAS, City desires to revise Consultant's Scope of Services and compensation structure for the Extended Period accordingly.

WHEREAS, the City of Hawthorne has established a process for the LA CADA to report and provide monthly invoices; and

WHEREAS, the City of Hawthorne and the LA CADA wish to enter into this Agreement to memorialize each other's responsibilities in regards to the operation of the BHCH Site management and funding for this program.

WHEREAS, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Defined Terms. Except as otherwise defined herein, all capitalized terms used herein shall have the meanings set forth for such terms in the Original Agreement.

2. Revised Scope of Services. The Scope of Services, Exhibit "A" to the Original Agreement, as previously amended, is hereby deleted in its entirety and replaced with Exhibit "A" attached hereto and incorporated herein in this reference. Exhibit "A" sets forth the updated Service Plan, Operational Oversight structure, Staffing Plan, Policies and Procedures, and Proposed Budget for the Extended Period.

3. Term. The Term of the Original Agreement as set forth in Section 1 therein began on April 17, 2023, and continues on an as-needed basis unless earlier terminated. The First Amendment amended Section 1 of the Original Agreement to provide for an additional one (1) year term from April 17, 2024 to April 17, 2025. The Second Amendment further amended Section 1 of the Original Agreement to provide for an additional one (1) year term from April 17, 2025 to April 17, 2026. This Third Amendment hereby amends Section 1 of the Original Agreement to provide for an additional one (1) year term from April 17, 2026 to April 17, 2027. All other language in Section 1 of the Original Agreement shall remain unchanged.

4. Compensation. The total not-to-exceed compensation set forth in Section 4 and Exhibit "C" of the Original Agreement was the sum of Eight Hundred Ninety Thousand Two Hundred Six and 29/100 Dollars ($890,206.29). The First Amendment, Exhibit "D" entitled "Budget & Schedule of Compensation," further amended the total not-to-exceed compensation under the Original Agreement to the sum of Seven Hundred Ninety-Eight Thousand, Four Hundred Twenty-Eight and 88/100 Dollars ($798,428.88). The Second Amendment, Exhibit "A" entitled "Budget & Schedule of Compensation," maintained the total not to exceed compensation for the extended Period at Seven Hundred Ninety-Eight Thousand, Four Hundred Twenty-Eight and 88/100 Dollars ($798,428.88).

Exhibit "C" of the Original Agreement, entitled "Budget & Schedule of Compensation," is hereby deleted in its entirety and replaced with Exhibit "C" attached hereto and incorporated herein by this reference. Accordingly, the Original Agreement is hereby amended by this Third Amendment so that the total not-to-exceed compensation for the Extended Period shall be paid in accordance with the Schedule of Compensation set forth in Exhibit "C" and shall not exceed Four Hundred Eighty-Six Thousand, Eight Hundred Seventy-Eight Dollars ($486,878), unless otherwise authorized in writing by The City.

In addition, Section 4(a) of the Original Agreement is hereby deleted in its entirety and amended as follows:

(a) The City Agrees to pay Consultant in accordance with the payment rates and terms and the schedule of compensation as set forth in Exhibit "A" to the Third Amendment and incorporated herein by this reference as thought set forth in full. Compensation shall be based upon the actual time spent ad services performed in accordance with the Scope of Services set forth in Exhibit "A." Consultant shall submit invoices for actual services performed. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement

which are in addition to those set forth in Exhibit "A," unless such additional services are authorized in advance and in writing by The City.

5. Integration. This Third Amendment and all attachments hereto (if any) integrate all of the terms and conditions mentioned herein and supersede all negotiations with respect hereto. This Third Amendment amends, as set forth herein, the Original Agreement and except as specifically amended hereby, the Original Agreement shall remain in full force and effect. To the extent that there is any conflict or inconsistency between the terms and provisions of this Third Amendment and the terms and provisions of the Original Agreement, the terms and provisions of this Third Amendment shall control.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hawthorne does hereby find, determine and order as follows:

Section 1. The City Council of the City of Hawthorne, California, hereby incorporates by reference all the recitals herein and finds that they are true and correct.

Section 2. The Council of the City of Hawthorne, California, hereby approves the second amendment to the Professional Services Agreement with LA CADA attached hereto as Exhibit "A" and authorizes the City Manager to execute all said Agreements.

Section 3. The City Clerk shall certify to the adoption of this Resolution and thereafter the same shall be in full force and effect.

PASSED, APPROVED, and ADOPTED this 14th day of April 2026.

_____
ALEX VARGAS, Mayor
City of Hawthorne, California

ATTEST:

_____
DAYNA WILLIAMS-HUNTER, City Clerk
City of Hawthorne, California

APPROVED AS TO FORM:

_____
David Caceres, City Attorney
City of Hawthorne, California

EXHIBIT A
SCOPE OF WORK
Bridge of Hope Community Housing
FY 2026–2027

1. Program Overview

Los Angeles Centers for Alcohol and Drug Abuse (L.A. CADA) proposes to continue operating the Bridge of Hope Community Housing site in coordination with the City of Hawthorne. The program will provide interim housing and supportive services designed to stabilize individuals experiencing homelessness and support their transition to permanent housing. The Service Plan outlined in this Exhibit describes how the site will be managed, including participant intake, daily site operations, coordination of supportive services, and connection of residents to housing resources and community-based services. The program is structured to ensure that residents receive consistent support while maintaining a safe, stable, and well-managed housing environment.

The Plan will also operationalize how the site can maximize participant and program success by balancing and coordinating on-site services with existing services available through the County of Los Angeles, and the City's existing services, contracts, and resources. L.A. CADA will also leverage Medi-Cal reimbursable services, including field-based services (FBS), to expand access to substance use disorder treatment, behavioral health services, and enhanced care coordination for eligible participants. These services may include field-based counseling, assessments, and care coordination delivered through L.A. CADA's Medi-Cal certified programs and will be billed to Medi-Cal when applicable, allowing program participants to receive additional support services at no additional cost to the City.

L.A. CADA will work closely with the city staff to understand the specific needs of the program participants and to ensure that the program operations align with the City's priorities for addressing homelessness within the community. Recognizing that each city within Los Angeles County has varying resources available to address its housing challenges, L.A. CADA will tailor the delivery of proposed supplemental homeless outreach and services for the needs of the City of Hawthorne. L.A. CADA will conduct proactive, field-based outreach to unsheltered individuals including regular visits to encampments and other locations where individuals experiencing homelessness reside. Additionally, L.A. CADA maintains an extensive network of community partners throughout Service Planning Area 8 (SPA 8) with over 115 service providers and resources that can be leveraged to support program participants and ensure the success of the program in SPA 8.

2. Service Plan

Site Operations

Bridge of Hope Community Housing (BHCH) will operate as a low-barrier interim housing program designed to provide safe, temporary housing while participants work toward permanent housing placement. The program will focus on housing stabilization, connection to supportive services, and coordination with City and County resources to support successful housing outcomes. BHCH will operate as a 90–120 day interim housing program focused on identifying permanent housing solutions within that timeframe. During this period, staff will work with participants to develop housing plans and identify appropriate housing opportunities to support successful program exits. Extensions to this timeframe may be granted on a case-by-case basis based on participation, progress toward housing, and income stability.

The program will serve adults age 18 and older who are able to independently complete activities of daily living (ADLs). Individuals requiring a higher level of care due to medical, mental health, or cognitive needs will be referred to appropriate programs. Coordinated Entry System triage tools and other required assessments will be completed once rapport is established with the participant to identify immediate and long-term needs.

All program referrals will be received directly from the City of Hawthorne Homeless Services Division. Upon referral, participants will be scheduled for intake with the onsite BHCH team as space becomes available. The onsite BHCH team will complete intake and participant agreements to ensure participants understand program policies and expectations. Participants will also receive a brief program orientation reviewing site rules, expectations, and available services to support successful participation in the program.

Participants not making sufficient progress may be referred to other providers to reduce the risk of returning to homelessness. Participants will receive a 30-day notice once they reach the 90-day mark to prepare for transition. Immediate exits may occur when behavior poses a safety risk, with referrals and resources provided. Participants will have seven days post-exit to retrieve personal belongings. If a participant begins missing overnight stays or required services, staff will first attempt to identify any barriers that might be affecting participation. When needed, notices will be issued to address non-compliance and clarify program expectations. Staff will work with participants to support re-engagement efforts as needed. Continued non-participation may result in program exit after repeated missed engagements.

Daily activities and service participation will be tracked through sign-in logs and L.A. CADA's internal database. L.A. CADA's internal database will document service engagement, case management interactions, and progress toward housing goals. Weekly site meetings will be held to review policies, expectations, and upcoming activities. Participation will be documented, and engagement trends will be monitored. Program staff will oversee daily site operations and monitor resident engagement with services and housing planning activities.

Facility maintenance concerns will be communicated and documented to the City in real time and reflected in quarterly reporting. Program staff will monitor the site regularly to ensure that the facility remains clean, safe, and operational for residents and staff. All maintenance and safety issues will be tracked and communicated to ensure timely resolution and a safe environment.

Program staff will coordinate transition planning with participants and appropriate service providers to support placement into permanent housing whenever possible. Permanent housing outcomes may include family reunification, market-rate or subsidized units, Single Room Occupancy (SROs), Shared Housing and Resource Exchange (SHARE!), transitional housing, Emergency Housing Vouchers (EHV) or Project-Based Voucher (PBV) placements, or referrals to higher levels of care.

Supportive Services

L.A. CADA staff will work with the existing service providers on this program to provide housing navigation, case management, care coordination, homelessness prevention, and problem-solving services. L.A. CADA will also provide additional supportive services including referrals to legal services, workforce development, behavioral health and substance use services, transportation assistance to off-site appointments, benefits navigation, and Medi-Cal field-based services.

L.A. CADA will identify participants' existing service providers to coordinate and complement their access to supportive services. If a participant is not currently connected to services, the participant will be connected to L.A. CADA's continuum of care when appropriate, or referred to the most appropriate provider. The Hawthorne Homeless Service Center will be used as a resource to support service coordination, housing stability, and successful transition to permanent housing.

L.A. CADA will also leverage Medi-Cal reimbursable services, including field-based services, when appropriate for eligible participants. These services may include behavioral health assessments, care coordination, substance use disorder counseling, and linkage to treatment services. When provided, these services will be delivered through L.A. CADA's Medi-Cal certified programs and will be billed to Medi-Cal when applicable, resulting in additional services for program participants at no additional cost to the City.

Care Coordination Model

L.A. CADA will provide active care coordination to guide engaged participants into the SUD treatment continuum. L.A. CADA will identify and meet with existing service providers and partners to coordinate services and identify opportunities to support participants at the site. Regular coordination meetings will be held with service providers to review participant needs, service areas, and housing progress. City staff will be invited to participate in these coordination meetings.

For participants linked to another provider, L.A. CADA will ensure a warm handoff is completed. Additionally, program participants will have consistent follow-ups with the outside provider to ensure they are making progress towards established housing plans and case management goals. L.A. CADA will provide support as needed to assist participants in achieving these plans and goals. For those with an external provider, monthly care coordination meetings with the provider will be conducted.

For participants enrolled into services, housing plans and case management, goals will be established within two weeks of admission. Subsequently, all housing plans will be reviewed and reassessed every 90 days. Participants will have weekly case management sessions, which will include any and all required housing navigation services. Priority will be given to medical and mental health needs.

Operational Oversight

L.A. CADA will provide operational oversight of the Bridge of Hope Community Housing site to ensure safe operations, effective service delivery, and compliance with contract requirements. The site will be staffed by onsite L.A. CADA personnel seven days a week from 7:00 a.m. to 11:00 p.m., with 24-hour onsite third-party security to maintain site safety and stability.

The Program Manager will oversee daily operations and will maintain continuous communication with onsite staff and security regarding incidents, safety concerns, and operational issues. Staff supervision will be supported through weekly check-ins and coaching, reinforcing alignment with program outcomes and L.A. CADA policies. Senior Management will provide additional oversight through ongoing staff development support, regular coaching with program management, review of program data and outcomes, assistance with resource coordination, and oversight of required reporting, including generation and timely submission of all contract deliverables.

The program will maintain regular and structured communication with the City of Hawthorne through weekly case conferencing meetings. These meetings will focus on participant progress, site-related issues (including maintenance and wear and tear), and reinforcement of program expectations. L.A. CADA program staff will also collaborate with BHCH staff on participant-specific solutions, including move-in assistance, family reunification, and other housing-related supports.

Program activities will be coordinated and monitored through a monthly activity calendar designed to promote community engagement and participant well-being. Activities may include community walks, outings, workshops, job fairs, and healthcare or therapeutic appointments. Program services will be reviewed weekly, monthly, quarterly, and annually through internal reports, Homeless Management Information System (HMIS) data, and City coordination. Participants will meet with their housing navigator at least once per week. Activity participation and service engagement will also be reviewed during weekly City case conferences.

Data will be extracted from the internal database and HMIS to produce monthly, quarterly, annual, and ad hoc reports. Reports will be submitted to the City as required to ensure consistency, accuracy, and compliance with reporting requirements. Additionally, L.A. CADA will maintain ongoing communication with the City regarding operational challenges, maintenance concerns, and participant grievances. Participants will be encouraged to report concerns directly to L.A. CADA staff or the City.

The Program Manager will remain on call to address emergent issues, coordinate supportive services, and implement timely resolutions to maintain site safety and program continuity. L.A. CADA will also maintain a 24/7 response number so that City staff may contact program staff as needed regarding operational matters.

Staffing Plan

L.A. CADA will maintain staffing levels necessary to ensure safe and effective operation of the Bridge of Hope Community Housing site and to support participants in achieving housing stability. At minimum, the program will include the following staffing positions:

- **Program Manager**
  The Program Manager will provide overall oversight of the Bridge of Hope Community Housing program, supervise program staff, ensure compliance with contract requirements, coordinate with the City of Hawthorne, and monitor program performance and reporting.
- **Housing Navigator**
  The Housing Navigator will assist program participants in identifying and securing permanent housing opportunities and will support participants in addressing barriers to housing placement, including completing housing applications, coordinating with property managers, and preparing participants for successful housing placement.
- **Resident Aide**
  Resident aides will provide supervision of the site during evening and weekend hours, assist with monitoring participant engagement, reinforce program expectations, and help maintain a safe and supportive environment for residents.
- **Maintenance Staff**
  Maintenance staff will be responsible for ensuring that the site remains clean, safe, and operational and will address routine maintenance needs as they arise.

Staffing levels may be adjusted as necessary to support effective program operations and in accordance with the approved Scope of Services.

3. Policies and Procedures

L.A. CADA will implement site policies and procedures to ensure the safe and effective operation of the Bridge of Hope Community Housing program and to support participants in achieving housing stability.

Policies and procedures will include, but are not limited to:

- Participant eligibility and referral procedures
- Program intake and orientation processes
- Program participation expectations and site rules
- Program exit and transition procedures
- Site management and operational oversight
- Coordination with on-site and off-site service providers
- Procedures for connecting participants to housing navigation and supportive services
- Staff roles and responsibilities
- Safety protocols and incident reporting procedures

These policies and procedures will ensure that participants receive consistent support and access to services while maintaining a safe and well-managed environment for all residents.

4. Reporting and Performance Monitoring

L.A. CADA will provide regular reporting to the City of Hawthorne to ensure transparency, accountability, and effective program oversight. L.A. CADA will provide monthly reports in a format approved by the City demonstrating aggregate enrollment and exit data and documenting connections to services and housing resources.

Program staff will collect and monitor participant data through the agency's electronic records system to ensure that program services and outcomes are accurately tracked. Program management staff will regularly review files to ensure completeness and accuracy.

L.A. CADA maintains a Quality Improvement Division that evaluates program performance and outcomes. Program staff work with the Quality Improvement team to review data, monitor program performance, and adjust as necessary to improve service delivery and participant outcomes. Through this process, L.A. CADA ensures that the program remains responsive to participant needs and aligned with program goals.

5. Terms of Services

Services described in this Scope of Services will be provided during the term of the Agreement as amended, beginning April 17, 2026, and continuing through April 17, 2027, unless terminated earlier in accordance with the terms of the Agreement.

During this period, L.A. CADA will continue to operate the Bridge of Hope Community Housing site in coordination with the City of Hawthorne and will provide the services described in this Exhibit.

EXHIBIT B
INSURANCE REQUIREMENTS
Bridge of Hope Community Housing
FY 2026–2027

Client#: 209552 LACADA

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 1/08/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Celeste Brooks	
Propel Insurance 805 SW Broadway; Suite 2300 COM Construction Portland, OR 97205-3363	PHONE (A/C, No, Ext): 800 499-0933	FAX (A/C, No): 866 577-1326
	E-MAIL ADDRESS: celeste.brooks@propelinsurance.com	

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Landmark American Insurance Company	33138
INSURER B : General Star Indemnity Company	37362
INSURER C : NonProfits United Workers Compensation	
INSURER D : NonProfits United Vehicle Ins Pool	
INSURER E :	
INSURER F :	

INSURED
Los Angeles Centers for Alcohol and Drug Abuse
12070 Telegraph Rd. Suite 207
Santa Fe Springs, CA 90670

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY			LHC870928	10/14/2025	10/14/2026	EACH OCCURRENCE	$1,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$100,000
	X BI/PD Ded:15000						MED EXP (Any one person)	$5,000
							PERSONAL & ADV INJURY	$1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$3,000,000
	POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$1,000,000
	OTHER:							$
D	AUTOMOBILE LIABILITY			2426	01/09/2026	07/01/2026	COMBINED SINGLE LIMIT (Ea accident)	$5,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	X HIRED AUTOS ONLY / X NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
B	UMBRELLA LIAB X OCCUR			IKG929955A	10/14/2025	10/14/2026	EACH OCCURRENCE	$5,000,000
	X EXCESS LIAB X CLAIMS-MADE			XS of Landmark			AGGREGATE	$5,000,000
	DED RETENTION $			Policy #LHC87092				$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N	N/A		NPUWCG00145130179	01/01/2026	01/01/2027	X PER STATUTE OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? N						E.L. EACH ACCIDENT	$1,000,000
	(Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$1,000,000
							E.L. DISEASE - POLICY LIMIT	$1,000,000
A	Prof. Liab.-CM			LHC870928	10/14/2025	10/14/2026	$1,000,000/$3,000,000	
A	Sex. Miscond.-CM			LHC870928	10/14/2025	10/14/2026	$1,000,000/$1,000,000	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

City of Hawthorne
4455 W 126th St
Hawthorne, CA 90250

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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EXHIBIT C
BUDGET & SCHEDULE OF COMPENSATION
Bridge of Hope Community Housing
FY 2026–2027

Bridge of Hope Community Housing (FY 26-27)

	Hourly Rate	Service 2 (Operation of the Site)		GRAND TOTAL	
		Total Hours	Cost	Hours	Cost
Service 1					
Program Manager	$35.83	2080	$74,518.08	**2,080**	**$74,518**
Housing Navigator	$28.70	2080	$59,688.72	**2,080**	**$59,689**
Resident Aide	$28.91	2080	$60,132.80	**2,080**	**$60,133**
Maintenance Staff	$25.62	2080	$53,285.23	**2,080**	**$53,285**
Benefits 24%			$59,429.96		**$59,430**
STAFFING TOTAL			**$307,054.79**	**8,320**	**$307,055**

OTHER DIRECT COSTS	
Lease Vans	$14,400
Gasoline for vans	$6,000
Activities	$3,000
Food	$77,000
Office Expenses	$8,000
Communication - Site Cellphone for offsite communication	$1,200
Maintenance supplies and Hygine supplies	$5,000
Insurance	$13,058
Indirect Costs 12%	$52,166
OTHER DIRECT COSTS TOTAL	**$179,824**
PROJECT TOTAL	**$486,878**

SCHEDULE OF COMPENSATION

1. Subject to any limitations set forth in this Agreement, City agrees to pay Consultant in accordance with the hourly rates and terms set forth in this Schedule of Compensation. Compensation shall be based upon actual time spent and services performed in accordance with the Scope of Services set forth in Exhibit "A."

2. The rates set forth below include all labor, materials, direct and indirect costs, and expenses necessary for Consultant to provide services under this Agreement.

3. Consultant shall submit invoices on a monthly basis reflecting actual hours worked and services performed during the invoicing period. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees.

4. Total compensation for the Extended Period shall not exceed Four Hundred Eighty-Six Thousand, Eight Hundred Seventy-Eight Dollars ($486,878), unless otherwise authorized in writing by The City.

5. Consultant shall not be compensated for any services rendered which are in addition to those set forth in in Exhibit "A" unless such additional services are authorized in advance and in writing by The City.

RESOLUTION NO. 8518

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, APPROVING THE SECOND AMENDMENT OF THE CITY OF HAWTHORNE AGREEMENT FOR PROFESSIONAL SERVICES WITH THE LOS ANGELES CENTERS FOR ALCOHOL AND DRUG ABUSE (LA CADA) AND ACKNOWLEDGING THE TRANSACTIONS REQUIRING PAYMENTS OR "OBLIGATIONS" AS REQUIRED PER THE AGREEMENT

WHEREAS, in response to Hawthorne's Homeless Crisis, the City Council, on February 14, 2023, accepted a proposal for a consultant to develop an Operations and Services Plan for a non-congregate (tiny home) bridge housing site and to operate the site located at 3200 W 131st St, Hawthorne, CA 90250, known as the Bridge of Hope Community Housing Project (BHCH); and

WHEREAS, on March 28, 2023, the City Council approved the Professional Services Agreement with the LA CADA for the period of one year from 4/17/2023 to 04/17/2024 to provide professional services necessary to operate the BHCH site in an amount not to exceed $890,206.29; and

WHEREAS, on April 23, 2024, the City Council approved the Professional Services Agreement first amendment with the LA CADA for the period of one year from 03/15/2024 to 03/15/2025 to provide professional services necessary to operate the BHCH site in an amount not to exceed $798,428.88; and

WHEREAS, The City has made available HOME-ARPA and PLHA funding an amount not to exceed $798,428.88, for the professional services necessary to carry out a third-year agreement with LA CADA for the site operations of BHCH for the 25-26 FY; and

WHEREAS, the City of Hawthorne has established a process for the LA CADA to report and provide monthly invoices; and

WHEREAS, the City of Hawthorne and the LA CADA wish to enter into this Agreement to memorialize each other's responsibilities in regards to the operation of the BHCH Site management and funding for this program.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hawthorne does hereby find, determine and order as follows:

Section 1. The City Council of the City of Hawthorne, California, hereby incorporates by reference all the recitals herein and finds that they are true and correct.

Section 2. The Council of the City of Hawthorne, California, hereby approves the second amendment to the Professional Services Agreement with LA CADA attached hereto as Exhibit "A" and authorizes the City Manager to execute all said Agreements.

Section 3. The City Clerk shall certify to the adoption of this Resolution and thereafter the same shall be in full force and effect.

PASSED, APPROVED, and ADOPTED this 8th day of April 2025.

ALEX VARGAS, Mayor
City of Hawthorne, California

ATTEST:

DAYNA WILLIAMS-HUNTER, City Clerk
City of Hawthorne, California

APPROVED AS TO FORM:

ROBERT M. KIM, City Attorney
City of Hawthorne, California

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) §
CITY OF HAWTHORNE)

I, **Joy Post,** the duly appointed Deputy City Clerk of the City of Hawthorne, California, **DO HEREBY CERTIFY** that the foregoing Resolution, being Resolution No. 8518 was duly adopted by the City Council of the City of Hawthorne, at the regular meeting of the City Council held **April 8, 2025** and that it was adopted by the following vote, to wit:

AYES: Council Members Johnson, Manning, Reyes English, Mayor Pro Tem Monteiro, and Mayor Vargas

NOES: None.

ABSTAIN: None.

ABSENT: None.

Joy Post
Deputy City Clerk
City of Hawthorne, California

SECOND AMENDMENT TO
CITY OF HAWTHORNE
AGREEMENT FOR CONSULTANT SERVICES

This Second Amendment to City of Hawthorne Agreement for Consultant Services ("Second Amendment") is made and entered into as of March 10, 2025 ("Effective Date"), by and between the City of Hawthorne, a municipal corporation ("City"), and Los Angeles Centers for Alcohol and Drug Abuse, a California nonprofit public-benefit corporation ("Consultant") (collectively, the "Parties") with reference to the following:

WHEREAS, City and Consultant entered into the City of Hawthorne Agreement for Consultant Services dated April 17, 2023 to develop and operate the Bridge of Hope housing project ("Original Agreement");

WHEREAS, City and Consultant entered into the First Amendment to City of Hawthorne Agreement for Consultant Services ("First Amendment") dated April 15, 2024 extending the term of the Original Agreement up to and including April 17, 2025;

WHEREAS, City and Consultant now desire to extend the term for one (1) year, through April 17, 2026 (the "Extended Period"); and

WHEREAS, City desires to set forth Consultant's maximum compensation and scope of services for the Extended Period accordingly.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Defined Terms. Except as otherwise defined herein, all capitalized terms used herein shall have the meanings set forth for such terms in the Original Agreement.

2. Revised Scope of Services. The Scope of Services, Exhibit "A" to the Original Agreement, is hereby amended only with respect to TASK 2.1 Site Operation, as follows:

TASK 2.1: Site Operation

The Provider will operate the site for a minimum of three years in accordance with the Final approved Operations and Services Plan. L.A. CADA will staff at minimum the following positions for this project:

- 1 FTE Assistant Manager on duty during weekday business hours to oversee site (facilitate meals, showers, etc.), conduct program intake and exit, provide case management as needed, coordinate with participants' existing case managers and housing navigators, and connect participants to existing services as needed.
- 2 FTE resident aides on duty weekday evenings and weekends to oversee site (facilitate meals, showers, etc.).

- 0.4 FTE weekend resident aide to oversee site (facilitate meals, showers, etc.).
- 1 FTE maintenance staff person on duty weekday evenings and weekends to keep the site clean and operational.
- 1 FTE Housing Navigator with substantial experience in connecting program participants with permanent housing to ensure the success of the program.
- 1 FTE Case Manager to ensure close collaboration between services and efficient and fruitful linkages to care, and who will work closely with the Housing Navigator to find appropriate housing for all program participants.

These staffing levels may be modified in accordance with the final approved Operations and Services Plan. L.A. CADA will also be providing a monthly report in a format approved by the City, demonstrating aggregate enrollment and exist data and provision of/connection to services.

The proposed staffing plan could be modified based on the Operations and Service Plan and developed in Task 1. Deliverables: Monthly Reports (12).

3. Term. The Term of the Original Agreement as set forth in Section 1 therein began on April 17, 2023, and continues on an as-needed basis unless earlier terminated. The First Amendment amended Section 1 of the Original Agreement to provide for an additional one (1) year term from April 17, 2024 to April 17, 2025. This Second Amendment hereby amends Section 1 of the Original Agreement to provide for an additional one (1) year term from April 17, 2025 to April 17, 2026. All other language in Section 1 of the Original Agreement shall remain unchanged.

4. Compensation. The total not-to-exceed compensation set forth in Section 4 and Exhibit "C" of the Original Agreement was the sum of Eight Hundred Ninety Thousand Two Hundred Six and 29/100 Dollars ($890,206.29). The First Amendment, Exhibit "D" entitled "Budget & Schedule of Compensation", further amended the total not-to-exceed compensation under the Original Agreement to the sum of Seven Hundred Ninety-Eight Thousand, Four Hundred Twenty-Eight and 88/100 Dollars ($798,428.88).

Exhibit "C" of the Original Agreement, entitled "Budget & Schedule of Compensation", is hereby deleted in its entirety and replaced with Exhibit "A" attached hereto and incorporated herein by this reference. Accordingly, the Original Agreement is hereby amended by this Second Amendment so that the total not-to-exceed compensation for the Extended Period shall not exceed Seven Hundred Ninety-Eight Thousand, Four Hundred Twenty-Eight and 88/100 Dollars ($798,428.88).

In addition, Section 4(a) of the Original Agreement is hereby deleted in its entirety and amended as follows:

(a) The City Agrees to pay Consultant in accordance with the payment rates and terms and the schedule of compensation as set forth in Exhibit "A" to the Second Amendment and incorporated herein by this reference as thought set forth in full, according to the Annual Contract Sum and Monthly Fee reflected in the Budget and Schedule of Compensation indicated in Exhibit "A" to the Second Amendment, unless additional payment is approved as provided in the Original Agreement.

5. Integration. This Second Amendment and all attachments hereto (if any) integrate all

of the terms and conditions mentioned herein and supersede all negotiations with respect hereto. This Second Amendment amends, as set forth herein, the Original Agreement and except as specifically amended hereby, the Original Agreement shall remain in full force and effect. To the extent that there is any conflict or inconsistency between the terms and provisions of this Second Amendment and the terms and provisions of the Original Agreement, the terms and provisions of this Second Amendment shall control.

IN WITNESS hereof, the Parties enter into this Second Amendment on the year and day first written above.

CONSULTANT

LOS ANGELES CENTERS FOR ALCOHOL AND DRUG ABUSE

By: Juan Navarro.
Printed Name: **Juan Navarro**
Title: *Chief Executive Officer*

CITY OF HAWTHORNE

By: 4/14/25
Vontray Norris
Title: *City Manager*

ATTEST:

By:
Printed Name: **Dayna Williams-Hunter**
Title: *City Clerk*
City of Hawthorne

APPROVED AS TO FORM:

Robert Kim
City Attorney
City of Hawthorne

EXHIBIT A
BUDGET & SCHEDULE OF COMPENSATION

Bridge of Hope Community Housing (FY 25-26)

	Hourly Rate	Service 2 (Operation of the Site)		GRAND TOTAL	
		Total Hours	Cost	Hours	Cost
Service 1					
Program Manager	$35.83	2080	$74,518.08	**2,080**	**$74,518.08**
City Liasion Director	$84.78	208	$17,633.62	**208**	**$17,633.62**
Service 2					
Assistant Manager	$32.58	2080	$67,769.52	**2,080**	**$67,769.52**
Case Management	$30.00	2080	$62,400.00	**2,080**	**$62,400.00**
Housing Navigator	$28.70	2080	$59,688.72	**2,080**	**$59,688.72**
Weekend Resident Aide	$29.77	832	$24,766.56	**832**	**$24,766.56**
Resident Aide	$27.53	2080	$57,264.48	**2,080**	**$57,264.48**
Resident Aide	$25.46	2080	$52,962.00	**2,080**	**$52,962.00**
Maintenance Staff	$23.29	2080	$48,441.12	**2,080**	**$48,441.12**
Benefits 25%			$116,361.02		**$116,361.02**
STAFFING TOTAL			**$581,805.12**	**15,600**	**$581,805.12**

OTHER DIRECT COSTS	
Lease Vans	$10,200.00
Gasoline for vans	$6,000.00
Activities	$3,000.00
Food	$77,000.00
Office Expenses	$11,999.81
Communication - Site Cellphone for offsite communication	$1,200.00
Maintenance supplies and Hygine supplies	$8,620.00
Insurance	$13,058.00
Indirect Costs 12%	$85,545.95
OTHER DIRECT COSTS TOTAL	**$216,623.76**
PROJECT TOTAL	**$798,428.88**

Schedule of Compensation

1. Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in this Section. The total annual compensation will be Seven Hundred Ninety-Eight Thousand, Four Hundred Twenty-Eight and 88/100 Dollars ($798,428.88) per year (the "Annual Contract Sum") unless additional compensation is approved pursuant to Section 2. The Annual Contract Sum is all inclusive and covers all labor, materials, direct and indirect costs, and expenses necessary for Consultant to provide services under this Agreement.

2. City acknowledges and agrees that it shall pay compensation under this Agreement on a monthly, flat rate basis. This method of compensation is calculated by dividing the Annual Contract Sum by twelve (12) months. Specifically, Consultant will receive monthly compensation in the amount of $66,535.74 USD (the "Monthly Fee") per month during the course of this Agreement.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 1/17/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Jenny Kim
Arthur J. Gallagher Risk Management Services, LLC 500 N Brand Boulevard, Suite 100 Glendale CA 91203	PHONE (A/C, No, Ext): (818) 539-8611 FAX (A/C, No): (818) 539-8711 E-MAIL ADDRESS: Jenny_Kim@ajg.com
License#: 0D69293	
INSURED LOSANG-118 Los Angeles Centers for Alcohol and Drug Abuse (L.A. CADA) 12070 Telegraph Rd, Suite #207 Santa Fe Springs, CA 90670	

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Landmark American Insurance Company	33138
INSURER B : National Liability & Fire Insurance Co	20052
INSURER C : General Star Indemnity Company	37362
INSURER D :	
INSURER E :	
INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** 2075021059 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY			LHC864025	1/9/2025	1/9/2026	EACH OCCURRENCE	$ 1,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 100,000
							MED EXP (Any one person)	$ 5,000
							PERSONAL & ADV INJURY	$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 3,000,000
	X POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$ 1,000,000
	OTHER:							$
B	AUTOMOBILE LIABILITY			73APB010465	1/9/2025	1/9/2026	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
							Comp/Coll deductibles	$ 2,500/$2,500
C	X UMBRELLA LIAB X OCCUR			IKG929955	1/9/2025	10/14/2025	EACH OCCURRENCE	$ 5,000,000
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$ 5,000,000
	DED RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N						PER STATUTE OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	N / A					E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
A	Professional Liability			LHC864025	1/9/2025	1/9/2026	Each Event Limit Aggregate Retention	$1,000,000 $3,000,000 $15,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Policy: Improper Sexual Conduct
Policy Number: LHC864025
Policy Period: 1/9/2025 to 1/9/2026
Carrier: Landmark American Insurance Company
Limits: Each claim: $1,000,000, Aggregate: $1,000,000

Evidence of coverage.

CERTIFICATE HOLDER

City of Hawthorne
4455 W 126th St
Hawthorne CA 90250

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Melissa Cuevas

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FIRST AMENDMENT TO
CITY OF HAWTHORNE
AGREEMENT FOR CONSULTANT SERVICES

This First Amendment to City of Hawthorne Agreement for Consultant Services ("First Amendment") is made and entered into as of April 15, 2024 ("Effective Date"), by and between the City of Hawthorne, a municipal corporation ("City"), and Los Angeles Centers for Alcohol and Drug Abuse, a California nonprofit public-benefit corporation ("Consultant") (collectively, the "Parties") with reference to the following:

WHEREAS, City and Consultant entered into an Agreement for Consultant Services dated April 17, 2023 to develop and operate the Bridge of Hope housing project ("Original Agreement"), which Original Agreement is attached hereto as Exhibit "A" and incorporated herein by this reference;

WHEREAS, City and Consultant now desire to extend the term for one (1) year, through April 17, 2025 (the "Extended Period"); and

WHEREAS, City desires to set forth Consultant's maximum compensation and scope of services for the Extended Period accordingly.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Defined Terms. Except as otherwise defined herein, all capitalized terms used herein shall have the meanings set forth for such terms in the Original Agreement.

2. Revised Scope of Services. The Scope of Services, Exhibit "A" to the Original Agreement, is hereby deleted in its entirety and replaced with Exhibit "B" attached hereto and incorporated herein by this reference.

3. Term. The Term of the Original Agreement as set forth in Section 1 therein began on April 17, 2023, and continues on an as-needed basis unless earlier terminated. This First Amendment hereby amends Section 1 of the Original Agreement to provide for a one (1) year term from April 17, 2024 to April 17, 2025. All other language in Section 1 of the Original Agreement shall remain unchanged.

4. Insurance. The insurance requirements set forth in Exhibit "B" to the Original Agreement are not being amended by this First Amendment and, therefore, all terms thereof shall remain in full force and effect during the Extended Period. Exhibit "B" to the Original Agreement is attached hereto as Exhibit "C" for ease of reference.

5. Compensation. The total not-to-exceed compensation set forth in Section 4 and Exhibit "C" of the Original Agreement was the sum of Eight Hundred Ninety Thousand Two Hundred Six and 29/100 Dollars ($890,206.29). Exhibit "C" of the Original Agreement, entitled "Budget &

Schedule of Compensation", is hereby deleted in its entirety and replaced with Exhibit "D" attached hereto and incorporated herein by this reference. Accordingly, the Original Agreement is hereby amended by this First Amendment so that the total not-to-exceed compensation for the Extended Period shall not exceed Seven Hundred Ninety-Eight Thousand, Four Hundred Twenty-Eight and 88/100 Dollars ($798,428.88).

In addition, Section 4(a) of the Original Agreement is hereby deleted in its entirety and amended as follows:

> (a) The City Agrees to pay Consultant in accordance with the payment rates and terms and the schedule of compensation as set forth in Exhibit "D" to the First Amendment and incorporated herein by this reference as thought set forth in full, according to the Annual Contract Sum and Monthly Fee reflected in the Budget and Schedule of Compensation indicated in Exhibit "D" to this First Amendment, unless additional payment is approved as provided in the Original Agreement.

6. Integration. This First Amendment and all attachments hereto (if any) integrate all of the terms and conditions mentioned herein, and supersede all negotiations with respect hereto. This First Amendment amends, as set forth herein, the Original Agreement and except as specifically amended hereby, the Original Agreement shall remain in full force and effect. To the extent that there is any conflict or inconsistency between the terms and provisions of this First Amendment and the terms and provisions of the Original Agreement, the terms and provisions of this First Amendment shall control.

IN WITNESS hereof, the Parties enter into this First Amendment on the year and day first written above.

CONSULTANT

LOS ANGELES CENTERS FOR ALCOHOL AND DRUG ABUSE

By:_____
Printed Name: **Juan Navarro**
Title: *Chief Executive Officer*

CITY OF HAWTHORNE

By:_____
Vontray Norris
Title: *City Manager*

ATTEST:

By:_____
Printed Name: **Dayna Williams-Hunter**
Title: *City Clerk*
City of Hawthorne

APPROVED AS TO FORM:

_____
Robert Kim
City Attorney
City of Hawthorne

EXHIBIT A
Original Agreement

CITY OF HAWTHORNE

AGREEMENT FOR CONSULTANT SERVICES

THIS CONSULTANT AGREEMENT ("Agreement") is made and effective as of April 17, 2023 between the City of Hawthorne, a municipal corporation ("City") and Los Angeles Centers for Alcohol and Drug Abuse, a California nonprofit public-benefit corporation ("L.A. CADA" or "Consultant") (collectively, the "Parties"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **TERM**

This Agreement shall commence on April 17, 2023, and shall remain and continue in effect on an as-needed basis unless sooner terminated pursuant to the provisions of this Agreement.

2. **SERVICES**

Consultant shall perform the tasks described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full, as part of its services. Consultant may be asked to provide additional services if necessary during the term of this Agreement, in which case, the Parties will mutually agree upon such additional services, specifically as to the scope of work and compensation therefor, in a signed Amendment to this Agreement.

3. **PERFORMANCE**

Consultant shall at all times faithfully, competently and to the best of his/her ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement.

4. **PAYMENT**

(a) The City agrees to pay Consultant in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit C, attached hereto and incorporated herein by this reference as though set forth in full, according to the Annual Contract Sum and Monthly Fee reflected in the Budget and Schedule of Compensation indicated in Exhibit C of this Agreement, unless additional payment is approved as provided in this Agreement.

(b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by

the Director of Public Works. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by the Director of Public Works and at the time the City's written authorization is given to Consultant for the performance of said services. Any such additional services will also be memorialized in an Amendment to this Agreement signed by all Parties.

(c) Consultant will submit invoices to support City's payment of the Monthly Fee per the Schedule of Compensation in Exhibit C hereto. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice.

5. **SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE**

(a) The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the consultant at least thirty (30) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, the City shall pay to Consultant the pro-rated portions of any outstanding amounts of the Monthly Fee owed for services rendered up to the time of termination.. Upon termination of the Agreement pursuant to this Section, the Consultant will submit an invoice to the City.

6. **DEFAULT OF CONSULTANT**

(a) The Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Consultant. If such failure by the Consultant to make progress in the performance of work hereunder arises out of causes beyond the Consultant's control, and without fault or negligence of the Consultant, it shall not be considered a default.

(b) If the Director of Public Works or his delegate determines that the Consultant is in default in the performance of any of the terms or conditions of this Agreement, he/she shall cause to be served upon the Consultant a written notice of the default. The Consultant shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Consultant fails to cure its default within such period of time, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this

Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

7. **OWNERSHIP OF DOCUMENTS**

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of the Consultant.

8. **INDEMNIFICATION**

(a) When the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend and hold harmless City and any and all of its officials, employees and agents ("City Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including attorney's fees and costs to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees or subconsultants (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement.

(b) City hereby agrees to, and shall hold Consultant, its officers, agents and employees, harmless from any liability for damage or claims for damage for personal injury, including death, as well as from claims for breach of confidentiality or property damage which may arise from City's negligent acts, errors or omissions in the performance of this Agreement. City agrees to and shall defend Consultant and its officers, agents and employees from any suits or actions at law or in equity for damage caused, or alleged to have been caused, by reason of any of the aforesaid negligent acts, errors or omissions by City.

9. **INSURANCE (see also Exhibit B, attached hereto)**

A) Consultant shall maintain in-force: Professional Liability Insurance. Consultant shall maintain in-force; Professional Liability Insurance (and/or Errors & Omissions Insurance) with minimum limits of liability of $1,000,000 combined single limit coverage against an injury, death, loss or damages because of wrongful or negligent acts or omissions by the named insured.

B) Contractor shall maintain in-force Workers' Compensation and Employer's Liability Insurance as required by the California Labor Code. Evidence of coverage shall take the form of a Certificate of Insurance or a California Certificate to Self-Insure. Acceptable minimum limits for this coverage are: Workers' Compensation; Statutory in California; Employer's Liability: $1,000,000.

C) Certificates of Insurance. Contractor shall furnish to Customer evidence of any insurance required by this Agreement. A Certificate of Insurance from an insurer admitted to do business in the State of California will be provided, indicating that the respective policy(s) meets the following requirements: (1) The City, its officers, and employees shall be named as additional insured on the General Liability Insurance; (2) Insurance shall not be canceled or terminated without 30 days written notice; (3) General Liability shall be primary and any insurance held by City for its own protection shall be excess and shall be effective only upon exhaustion of Contractor's insurance; (4) Insurance shall be maintained for the duration of the Agreement, including any period extended beyond the expiration date of this Agreement required to complete performance as stipulated in this Agreement and all amendments thereto.

10. **INDEPENDENT CONSULTANT**

(a) Consultant is and shall at all times remain as to the City a wholly independent Consultant. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner.

(b) No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

11. **LEGAL RESPONSIBILITIES**

The Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.

12. **UNDUE INFLUENCE**

Consultant declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of the City of Hawthorne in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City of Hawthorne will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

13. **NO BENEFIT TO ARISE TO LOCAL EMPLOYEES**

No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

14. **RELEASE OF INFORMATION/CONFLICTS OF INTEREST**

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the City Manager or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within

the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(b) Consultant shall promptly notify City should Consultant, its officers, employees, agents, or subconsultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request, court order, or subpoena from any person or party regarding this Agreement and the work performed thereunder or with respect to any project or property located within the City. City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding. Consultant agrees to cooperate fully with City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

15. **CONFIDENTIALITY AGREEMENT**

During the course of this Agreement, Consultant may provide the City with certain information or material, including oral disclosure of information which will be deemed "Confidential". Except as required by law, the City shall receive and hold such information in confidence and agrees to use reasonable effort to prevent its disclosure to third parties. This obligation will continue in effect for two (2) years after expiration or termination of the Agreement. The City will not consider information disclosed to it by Consultant as confidential if such information: (1) is now public knowledge or subsequently becomes such through no breach of this Agreement; (2) is rightfully in City's possession prior to Consultant's disclosure as shown by written records; (3) is rightfully disclosed to City by a third party; (4) is independently developed by or for City without reliance upon confidential information received from Consultant; or (5) was created, maintained, and/or transmitted to City by Consultant at City's express request in furtherance, and during the course of, Consultant's performance of services under this Agreement.

Notwithstanding the foregoing, all client and/or patient data received by City from Consultant will be maintained in accordance with the requirements of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164 (collectively, "HIPAA"), as well as 42 C.F.R. Part 2 *et seq.*

16. **ASSIGNMENT**

The Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City because of the personal nature of the services to be rendered pursuant to this Agreement.

17. **LICENSES**

At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

18. **GOVERNING LAW**

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over the City of Hawthorne.

19. **ENTIRE AGREEMENT**

This Agreement, and any attachments and/or exhibits hereto, contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

20. **AUTHORITY TO EXECUTE THIS AGREEMENT**

The person or persons executing this Agreement on behalf of Consultant warrants and represents that he/she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF HAWTHORNE:

Vontray Norris
City Manager
City of Hawthorne

CONSULTANT:

By: _____
Name: Juan Navarro
Title: Chief Executive Officer
Los Angeles Centers for Alcohol and Drug Abuse

APPROVED AS TO FORM:

ROBERT KIM
City Attorney
City of Hawthorne

ATTEST:

Dayna Williams-Hunter
City Clerk
City of Hawthorne

EXHIBIT A

PROPOSAL

L.A. CADA will work with the City staff to develop an approved Operations and Service Plan for the site that outlines how the site will be operated, including but not limited to site intake, on-site services, procurement of meals and security, and ensuring that all residents receive the services that they need. The Plan will also operationalize how the site can maximize participant and program success by balancing and coordinating on-site services with existing services available through the County of Los Angeles, and the City's existing services contracts and resources. L.A. CADA will work individually with the Cohorts and city staff to learn the specific needs of the program participants and the areas of focus the city would like to prioritize. We understand that each city in Los Angeles County that is trying to make an impact in this housing crisis, has differing resources; as such L.A. CADA will tailor the delivery of proposed supplemental homeless outreach and services for the needs of the City of Hawthorne, working closely with city staff and to ensure that local needs are fully met and services are not duplicative. Additionally, L.A. CADA has developed an extensive and comprehensive list of resources available in SPA 8 with over 115 service providers and resources that will be useful to the program participants and ensure the success of the program in SPA 8.

We anticipate the need for urgent linkages to services (specialized case manager, mental health clinician, and SUD counselor) L.A. CADA staff will work with the selected partners on this program and deliver: *Housing Navigation; Case Management; Homeless Prevention/Problem-Solving.* L.A. CADA will also provide *Supportive Services* (referral to legal services, workforce development, etc.); *Mental Health Support; Health Support*; and *direct funding resources.* L.A. CADA will identify participant's existing services providers. If one does not exist, the participant will be enrolled into either L.A. CADA's continuum of care whenever possible, or the most appropriate provider. The Hawthorne Homeless Service Center will be leveraged where possible to ensure continuity of services with housing navigation. For participant's linked to another provider, L.A. CADA will ensure a warm hand off is completed. Additionally, these participants will have regular/consistent follow-ups with the outside provider to ensure client/participants are making progress towards established housing plans and case management goals. L.A. CADA will provide support as needed to assist in participant's achieving these plans and goals. For those with an external provider, monthly care coordination with said provider will be conducted. For participant's enrolled into services, housing plans and case management goals will be established within no more than two weeks of admission. Subsequently, all housing plans will be reviewed and re-assessed every 90 days. Participants will have weekly case management sessions, which will include any and all required housing navigation services. Priority will be given to medical and mental health needs.

L.A. CADA will accomplish the following project tasks:

Service 1: Develop Operations and Services Plan

Task 1: Project Management. LA CADA will conduct Kick Off meetings with the City of Hawthorne to introduce our agency, listen to stakeholder needs, and to review the project scope of phase 1 and 2, schedule, goals, and key issues.

Task 1.1: Kick Off Meetings. L.A. CADA will provide key Task 1 deliverables of a meeting agenda, and meeting notes.

Task 1.2: Services Coordination. L.A. CADA will Identify and meet with existing service provider partners to determine opportunities and approaches to provide services for residents at the site. Approaches could include but are not limited to transport to off-site services or regularly-scheduled visits to the site. Staff from the City should be included in these meetings.

Task 1.3: Plan Development.
L.A. CADA will work with the City staff to develop an Operations and Services Plan (Plan) for the site. The Plan should outline how the site will be operated to ensure that all site residents receive the resources that they need to move into permanent housing as quickly as practicable. The Plan should operationalize how the Consultant will work with stakeholders to maximize participant and program success by balancing on-site services with existing services available through the County of Los Angeles, and the City's existing services contracts and resources, which are described in more detail in the Project Description. The Plan should outline roles and responsibilities for onsite staff, as well as how these staff will work with other offsite staff and services. The Plan should also outline the approach to ensure that all needed services are available for the site's participants, and for services not available at the site, where the services can be found and how they would be accessed. For example, the Plan should maximize participant connection to these existing services and strengthen coordination with participants existing case managers and housing navigators. Considerations that should be included in the Plan include but are not limited to the following:

1) Site policies and procedures;
   a) Eligibility & referrals, program intake, and program exit;
2) Site management and oversight,
   a) Coordination with other on-site services (e.g. security; meal delivery);
3) Case management, housing navigation, and connection to existing services;
   On-site service availability;
   a) Approaches to maximizing coordination with existing and off-site services;
4) Staffing levels, qualifications, and schedule
5) Support securing additional funding and resources
   a) Approaches to maximizing operational funding, including but not limited to coordination with government programs for which participants are eligible (e.g. Medicaid/Medi-Cal, Social Security Disability Insurance [SSDI])
   b) Facilitating support and donations from community members and groups; and
6) Other site considerations.

Service 2: Operate Site and Provide Services

TASK 2.1: Site Operation

The Provider will operate the site for a minimum of three years in accordance with the Final approved Operations and Services Plan. L.A. CADA will staff at minimum the follow three positions for this project:

- 1 FTE on-duty during weekday business hours to oversee site (facilitate meals, showers, etc.), conduct program intake and exit, provide case management as needed, coordinate with participants' existing case managers and housing navigators, and connect participants to existing services as needed.
- 2 FTE resident aides on-duty weekday evenings and weekends to oversee site (facilitate meals, showers, etc.).
- 1 FTE maintenance staff persons on duty weekday evenings and weekends to keep the site clean and operational.
- 1 FTE Housing Navigator with substantial experience in connecting program participants with permanent housing to ensure the success of the program.
- 1 FTE Case Managers to ensure close collaboration between services and efficient and fruitful linkages to care, and who will work closely with the Housing Navigator to find appropriate housing for all program participants.

These staffing levels may be modified in accordance with the final approved Operations and Services Plan. L.A. CADA will also be providing a monthly report in a format approved by the City, demonstrating aggregate enrollment and exit data and provision of/connection to services.

The proposed staffing plan could be modified based on the Operations and Service Plan developed in Task 1. Deliverables: Monthly Reports (12)

TASK 2.2: Project Management

The Consultant will host a kick-off meeting and monthly check-in calls with the City. Deliverables: Kick-off meeting agenda and meeting notes (1); monthly meeting agendas and meeting notes (12).

L.A. CADA will establish MOUs with our community partners to detail procedures and responsibilities for the coordination of services and referrals. These partners will include: *SPA 8 CES*; *Multidisciplinary Teams* (MDT); *Housing Navigation Teams*; *Public Spaces Teams*; the *LAHSA Homeless Engagement Teams* (HET); as well as local *providers for Supplemental Homeless Services and Services for Hard-to-Reach Populations.* Additionally, L.A. CADA is skilled and experienced at working with city staff, local law enforcement, and community service providers to coordinate service referrals and program services.

Existing L.A. CADA partnerships will be useful to the proposed program. This includes our partnership with the *Los Angeles Mission* (where we house up to 50 chronically homeless

men with SUD or cooccurring SUD and mental health disorders (COD). L.A. CADA also has a strong partnership with *Homeboy Industries* (where we provide SUD and COD treatment, as well as transitional supportive housing services for Homeboy trainees (new hires). We also partner with *Transformational Living Homes* (where we screen and provide suitable housing for low-to-medium risk Registered Sex Offenders with SUD or cooccurring SUD and COD).

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L.A. CADA is a long- time participant in the L.A. County Coordinated Entry System – 95% of our residential treatment clients are homeless at service intake. We participate in the CES in SPAs 4, 7, 8, and 3. In addition, our agency is a CES Access Point in SPA 7. L.A. CADA is familiar with CES procedures/resources, including use of the *CES Triage Tool*, the *Vulnerability Index Service Prioritization Decision Assistance Tool* (VI-SPDAT), and CES reporting requirements. For the proposed project, L.A. CADA will designate staff to attend SPA 8 CES meetings. Our project staff will work closely with local Access Centers and Access Points in both SPAs to accept referrals of homeless individuals in need of L.A. CADA services. This will include service coordination with *Union Station Homeless Services* (serving adults) and *Sycamores* (serving TAY). L.A. CADA staff will facilitate warm hand-offs to needed services for homeless residents in Hawthorne via L.A. CADA van/driver. Referrals to resources will be facilitated by formal Memorandum of Understanding (MOU) that L.A. CADA will put in place with project partners in the community.

L.A. CADA will leverage our own considerable resources for this project. Homeless residents of Hawthorne served will have priority access to:

248 state-licensed residential treatment beds (including a 16-bed 24/7 mental health crisis treatment program in Santa Fe Springs);
244 Recovery Bridge Housing beds (including 71 beds in the San Gabriel Valley);
Over 500 state-certified outpatient treatment slots; and
A new 20-bed emergency shelter to be opened before Summer 2022.

The City of Hawthorne will work directly with L.A. CADA team members to access the proposed services in the manner that best suits that city. L.A. CADA project staff will schedule regular meetings with city staff, and communicate frequently via phone, email, and official reporting documents to ensure that the project is filling the needs of the city. L.A. CADA will also provide a 24/7 response number so that city staff can communicate with L.A. CADA project staff at all times.

L.A. CADA can also ensure the success of the site by referencing our expertise with this service population, our ability to leverage our own services, and our adherence to quality assurance. Our primary service groups are vulnerable, disadvantaged populations. These groups include: *the homeless; low-income residents; persons of color; pregnant/parenting women and their children; persons living with and at-risk of HIV; high-risk youth and their families; people involved in the criminal justice system; and LGBTQ+ persons.* L.A. CADA is one of the only behavioral healthcare providers in Los Angeles County able to deliver LGBTQ+ Affirming (exclusive) care – rated the highest quality of treatment for this population by the federal Substance Abuse and Mental Health Services Administration (SAMHSA). 3

In 2022, the L.A. CADA continuum of care includes over 500 slots for outpatient and intensive outpatient treatment, 248 residential treatment beds, 244 Recovery Bridge Housing beds, and a broad spectrum of jailbased, court-based, school-based, and community-based services. As noted, L.A. CADA facilities include a 16-bed *Crisis Residential Treatment Program* (CRTP) called *Safe Haven,* funded by the L.A. County Department of Mental Health to stabilize adults in mental health crisis. Client participation in this short-term program can be followed by residential or outpatient treatment at L.A. CADA or in our Residential Bridge Housing (RBH) with off-site outpatient care. RBH provides a safe place for people in behavioral health crisis to stabilize and establish early sobriety. In 2021 L.A. CADA opened a *Certified Community Behavioral Health Clinic* (CCBHC) in Santa Fe Springs to deliver comprehensive, coordinated care for low-income people. Our treatment facilities are certified and licensed by the State of California Department of Health Care Services, and monitored by the Los Angeles County Department of Public Health.

Los Angeles Centers for Alcohol and Drug Abuse maintains a full-time Quality Improvement (QI) Division to evaluate our services and their utilization by our patients. For each funded project, an evaluation plan is developed, including a Logic Model detailing specific goals, objectives, inputs and expected outcomes. Our QI Coordinator works with program staff to continuously collect, monitor, review, and report diverse client level data: demographics; histories (substance use, mental health, treatment, housing, family issues, social services), as well as client treatment participation and outcomes.

Data collection is conducted using both pencil/paper documents and the agency's electronic records system (SAGE). Staff enter all required project and program data on a daily basis. Files are reviewed weekly by each Program Director/Manager to ensure completeness and accuracy. During monthly meetings with the Coordinator of Quality Improvement, project staff discuss and review progress toward program goals and objectives. Any needed course corrections to improve the program are implemented by the Program Director/Manager at this time.

As noted throughout the application L.A. CADA will leverage our own resources which includes SAPC, DMH, SAMHSA, and other government contracts to secure additional support and funding for services available to the site and the needs of the program

participants. L.A. CADA programs work closely with the L.A. County Coordinated Entry System (CES) for the homeless in the Service Planning Areas (SPAs) that L.A. CADA serves (SPAs 3; 4; 6; 7; and 8). As such, we have experience coordinating additional services, if and when necessary, through the SPA 8 CES

As noted, L.A. CADA staff will use the innovative evidence-based practices required to provide the highest quality and most effective response for homeless residents with behavioral health issues. The EBPs or elements of the EBPs to be used in this program are:

- Motivational Interviewing 19
- Eight Principles of Harm Reduction 20
- Principles of Trauma-Informed Care 21
- Intensive Case Management 22
- Housing First / Low Barrier Access 23
- LGBTQ+-Affirming and LGBTQ+ Sensitive Care 24
- Cognitive Behavioral Therapy 25
- Assertive Community Treatment 26
- Risk-Need-Responsivity model for offender assessment and rehabilitation 27
- Relapse Prevention Therapy 28
- 12 Step Facilitation Therapy 29
- CLAS National Standards for Culturally and Linguistically Appropriate Services in Health and Healthcare 30
- Medication Assisted Treatment for Opioid Use Disorder 31
- Peer Recovery Support 32

In addition, appropriate staff (some to be hired) will be in place to ensure that all services can be delivered in English, Spanish, Mandarin, or ASL as per client preference. L.A. CADA is also encouraging the hiring of additional staff as outlined in this proposal and budget to ensure 24/7 comprehensive care to each program participant.

After the completion of Service 1 L.A. CADA will begin the implementation of Service 2 on an appropriate timeline that would be determined in coordination with the City of Hawthorne during phase 1. L.A. CADA understands that the Task Order for Service 2 may be exercised at the City's sole discretion following the sufficient completion of Service 1.

L.A. CADA will operate the site in accordance with the approved Operations and Service Plan for the site. Operations and services activities will include but are not limited to the following: identify and screen participants, accept referrals, conduct program intake and exit, coordinate with existing case managers and housing navigators, provide case management and housing navigation, and connect participants to other supportive services as needed. L.A. CADA has extensive experience and expertise in all areas required of Service 2 and of conducting sites with similar populations and needs. As such, L.A. CADA will come prepared to all Service 1 kick-off meetings with examples and fully developed options of operation and service plans for the city to consider and review.

EXHIBIT B

INSURANCE REQUIREMENTS

Prior to the beginning of and throughout the duration of the Work, Consultant will maintain insurance in conformance with the requirements set forth below. Consultant will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, Consultant agrees to amend, supplement or endorse the existing coverage to do so. Consultant acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to City in excess of the limits and coverage required in this Agreement and which is applicable to a given loss, will be available to City.

Consultant shall provide the following types and amounts of insurance:

Commercial General Liability Insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01 or the equivalent. Limits are subject to review but in no event less than $1,000,000 per occurrence.

Professional Liability Coverage. Consultant shall maintain in-force Professional Liability Insurance (and/or errors & Omissions Insurance) for protection against claims alleging negligent acts, errors or omissions which may arise from Consultant's operations under this Agreement, whether such operations be by the Consultant or by its employees, or subconsultants. The amount of this insurance shall not be less than one million dollars ($ 1,000,000) on a claims-made annual aggregate basis, or a combined single-limit per occurrence basis.

EXHIBIT C

BUDGET & SCHEDULE OF COMPENSATION

Budget

	Hourly Rate	Service 1 (Development of an Operation and Services Plan)		Service 2 (Operation of the Site)		GRAND TOTAL	
		Total Hours	Cost	Total Hours	Cost	Hours	Cost
Service 1							
Program Manager, Joshua Heinzman	$50.64	1040	$52,669.76		$0.00	1,040	$52,669.76
City Liaison Director, Sara Belmonte	$50.64	1040	$52,665.60		$0.00	1,040	$52,665.60
Quality Control Specialist, Vincent Contreras	$39.60	1040	$41,184.00		$0.00	1,040	$41,184.00
Service 2							
Program Manager	$32.00		$0.00	2080	$66,560.00	2,080	$66,560.00
Case Management	$32.00		$0.00	1040	$33,280.00	1,040	$33,280.00
Case Management	$32.00		$0.00	1040	$33,280.00	1,040	$33,280.00
Housing Navigator	$29.00		$0.00	1040	$30,160.00	1,040	$30,160.00
Resident Aide (weekday evening)	$29.00		$0.00	2080	$60,320.00	2,080	$60,320.00
Resident Aide (weekday morning)	$29.00		$0.00	2080	$60,320.00	2,080	$60,320.00
Resident Aide (weekend)	$29.00		$0.00	2080	$60,320.00	768	$60,320.00
Maintenance Staff (weekday)	$30.00		$0.00	2080	$62,400.00	2,080	$62,400.00
Maintenance Staff (weekend)	$30.00		$0.00	768	$23,040.00	768	$23,040.00
Benefits 25%			$36,629.84		$107,420.00		$144,049.84
STAFFING TOTAL $720,249.20			$183,149.20		$537,100.00	16,096	
OTHER DIRECT COSTS							
Lease Vans							$36,000.00
P25-compliant radio equipment							$12,000.00
Gasoline for vans							$6,000.00
Facility Costs (not covered by contract)							$0.00
Office Expenses							$5,400.00
Maintenance supplies for clients							$14,400.00
Insurance							$9,727.18
Indirect Costs 12%							$86,429.90
OTHER DIRECT COSTS TOTAL							$169,957.09
PROJECT TOTAL							$890,206.29

Schedule of Compensation

1. Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in this Section. The total annual compensation will be Eight Hundred Ninety-Thousand, Two Hundred Six Dollars and 29/100 Dollars ($890,206.29) per year (the "Annual Contract Sum") unless additional compensation is approved pursuant to Section 2. The Annual Contract Sum is all inclusive and covers all labor, materials, direct and indirect costs, and expenses necessary for Consultant to provide services under this Agreement.

2. City acknowledges and agrees that it shall pay compensation under this Agreement on a monthly, flat rate basis. This method of compensation is calculated by dividing the Annual Contract Sum by twelve (12) months. For example, Consultant will receive monthly compensation in the amount of $74,183.8575 USD (the "Monthly Fee") per month during the course of this Agreement.

EXHIBIT B

Scope of Services

L.A. CADA will work with the City staff to develop an approved Operations and Service Plan for the site that outlines how the site will be operated, including but not limited to site intake, on-site services, procurement of meals and security, and ensuring that all residents receive the services that they need. The Plan will also operationalize how the site can maximize participant and program success by balancing and coordinating on-site services with existing services available through the County of Los Angeles, and the City's existing services contracts and resources. L.A. CADA will work individually with the Cohorts and city staff to learn the specific needs of the program participants and the areas of focus the city would like to prioritize. We understand that each city in Los Angeles County that is trying to make an impact in this housing crisis, has differing resources; as such L.A. CADA will tailor the delivery of proposed supplemental homeless outreach and services for the needs of the City of Hawthorne, working closely with city staff and to ensure that local needs are fully met and services are not duplicative. Additionally, L.A. CADA has developed an extensive and comprehensive list of resources available in SPA 8 with over 115 service providers and resources that will be useful to the program participants and ensure the success of the program in SPA 8.

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A new 20-bed emergency shelter to be opened before Summer 2022.

The City of Hawthorne will work directly with L.A. CADA team members to access the proposed services in the manner that best suits that city. L.A. CADA project staff will schedule regular meetings with city staff, and communicate frequently via phone, email, and official reporting documents to ensure that the project is filling the needs of the city. L.A. CADA will also provide a 24/7 response number so that city staff can communicate with L.A. CADA project staff at all times.

L.A. CADA can also ensure the success of the site by referencing our expertise with this service population, our ability to leverage our own services, and our adherence to quality assurance. Our primary service groups are vulnerable, disadvantaged populations. These groups include: *the homeless; low-income residents; persons of color; pregnant/parenting women and their children; persons living with and at-risk of HIV; high-risk youth and their families; people involved in the criminal justice system; and LGBTQ+ persons.* L.A. CADA is one of the only behavioral healthcare providers in Los Angeles County able to deliver LGBTQ+ Affirming (exclusive) care – rated the highest quality of treatment for this population by the federal Substance Abuse and Mental Health Services Administration (SAMHSA). 3

In 2022, the L.A. CADA continuum of care includes over 500 slots for outpatient and intensive outpatient treatment, 248 residential treatment beds, 244 Recovery Bridge Housing beds, and a broad spectrum of jailbased, court-based, school-based, and community-based services. As noted, L.A. CADA facilities include a 16-bed *Crisis Residential Treatment Program* (CRTP) called *Safe Haven,* funded by the L.A. County Department of Mental Health to stabilize adults in mental health crisis. Client participation in this short-term program can be followed by residential or outpatient treatment at L.A. CADA or in our Residential Bridge Housing (RBH) with off-site outpatient care. RBH provides a safe place for people in behavioral health crisis to stabilize and establish early sobriety. In 2021 L.A. CADA opened a *Certified Community Behavioral Health Clinic* (CCBHC) in Santa Fe Springs to deliver comprehensive, coordinated care for low-income people. Our treatment facilities are certified and licensed by the State of California Department of Health Care Services, and monitored by the Los Angeles County Department of Public Health.

Los Angeles Centers for Alcohol and Drug Abuse maintains a full-time Quality Improvement (QI) Division to evaluate our services and their utilization by our patients. For each funded project, an evaluation plan is developed, including a Logic Model detailing specific goals, objectives, inputs and expected outcomes. Our QI Coordinator works with program staff to continuously collect, monitor, review, and report diverse client level data: demographics; histories (substance use, mental health, treatment, housing, family issues, social services), as well as client treatment participation and outcomes.

Data collection is conducted using both pencil/paper documents and the agency's electronic records system (SAGE). Staff enter all required project and program data on a daily basis. Files are reviewed weekly by each Program Director/Manager to ensure completeness and accuracy. During monthly meetings with the Coordinator of Quality Improvement, project staff discuss and review progress toward program goals and objectives. Any needed course corrections to improve the program are implemented by the Program Director/Manager at this time.

As noted throughout the application L.A. CADA will leverage our own resources which includes SAPC, DMH, SAMHSA, and other government contracts to secure additional support and funding for services available to the site and the needs of the program

participants. L.A. CADA programs work closely with the L.A. County Coordinated Entry System (CES) for the homeless in the Service Planning Areas (SPAs) that L.A. CADA serves (SPAs 3; 4; 6; 7; and 8). As such, we have experience coordinating additional services, if and when necessary, through the SPA 8 CES

As noted, L.A. CADA staff will use the innovative evidence-based practices required to provide the highest quality and most effective response for homeless residents with behavioral health issues. The EBPs or elements of the EBPs to be used in this program are:

- Motivational Interviewing 19
- Eight Principles of Harm Reduction 20
- Principles of Trauma-Informed Care 21
- Intensive Case Management 22
- Housing First / Low Barrier Access 23
- LGBTQ+-Affirming and LGBTQ+ Sensitive Care 24
- Cognitive Behavioral Therapy 25
- Assertive Community Treatment 26
- Risk-Need-Responsivity model for offender assessment and rehabilitation 27
- Relapse Prevention Therapy 28
- 12 Step Facilitation Therapy 29
- CLAS National Standards for Culturally and Linguistically Appropriate Services in Health and Healthcare 30
- Medication Assisted Treatment for Opioid Use Disorder 31
- Peer Recovery Support 32

In addition, appropriate staff (some to be hired) will be in place to ensure that all services can be delivered in English, Spanish, Mandarin, or ASL as per client preference. L.A. CADA is also encouraging the hiring of additional staff as outlined in this proposal and budget to ensure 24/7 comprehensive care to each program participant.

After the completion of Service 1 L.A. CADA will begin the implementation of Service 2 on an appropriate timeline that would be determined in coordination with the City of Hawthorne during phase 1. L.A. CADA understands that the Task Order for Service 2 may be exercised at the City's sole discretion following the sufficient completion of Service 1.

L.A. CADA will operate the site in accordance with the approved Operations and Service Plan for the site. Operations and services activities will include but are not limited to the following: identify and screen participants, accept referrals, conduct program intake and exit, coordinate with existing case managers and housing navigators, provide case management and housing navigation, and connect participants to other supportive services as needed. L.A. CADA has extensive experience and expertise in all areas required of Service 2 and of conducting sites with similar populations and needs. As such, L.A. CADA will come prepared to all Service 1 kick-off meetings with examples and fully developed options of operation and service plans for the city to consider and review.

EXHIBIT C

INSURANCE REQUIREMENTS

Prior to the beginning of and throughout the duration of the Work, Consultant will maintain insurance in conformance with the requirements set forth below. Consultant will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, Consultant agrees to amend, supplement or endorse the existing coverage to do so. Consultant acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to City in excess of the limits and coverage required in this Agreement and which is applicable to a given loss, will be available to City.

Consultant shall provide the following types and amounts of insurance:

Commercial General Liability Insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01 or the equivalent. Limits are subject to review but in no event less than $1,000,000 per occurrence.

Professional Liability Coverage. Consultant shall maintain in-force Professional Liability Insurance (and/or errors & Omissions Insurance) for protection against claims alleging negligent acts, errors or omissions which may arise from Consultant's operations under this Agreement, whether such operations be by the Consultant or by its employees, or subconsultants. The amount of this insurance shall not be less than one million dollars ($ 1,000,000) on a claims-made annual aggregate basis, or a combined single-limit per occurrence basis.

EXHIBIT D
BUDGET & SCHEDULE OF COMPENSATION

City of Hawthorne - Bridge of Hope
Budget

	Hourly Rate	Service 1 (Operation of Site)		Service 2 (Operation of Site)		GRAND TOTAL	
		Total Hours	Cost	Total Hours	Cost	Hours	Cost
Service 1							
Program Manager	$50.64	2080	$105,339.52		$0.00	**2,080**	**$105,339.52**
City Liasion Director	$50.64	208	$10,533.12		$0.00	**208**	**$10,533.12**
Service 2							
Site Manager	$33.00		$0.00	2080	$68,640.00	**2,080**	**$68,640.00**
Case Management	$32.00		$0.00	2080	$66,560.00	**2,080**	**$66,560.00**
Housing Navigator	$30.00		$0.00	832	$24,960.00	**832**	**$24,960.00**
Resident Aide (weekday evening)	$29.00		$0.00	2080	$60,320.00	**2,080**	**$60,320.00**
Resident Aide (weekday morning)	$29.00		$0.00	2080	$60,320.00	**2,080**	**$60,320.00**
Maintenance Staff (weekday)	$30.00		$0.00	2080	$62,400.00	**2,080**	**$62,400.00**
Benefits 25%			$28,968.16		$85,800.00		**$114,768.16**
STAFFING TOTAL			**$144,840.80**		**$429,000.00**	**13,520**	**$573,840.80**

OTHER DIRECT COSTS	
Van lease and maintenance	$20,000.00
Food	$90,000.00
Gasoline for van	$6,000.00
Office Expenses	$6,000.00
Site cleaning & participant bedding/hygiene supplies including Porta Potty should the city approve.	$21,000.00
Insurance	$9,727.18
Activities	$3,000.00
Indirect Costs 12%	$68,860.90
OTHER DIRECT COSTS TOTAL	**$224,588.08**
PROJECT TOTAL	**$798,428.88**

Schedule of Compensation

1. Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in this Section. The total annual compensation will be Seven Hundred Ninety-Eight Thousand, Four Hundred Twenty-Eight and 88/100 Dollars ($798,428.88) per year (the "Annual Contract Sum") unless additional compensation is approved pursuant to Section 2. The Annual Contract Sum is all inclusive and covers all labor, materials, direct and indirect costs, and expenses necessary for Consultant to provide services under this Agreement.

2. City acknowledges and agrees that it shall pay compensation under this Agreement on a monthly, flat rate basis. This method of compensation is calculated by dividing the Annual Contract Sum by twelve (12) months. Specifically, Consultant will receive monthly compensation in the amount of $66,535.74 USD (the "Monthly Fee") per month during the course of this Agreement.

CITY OF HAWTHORNE

AGREEMENT FOR CONSULTANT SERVICES

THIS CONSULTANT AGREEMENT ("Agreement") is made and effective as of April 17, 2023 between the City of Hawthorne, a municipal corporation ("City") and Los Angeles Centers for Alcohol and Drug Abuse, a California nonprofit public-benefit corporation ("L.A. CADA" or "Consultant") (collectively, the "Parties"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **TERM**

This Agreement shall commence on April 17, 2023, and shall remain and continue in effect on an as-needed basis unless sooner terminated pursuant to the provisions of this Agreement.

2. **SERVICES**

Consultant shall perform the tasks described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full, as part of its services. Consultant may be asked to provide additional services if necessary during the term of this Agreement, in which case, the Parties will mutually agree upon such additional services, specifically as to the scope of work and compensation therefor, in a signed Amendment to this Agreement.

3. **PERFORMANCE**

Consultant shall at all times faithfully, competently and to the best of his/her ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement.

4. **PAYMENT**

(a) The City agrees to pay Consultant in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit C, attached hereto and incorporated herein by this reference as though set forth in full, according to the Annual Contract Sum and Monthly Fee reflected in the Budget and Schedule of Compensation indicated in Exhibit C of this Agreement, unless additional payment is approved as provided in this Agreement.

(b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by

the Director of Public Works. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by the Director of Public Works and at the time the City's written authorization is given to Consultant for the performance of said services. Any such additional services will also be memorialized in an Amendment to this Agreement signed by all Parties.

(c) Consultant will submit invoices to support City's payment of the Monthly Fee per the Schedule of Compensation in Exhibit C hereto. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice.

5. **SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE**

(a) The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the consultant at least thirty (30) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, the City shall pay to Consultant the pro-rated portions of any outstanding amounts of the Monthly Fee owed for services rendered up to the time of termination.. Upon termination of the Agreement pursuant to this Section, the Consultant will submit an invoice to the City.

6. **DEFAULT OF CONSULTANT**

(a) The Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Consultant. If such failure by the Consultant to make progress in the performance of work hereunder arises out of causes beyond the Consultant's control, and without fault or negligence of the Consultant, it shall not be considered a default.

(b) If the Director of Public Works or his delegate determines that the Consultant is in default in the performance of any of the terms or conditions of this Agreement, he/she shall cause to be served upon the Consultant a written notice of the default. The Consultant shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Consultant fails to cure its default within such period of time, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this

Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

7. **OWNERSHIP OF DOCUMENTS**

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of the Consultant.

8. **INDEMNIFICATION**

(a) When the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend and hold harmless City and any and all of its officials, employees and agents ("City Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including attorney's fees and costs to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees or subconsultants (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement.

(b) City hereby agrees to, and shall hold Consultant, its officers, agents and employees, harmless from any liability for damage or claims for damage for personal injury, including death, as well as from claims for breach of confidentiality or property damage which may arise from City's negligent acts, errors or omissions in the performance of this Agreement. City agrees to and shall defend Consultant and its officers, agents and employees from any suits or actions at law or in equity for damage caused, or alleged to have been caused, by reason of any of the aforesaid negligent acts, errors or omissions by City.

9. **INSURANCE (see also Exhibit B, attached hereto)**

A) Consultant shall maintain in-force: Professional Liability Insurance. Consultant shall maintain in-force; Professional Liability Insurance (and/or Errors & Omissions Insurance) with minimum limits of liability of $1,000,000 combined single limit coverage against an injury, death, loss or damages because of wrongful or negligent acts or omissions by the named insured.

B) Contractor shall maintain in-force Workers' Compensation and Employer's Liability Insurance as required by the California Labor Code. Evidence of coverage shall take the form of a Certificate of Insurance or a California Certificate to Self-Insure. Acceptable minimum limits for this coverage are: Workers' Compensation; Statutory in California; Employer's Liability: $1,000,000.

C) Certificates of Insurance. Contractor shall furnish to Customer evidence of any insurance required by this Agreement. A Certificate of Insurance from an insurer admitted to do business in the State of California will be provided, indicating that the respective policy(s) meets the following requirements: (1) The City, its officers, and employees shall be named as additional insured on the General Liability Insurance; (2) Insurance shall not be canceled or terminated without 30 days written notice; (3) General Liability shall be primary and any insurance held by City for its own protection shall be excess and shall be effective only upon exhaustion of Contractor's insurance; (4) Insurance shall be maintained for the duration of the Agreement, including any period extended beyond the expiration date of this Agreement required to complete performance as stipulated in this Agreement and all amendments thereto.

10. **INDEPENDENT CONSULTANT**

(a) Consultant is and shall at all times remain as to the City a wholly independent Consultant. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner.

(b) No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

11. **LEGAL RESPONSIBILITIES**

The Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.

12. **UNDUE INFLUENCE**

Consultant declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of the City of Hawthorne in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City of Hawthorne will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

13. **NO BENEFIT TO ARISE TO LOCAL EMPLOYEES**

No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

14. **RELEASE OF INFORMATION/CONFLICTS OF INTEREST**

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the City Manager or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within

the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(b) Consultant shall promptly notify City should Consultant, its officers, employees, agents, or subconsultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request, court order, or subpoena from any person or party regarding this Agreement and the work performed thereunder or with respect to any project or property located within the City. City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding. Consultant agrees to cooperate fully with City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

15. **CONFIDENTIALITY AGREEMENT**

During the course of this Agreement, Consultant may provide the City with certain information or material, including oral disclosure of information which will be deemed "Confidential". Except as required by law, the City shall receive and hold such information in confidence and agrees to use reasonable effort to prevent its disclosure to third parties. This obligation will continue in effect for two (2) years after expiration or termination of the Agreement. The City will not consider information disclosed to it by Consultant as confidential if such information: (1) is now public knowledge or subsequently becomes such through no breach of this Agreement; (2) is rightfully in City's possession prior to Consultant's disclosure as shown by written records; (3) is rightfully disclosed to City by a third party; (4) is independently developed by or for City without reliance upon confidential information received from Consultant; or (5) was created, maintained, and/or transmitted to City by Consultant at City's express request in furtherance, and during the course of, Consultant's performance of services under this Agreement.

Notwithstanding the foregoing, all client and/or patient data received by City from Consultant will be maintained in accordance with the requirements of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164 (collectively, "HIPAA"), as well as 42 C.F.R. Part 2 *et seq.*

16. **ASSIGNMENT**

The Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City because of the personal nature of the services to be rendered pursuant to this Agreement.

17. **LICENSES**

At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

18. **GOVERNING LAW**

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over the City of Hawthorne.

19. **ENTIRE AGREEMENT**

This Agreement, and any attachments and/or exhibits hereto, contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

20. **AUTHORITY TO EXECUTE THIS AGREEMENT**

The person or persons executing this Agreement on behalf of Consultant warrants and represents that he/she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF HAWTHORNE:

Vontray Norris
City Manager
City of Hawthorne

CONSULTANT:

By: _____
Name: Juan Navarro
Title: Chief Executive Officer
Los Angeles Centers for Alcohol and Drug Abuse

APPROVED AS TO FORM:

ROBERT KIM
City Attorney
City of Hawthorne

ATTEST:

Dayna Williams-Hunter
City Clerk
City of Hawthorne

EXHIBIT A

PROPOSAL

L.A. CADA will work with the City staff to develop an approved Operations and Service Plan for the site that outlines how the site will be operated, including but not limited to site intake, on-site services, procurement of meals and security, and ensuring that all residents receive the services that they need. The Plan will also operationalize how the site can maximize participant and program success by balancing and coordinating on-site services with existing services available through the County of Los Angeles, and the City's existing services contracts and resources. L.A. CADA will work individually with the Cohorts and city staff to learn the specific needs of the program participants and the areas of focus the city would like to prioritize. We understand that each city in Los Angeles County that is trying to make an impact in this housing crisis, has differing resources; as such L.A. CADA will tailor the delivery of proposed supplemental homeless outreach and services for the needs of the City of Hawthorne, working closely with city staff and to ensure that local needs are fully met and services are not duplicative. Additionally, L.A. CADA has developed an extensive and comprehensive list of resources available in SPA 8 with over 115 service providers and resources that will be useful to the program participants and ensure the success of the program in SPA 8.

We anticipate the need for urgent linkages to services (specialized case manager, mental health clinician, and SUD counselor) L.A. CADA staff will work with the selected partners on this program and deliver: *Housing Navigation; Case Management; Homeless Prevention/Problem-Solving.* L.A. CADA will also provide *Supportive Services* (referral to legal services, workforce development, etc.); *Mental Health Support; Health Support*; and *direct funding resources.* L.A. CADA will identify participant's existing services providers. If one does not exist, the participant will be enrolled into either L.A. CADA's continuum of care whenever possible, or the most appropriate provider. The Hawthorne Homeless Service Center will be leveraged where possible to ensure continuity of services with housing navigation. For participant's linked to another provider, L.A. CADA will ensure a warm hand off is completed. Additionally, these participants will have regular/consistent follow-ups with the outside provider to ensure client/participants are making progress towards established housing plans and case management goals. L.A. CADA will provide support as needed to assist in participant's achieving these plans and goals. For those with an external provider, monthly care coordination with said provider will be conducted. For participant's enrolled into services, housing plans and case management goals will be established within no more than two weeks of admission. Subsequently, all housing plans will be reviewed and re-assessed every 90 days. Participants will have weekly case management sessions, which will include any and all required housing navigation services. Priority will be given to medical and mental health needs.

L.A. CADA will accomplish the following project tasks:

Service 1: Develop Operations and Services Plan

Task 1: Project Management. LA CADA will conduct Kick Off meetings with the City of Hawthorne to introduce our agency, listen to stakeholder needs, and to review the project scope of phase 1 and 2, schedule, goals, and key issues.

Task 1.1: Kick Off Meetings. L.A. CADA will provide key Task 1 deliverables of a meeting agenda, and meeting notes.

Task 1.2: Services Coordination. L.A. CADA will Identify and meet with existing service provider partners to determine opportunities and approaches to provide services for residents at the site. Approaches could include but are not limited to transport to off-site services or regularly-scheduled visits to the site. Staff from the City should be included in these meetings.

Task 1.3: Plan Development.
L.A. CADA will work with the City staff to develop an Operations and Services Plan (Plan) for the site. The Plan should outline how the site will be operated to ensure that all site residents receive the resources that they need to move into permanent housing as quickly as practicable. The Plan should operationalize how the Consultant will work with stakeholders to maximize participant and program success by balancing on-site services with existing services available through the County of Los Angeles, and the City's existing services contracts and resources, which are described in more detail in the Project Description. The Plan should outline roles and responsibilities for onsite staff, as well as how these staff will work with other offsite staff and services. The Plan should also outline the approach to ensure that all needed services are available for the site's participants, and for services not available at the site, where the services can be found and how they would be accessed. For example, the Plan should maximize participant connection to these existing services and strengthen coordination with participants existing case managers and housing navigators. Considerations that should be included in the Plan include but are not limited to the following:

1) Site policies and procedures;
   a) Eligibility & referrals, program intake, and program exit;
2) Site management and oversight,
   a) Coordination with other on-site services (e.g. security; meal delivery);
3) Case management, housing navigation, and connection to existing services;
   On-site service availability;
   a) Approaches to maximizing coordination with existing and off-site services;
4) Staffing levels, qualifications, and schedule
5) Support securing additional funding and resources
   a) Approaches to maximizing operational funding, including but not limited to coordination with government programs for which participants are eligible (e.g. Medicaid/Medi-Cal, Social Security Disability Insurance [SSDI])
   b) Facilitating support and donations from community members and groups; and
6) Other site considerations.

Service 2: Operate Site and Provide Services

TASK 2.1: Site Operation

The Provider will operate the site for a minimum of three years in accordance with the Final approved Operations and Services Plan. L.A. CADA will staff at minimum the follow three positions for this project:

- 1 FTE on-duty during weekday business hours to oversee site (facilitate meals, showers, etc.), conduct program intake and exit, provide case management as needed, coordinate with participants' existing case managers and housing navigators, and connect participants to existing services as needed.
- 3 FTE resident aides on-duty weekday evenings and weekends to oversee site (facilitate meals, showers, etc.).
- 2 FTE maintenance staff persons on duty weekday evenings and weekends to keep the site clean and operational.
- 1 FTE Housing Navigator with substantial experience in connecting program participants with permanent housing to ensure the success of the program.
- 2 FTE Case Managers to ensure close collaboration between services and efficient and fruitful linkages to care, and who will work closely with the Housing Navigator to find appropriate housing for all program participants.

These staffing levels may be modified in accordance with the final approved Operations and Services Plan. L.A. CADA will also be providing a monthly report in a format approved by the City, demonstrating aggregate enrollment and exit data and provision of/connection to services.

The proposed staffing plan could be modified based on the Operations and Service Plan developed in Task 1. Deliverables: Monthly Reports (12)

TASK 2.2: Project Management

The Consultant will host a kick-off meeting and monthly check-in calls with the City. Deliverables: Kick-off meeting agenda and meeting notes (1); monthly meeting agendas and meeting notes (12).

L.A. CADA will establish MOUs with our community partners to detail procedures and responsibilities for the coordination of services and referrals. These partners will include: *SPA 8 CES*; *Multidisciplinary Teams* (MDT); *Housing Navigation Teams*; *Public Spaces Teams*; the *LAHSA Homeless Engagement Teams* (HET); as well as local *providers for Supplemental Homeless Services and Services for Hard-to-Reach Populations.* Additionally, L.A. CADA is skilled and experienced at working with city staff, local law enforcement, and community service providers to coordinate service referrals and program services.

Existing L.A. CADA partnerships will be useful to the proposed program. This includes our partnership with the *Los Angeles Mission* (where we house up to 50 chronically homeless

men with SUD or cooccurring SUD and mental health disorders (COD). L.A. CADA also has a strong partnership with *Homeboy Industries* (where we provide SUD and COD treatment, as well as transitional supportive housing services for Homeboy trainees (new hires). We also partner with *Transformational Living Homes* (where we screen and provide suitable housing for low-to-medium risk Registered Sex Offenders with SUD or cooccurring SUD and COD).

L.A. CADA is the designated SUD service provider for this housing program. This will allow for timely and efficient linkages to SUD, mental health, MAT, and various other services we offer or deemed necessary through the length of the project. We are currently offering Homeless outreach services to the city of Hawthorne and have developed an effective and positive working relationship with the City staff and an in depth understanding of the area. Through our Hawthorne homeless outreach work MOU, we are already collaborating with St. Margaret's Center (Catholic Charities) who is one of the city specific providers for this program and have developed a positive working relationship with them.

L.A. CADA is a long- time participant in the L.A. County Coordinated Entry System – 95% of our residential treatment clients are homeless at service intake. We participate in the CES in SPAs 4, 7, 8, and 3. In addition, our agency is a CES Access Point in SPA 7. L.A. CADA is familiar with CES procedures/resources, including use of the *CES Triage Tool*, the *Vulnerability Index Service Prioritization Decision Assistance Tool* (VI-SPDAT), and CES reporting requirements. For the proposed project, L.A. CADA will designate staff to attend SPA 8 CES meetings. Our project staff will work closely with local Access Centers and Access Points in both SPAs to accept referrals of homeless individuals in need of L.A. CADA services. This will include service coordination with *Union Station Homeless Services* (serving adults) and *Sycamores* (serving TAY). L.A. CADA staff will facilitate warm hand-offs to needed services for homeless residents in Hawthorne via L.A. CADA van/driver. Referrals to resources will be facilitated by formal Memorandum of Understanding (MOU) that L.A. CADA will put in place with project partners in the community.

L.A. CADA will leverage our own considerable resources for this project. Homeless residents of Hawthorne served will have priority access to:

248 state-licensed residential treatment beds (including a 16-bed 24/7 mental health crisis treatment program in Santa Fe Springs);
244 Recovery Bridge Housing beds (including 71 beds in the San Gabriel Valley);
Over 500 state-certified outpatient treatment slots; and
A new 20-bed emergency shelter to be opened before Summer 2022.

The City of Hawthorne will work directly with L.A. CADA team members to access the proposed services in the manner that best suits that city. L.A. CADA project staff will schedule regular meetings with city staff, and communicate frequently via phone, email, and official reporting documents to ensure that the project is filling the needs of the city. L.A. CADA will also provide a 24/7 response number so that city staff can communicate with L.A. CADA project staff at all times.

L.A. CADA can also ensure the success of the site by referencing our expertise with this service population, our ability to leverage our own services, and our adherence to quality assurance. Our primary service groups are vulnerable, disadvantaged populations. These groups include: *the homeless; low-income residents; persons of color; pregnant/parenting women and their children; persons living with and at-risk of HIV; high-risk youth and their families; people involved in the criminal justice system; and LGBTQ+ persons*. L.A. CADA is one of the only behavioral healthcare providers in Los Angeles County able to deliver LGBTQ+ Affirming (exclusive) care – rated the highest quality of treatment for this population by the federal Substance Abuse and Mental Health Services Administration (SAMHSA). 3

In 2022, the L.A. CADA continuum of care includes over 500 slots for outpatient and intensive outpatient treatment, 248 residential treatment beds, 244 Recovery Bridge Housing beds, and a broad spectrum of jailbased, court-based, school-based, and community-based services. As noted, L.A. CADA facilities include a 16-bed *Crisis Residential Treatment Program* (CRTP) called *Safe Haven,* funded by the L.A. County Department of Mental Health to stabilize adults in mental health crisis. Client participation in this short-term program can be followed by residential or outpatient treatment at L.A. CADA or in our Residential Bridge Housing (RBH) with off-site outpatient care. RBH provides a safe place for people in behavioral health crisis to stabilize and establish early sobriety. In 2021 L.A. CADA opened a *Certified Community Behavioral Health Clinic* (CCBHC) in Santa Fe Springs to deliver comprehensive, coordinated care for low-income people. Our treatment facilities are certified and licensed by the State of California Department of Health Care Services, and monitored by the Los Angeles County Department of Public Health.

Los Angeles Centers for Alcohol and Drug Abuse maintains a full-time Quality Improvement (QI) Division to evaluate our services and their utilization by our patients. For each funded project, an evaluation plan is developed, including a Logic Model detailing specific goals, objectives, inputs and expected outcomes. Our QI Coordinator works with program staff to continuously collect, monitor, review, and report diverse client level data: demographics; histories (substance use, mental health, treatment, housing, family issues, social services), as well as client treatment participation and outcomes.

Data collection is conducted using both pencil/paper documents and the agency's electronic records system (SAGE). Staff enter all required project and program data on a daily basis. Files are reviewed weekly by each Program Director/Manager to ensure completeness and accuracy. During monthly meetings with the Coordinator of Quality Improvement, project staff discuss and review progress toward program goals and objectives. Any needed course corrections to improve the program are implemented by the Program Director/Manager at this time.

As noted throughout the application L.A. CADA will leverage our own resources which includes SAPC, DMH, SAMHSA, and other government contracts to secure additional support and funding for services available to the site and the needs of the program

participants. L.A. CADA programs work closely with the L.A. County Coordinated Entry System (CES) for the homeless in the Service Planning Areas (SPAs) that L.A. CADA serves (SPAs 3; 4; 6; 7; and 8). As such, we have experience coordinating additional services, if and when necessary, through the SPA 8 CES

As noted, L.A. CADA staff will use the innovative evidence-based practices required to provide the highest quality and most effective response for homeless residents with behavioral health issues. The EBPs or elements of the EBPs to be used in this program are:

- Motivational Interviewing 19
- Eight Principles of Harm Reduction 20
- Principles of Trauma-Informed Care 21
- Intensive Case Management 22
- Housing First / Low Barrier Access 23
- LGBTQ+-Affirming and LGBTQ+ Sensitive Care 24
- Cognitive Behavioral Therapy 25
- Assertive Community Treatment 26
- Risk-Need-Responsivity model for offender assessment and rehabilitation 27
- Relapse Prevention Therapy 28
- 12 Step Facilitation Therapy 29
- CLAS National Standards for Culturally and Linguistically Appropriate Services in Health and Healthcare 30
- Medication Assisted Treatment for Opioid Use Disorder 31
- Peer Recovery Support 32

In addition, appropriate staff (some to be hired) will be in place to ensure that all services can be delivered in English, Spanish, Mandarin, or ASL as per client preference. L.A. CADA is also encouraging the hiring of additional staff as outlined in this proposal and budget to ensure 24/7 comprehensive care to each program participant.

After the completion of Service 1 L.A. CADA will begin the implementation of Service 2 on an appropriate timeline that would be determined in coordination with the City of Hawthorne during phase 1. L.A. CADA understands that the Task Order for Service 2 may be exercised at the City's sole discretion following the sufficient completion of Service 1.

L.A. CADA will operate the site in accordance with the approved Operations and Service Plan for the site. Operations and services activities will include but are not limited to the following: identify and screen participants, accept referrals, conduct program intake and exit, coordinate with existing case managers and housing navigators, provide case management and housing navigation, and connect participants to other supportive services as needed. L.A. CADA has extensive experience and expertise in all areas required of Service 2 and of conducting sites with similar populations and needs. As such, L.A. CADA will come prepared to all Service 1 kick-off meetings with examples and fully developed options of operation and service plans for the city to consider and review.

EXHIBIT B

INSURANCE REQUIREMENTS

Prior to the beginning of and throughout the duration of the Work, Consultant will maintain insurance in conformance with the requirements set forth below. Consultant will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, Consultant agrees to amend, supplement or endorse the existing coverage to do so. Consultant acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to City in excess of the limits and coverage required in this Agreement and which is applicable to a given loss, will be available to City.

Consultant shall provide the following types and amounts of insurance:

Commercial General Liability Insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01 or the equivalent. Limits are subject to review but in no event less than $1,000,000 per occurrence.

Professional Liability Coverage. Consultant shall maintain in-force Professional Liability Insurance (and/or errors & Omissions Insurance) for protection against claims alleging negligent acts, errors or omissions which may arise from Consultant's operations under this Agreement, whether such operations be by the Consultant or by its employees, or subconsultants. The amount of this insurance shall not be less than one million dollars ($ 1,000,000) on a claims-made annual aggregate basis, or a combined single-limit per occurrence basis.

EXHIBIT C

BUDGET & SCHEDULE OF COMPENSATION

Budget

	Hourly Rate	Service 1 (Development of an Operation and Services Plan)		Service 2 (Operation of the Site)		GRAND TOTAL	
		Total Hours	Cost	Total Hours	Cost	Hours	Cost
Service 1							
Program Manager, Joshua Heinzman	$50.64	1040	$52,669.76		$0.00	**1,040**	**$52,669.76**
City Liaison Director, Sara Belmonte	$50.64	1040	$52,665.60		$0.00	**1,040**	**$52,665.60**
Quality Control Specialist, Vincent Contreras	$39.60	1040	$41,184.00		$0.00	**1,040**	**$41,184.00**
Service 2							
Program Manager	$32.00		$0.00	2080	$66,560.00	**2,080**	**$66,560.00**
Case Management	$32.00		$0.00	1040	$33,280.00	**1,040**	**$33,280.00**
Case Management	$32.00		$0.00	1040	$33,280.00	**1,040**	**$33,280.00**
Housing Navigator	$29.00		$0.00	1040	$30,160.00	**1,040**	**$30,160.00**
Resident Aide (weekday evening)	$29.00		$0.00	2080	$60,320.00	**2,080**	**$60,320.00**
Resident Aide (weekday morning)	$29.00		$0.00	2080	$60,320.00	**2,080**	**$60,320.00**
Resident Aide (weekend)	$29.00		$0.00	2080	$60,320.00	**768**	**$60,320.00**
Maintenance Staff (weekday)	$30.00		$0.00	2080	$62,400.00	**2,080**	**$62,400.00**
Maintenance Staff (weekend)	$30.00		$0.00	768	$23,040.00	**768**	**$23,040.00**
Benefits 25%			$36,629.84		$107,420.00		**$144,049.84**
STAFFING TOTAL $720,249.20			**$183,149.20**		**$537,100.00**	**16,096**	

OTHER DIRECT COSTS	
Lease Vans	$36,000.00
P25-compliant radio equipment	$12,000.00
Gasoline for vans	$6,000.00
Facility Costs (not covered by contract)	$0.00
Office Expenses	$5,400.00
Maintenance supplies for clients	$14,400.00
Insurance	$9,727.18
Indirect Costs 12%	$86,429.90
OTHER DIRECT COSTS TOTAL	**$169,957.09**
PROJECT TOTAL	**$890,206.29**

Schedule of Compensation

1. Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in this Section. The total annual compensation will be Eight Hundred Ninety Thousand, Two Hundred Six Dollars and Twenty-Nine Cents ($890,206.29) USD per year (the "Annual Contract Sum") unless additional compensation is approved pursuant to Section 2. The Annual Contract Sum is all inclusive and covers all labor, materials, direct and indirect costs, and expenses necessary for Consultant to provide services under this Agreement.

2. City acknowledges and agrees that it shall pay compensation under this Agreement on a monthly, flat rate basis. This method of compensation is calculated by dividing the Annual Contract Sum by twelve (12) months. For example, Consultant will receive monthly compensation in the amount of $74,183.85 USD (the "Monthly Fee") per month during the course of this Agreement.

AGENDA ITEM NO. 7.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: Public Works

City Manager: Department Head:

SUBJECT:
RESOLUTION NO. 8595 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2026-27 FUNDED BY SB1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017.

RECOMMENDED MOTION:
Staff recommends that the City Council adopt this resolution No. 8595.

DISCUSSION:
Senate Bill 1, the Road Repair and Accountability Act of 2017 was signed into law on April 28, 2017. This Bill will generate $54 billion over the next 10 years to fix roads, freeways, and bridges Statewide. The City of Hawthorne will be receiving approximately $2,328,747 in 2026-27. This fund will be used to improve our transportation infrastructure, providing residents with more efficient transportation options. The Resolution is a requirement for receiving funding and establishing accountability for continued funding. The resolution includes a project list that addresses the City's needs for street improvements as determined by the Engineering Division's pavement management system and capital improvement project list.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
SB 1 funding strengthens Hawthorne's economic development by improving streets, which makes it easier and faster for residents, customers, and businesses to move throughout the City.

FISCAL IMPACT:
None. The City will benefit by receiving an estimated amount of $2,328,747 from SB1 Funding for 2026-27 fiscal year.

NOTICING PROCEDURE:
72 hours posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS
Resolution 8595

RESOLUTION NO.8595

RESOLUTION ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2026-27 FUNDED BY SB 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and Signed into law by the Governor in April 2017 to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB 1 includes accountability and transparency provisions that will ensure the residents of our City are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS, the City must adopt by resolution a list of projects proposed to receive fiscal year funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, the City, will receive an estimated $2,328,747 in RMRA funding in Fiscal Year 2026-27 from SB 1; and

WHEREAS, this is the tenth year in which the City is receiving SB 1 funding and will enable the City to continue essential road maintenance and rehabilitation projects, safety improvements, repairing and replacing aging bridges, and increasing access and mobility options for the traveling public that would not have otherwise been possible without SB 1; and

WHEREAS, the City has undergone a robust public process to ensure public input into our community's transportation priorities/the project list; and

WHEREAS, the City used a Pavement Management System to develop the SB 1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the communities priorities for transportation investment; and

WHEREAS, the funding from SB 1 will help the City maintain and rehabilitate and add active transportation infrastructure throughout the City this year and of similar projects into the future; and

WHEREAS, the 2023 California Statewide Local Streets and Roads Needs Assessment found that the City's streets and roads are in need of repair and this revenue will help us increase the overall quality of our road system and over the next decade will bring our streets and roads into a better condition; and

WHEREAS, the SB 1 project list and overall investment in our local streets and roads infrastructure with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials and practices, will have significant positive co-benefits statewide.

NOW, THEREFORE IT IS HEREBY RESOLVED, ORDERED AND FOUND by the City Council of the City of Hawthorne, State of California, as follows:

1. The foregoing recitals are true and correct.

2. The following list of newly proposed projects will be funded in-part or solely with Fiscal Year 2026-27 Road Maintenance and Rehabilitation Account revenues:

Construction and Construction Management
Project Title: Moneta Gardens Improvement Project

Project Description: The work consists of construction of ADA ramps, sidewalks, driveways, traffic striping including parking Ts, regrading of street surface, illuminated flashing stop signs, street storm water BMPs system

Project Location:
135th St. between Prairie Ave and Crenshaw Blvd
139th St. between Prairie Ave and Crenshaw Blvd
Cerise Ave. between 135th St and Rosecrans Ave.

Estimated Project Schedule: July 1 ,2026- June 30,2027
Estimated Project Useful Life: 20 years

Construction and Construction Management

Project Title: Imperial Hwy Improvement Project

Project Description: The proposed improvements include signal modifications, traffic coordination and timing upgrades, re-striping, utility work, reconstruction of adjacent concrete sidewalks, driveways, curbs and gutters required for the new signal project, including other general ADA improvement.

Project Location: Imperial Hwy between Prairie Ave and Inglewood Ave

Estimated Project Schedule: July 1 ,2026- June 30,2027
Estimated Project Useful Life: 20 years

Construction and Construction management

Project Title: Local Street Improvement Project 2026

Project Description: This Project will reconstruct selected streets at various locations. The project will rehabilitated streets in these areas using asphalt rubber hot mix over asphalt concrete leveling course to improve safety and drivability. This will include full depth reconstruction of specified areas as well as grinding, excavation and removal of existing pavement, new paving, and traffic striping and markings.

Project Location: Various local streets between Crenshaw and Aviation from east and west, and from Marine Ave to Imperial Highway from south to north.

Estimated Project Schedule: July 1, 2026- June 30, 2027

Estimated Project Useful Life: 10 years

PASSED AND ADOPTED by the City Council of the City of Hawthorne, State of California this 14th day of April, 2026, by the following vote:

_____
ALEX VARGAS
Mayor
City of Hawthorne, California

ATTEST:

_____
DAYNA S. WILLIAMS-HUNTER
City Clerk
City of Hawthorne, California

APPROVED AS TO FORM:

_____
DAVID CACERES, City Attorney
City of Hawthorne, California

AGENDA ITEM NO. 8.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: Housing

City Manager: Department Head:



SUBJECT:
Hawthorne Housing 2026-2027 Annual Plan and Administrative Plans.

RECOMMENDED MOTION:
Staff recommends that the City Council:
1. Approve the 2026-2027 Annual Plan;
2. Direct staff to file the required Annual and Administrative Plans with the U.S. Department of Housing and Urban Development on or before the due date of April 17, 2026.

DISCUSSION:
The U.S. Department of Housing and Urban Development (HUD) requires non-qualified Public Housing Agencies (PHAs) to submit an Annual Plan at least 75 days prior to the start of each fiscal year. The Annual Plan outlines the Agency's mission, goals, and objectives, and incorporates provisions addressing violence against women, consistent with the Five-Year Plan.

The mission of the City of Hawthorne Housing Agency is to provide safe, decent, and sanitary housing for very low-income families while managing resources efficiently. The Agency is committed to promoting personal, economic, and social mobility, with the goal of supporting families in transitioning from subsidized to non-subsidized housing.

During the current reporting period, the Agency approved thirty-three (33) new property owners for participation in the Section 8 Program, maintained its "High Performer" designation through consistent adherence to program regulations and procedures, and continued efforts to enhance customer satisfaction while delivering high-quality services. The Agency also upheld equal housing opportunities by providing comprehensive property listings to all Hawthorne voucher holders.

In addition, the PHA's Administrative Plan has been updated in accordance with 24 CFR Part 903 to establish a strategic framework for the effective management of operations. This plan is designed to benefit all Section 8 Program participants, both directly and indirectly.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
None

FISCAL IMPACT:
None

NOTICING PROCEDURE:

In compliance with the 45-day public review period and federal regulations, a Legal Notice of Public Hearing was published on February 26, 2026, through April 9, 2026, in the Hawthorne Press-Tribune, informing the public of the draft 2026-2027 Annual Plan availability. A copy of the draft documents was made available at the Hawthorne Clerk's Office, Housing Department, Hawthorne Library and on the City's website for public review and comment from February 26, 2026, concluding April 14, 2026, at a public hearing at 6PM in the Hawthorne City Council Chambers.

In addition, there was 72 hours of posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS

Draft Form 50075-HCV Annual Plan
Draft 50077-SL 2026
Draft 50077-ST-HCV-HP 2026
Draft Administrative Plan Effective 6/1/2026

Status: Created

Streamlined Annual PHA Plan ***(High Performer PHAs)***	**U.S. Department of Housing and Urban Development** **Office of Public and Indian Housing**	**OMB No. 2577-0226** **Expires 9/30/2027**

Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services. They also inform HUD, families served by the PHA, and members of the public of the PHA's mission, goals, and objectives for serving the needs of low-, very low-, and extremely low- income families.

Applicability. The Form HUD-50075-HP is to be completed annually by **High Performing PHAs**. PHAs that meet the definition of a Standard PHA, Troubled PHA, HCV-Only PHA, Small PHA, or Qualified PHA do not need to submit this form. PHAs with zero public housing units must continue to comply with the PHA Plan requirements until they closeout their Section 9 programs (ACC termination).

Definitions.

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

A. PHA Information.

A.1

PHA Name: Hawthorne Housing **PHA Code:** CA126
PHA Plan for Fiscal Year Beginning: (MM/YYYY): 07/2026
PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above)
Number of Public Housing (PH) Units 0 **Number of Housing Choice Vouchers (HCVs)** 726
Total Combined 726
PHA Plan Submission Type: ☑ Annual Submission ☐ Revised Annual Submission

Public Availability of Information. In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information of the PHA policies contained in the standard Annual Plan but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA and should make documents available electronically for public inspection upon request. PHAs are strongly encouraged to post complete PHA Plans on their official websites and to provide each resident council with a copy of their PHA Plans.

How the public can access this PHA Plan: The Public may access this plan at: Housing Department - Hawthorne City Hall 4455 W 126th St, Hawthorne, CA90250 Business Hours: 730am - 5:30pm (Monday -Thursday and every other Friday) Office of the Clerk - Hawthorne City Hall 4455 W 126th St, Hawthorne, CA 90250 Business Hours: 730am - 5:30pm (Monday -Thursday and every other Friday) Hawthorne Public Library 12700 Grevillea Ave, Hawthorne, CA 90250 Business Hours: Tuesday-Wednesday 12pm-8pm, Thursday-Saturday 10am -6pm (Closed Monday & Sunday and the City of Hawthorne Website at: https://www.cityofhawthorne.org/departments/housing.

☐ **PHA Consortia:** (Check box if submitting a Joint PHA Plan and complete table below)

Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program	
				PH	HCV

B. Plan Elements

B.1 **Revision of Existing PHA Plan Elements.**

(a) Have the following PHA Plan elements been revised by the PHA since its last **Annual PHA Plan** submission?

Y	N	
☐	☑	Statement of Housing Needs and Strategy for Addressing Housing Needs.
☑	☐	Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.
☐	☑	Financial Resources.
☐	☑	Rent Determination.
☐	☑	Homeownership Programs.
☐	☑	Safety and Crime Prevention.
☐	☑	Pet Policy.
☐	☑	Substantial Deviation.
☐	☑	Significant Amendment/Modification

(b) If the PHA answered yes for any element, describe the revisions for each element below:

Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.
Updated income amounts and sources

(c) The PHA must submit its Deconcentration Policy for Field Office Review.

Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.
Please see attached document

B.2 **New Activities.**

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

Y	N	
☐	☑	Choice Neighborhoods Grants.
☐	☑	Modernization or Development.
☐	☑	Demolition and/or Disposition.
☐	☑	Conversion of Public Housing to Tenant Based Assistance.
☐	☑	Conversion of Public Housing to Project-Based Rental Assistance or Project-Based Vouchers under RAD.
☐	☑	Homeownership Program under Section 32, 9 or 8(Y)
☑	☐	Project Based Vouchers.
☐	☑	Units with Approved Vacancies for Modernization.
☐	☑	Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).

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

Project Based Vouchers.
It is the agency's desire to remain open to expand uses of HCV's to potentially offer between 5-50 PBVs if funding allows.

B.3 **Progress Report.**

Provide a description of the PHA's progress in meeting its Mission and Goals described in the PHA 5-Year Plan.

The PHA maintained its High Performer status and successfully utilized 100% of its funding award during the reporting period. Housing staff participated in Rent Calculation trainings, including updates related to the

	Housing Opportunity Through Modernization Act (HOTMA), as well as Housing Choice Voucher (HCV) Supervisory trainings to ensure continued compliance with evolving program requirements. Staff also increased their focus on program integrity and fraud prevention, with particular attention to income fraud. As a result, the PHA implemented strengthened internal checks and balances to enhance oversight and verification procedures. Eligible cases were required to enter into repayment agreements, enabling the PHA to recover more than $5,511 in overpaid Housing Assistance Payments (HAP) across the HCV and Emergency Housing Voucher (EHV) programs. As collections continued, the total amount recovered has since increased to $25,405 and continues to grow. In support of Limited English Proficiency (LEP) compliance, the PHA increased the number of certified Spanish-speaking staff from two to three to better serve program participants. Due to funding shortfalls during the reporting period, the PHA was unable to issue vouchers from the Waiting List. However, staff completed the annual Waiting List purge to maintain an updated and accurate applicant pool. The PHA's goal is to begin pulling applicants from the Waiting List in the next fiscal year, if not sooner, depending on funding availability. The PHA also expanded landlord engagement efforts. During this period, 32 new landlords listed available units with Hawthorne Housing, significantly benefiting both participant movers and incoming portability tenants by increasing available housing options. Finally, staff continues to improve administrative efficiency by reducing supply requests through document scanning and transitioning participants to digital processes whenever feasible.
B.4	**Capital Improvements.** Include a reference here to the most recent HUD-approved 5-Year Action Plan in EPIC and the date that it was approved. **Not Applicable for CA126.**
B.5	**Most Recent Fiscal Year Audit.** (a) Were there any findings in the most recent FY Audit? Y ☐ N ☑ (b) If yes, please describe:
C.	**Other Document and/or Certification Requirements.**
C.1	**Resident Advisory Board (RAB) Comments.** (a) Did the RAB(s) have comments to the PHA Plan? Y ☐ N ☑ (b) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.
C.2	**Certification by State or Local Officials.** Form HUD-50077-SL, *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, must be submitted by the PHA as an electronic attachment to the PHA Plan.
C.3	**Civil Rights Certification/Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan.** Form 50077-ST-HCV-HP, *PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed* must be submitted by the PHA as an electronic attachment to the PHA Plan.

C.4	**Challenged Elements.** If any element of the PHA Plan is challenged, a PHA must include such information as an attachment with a description of any challenges to Plan elements, the source of the challenge, and the PHA's response to the public. (a) Did the public challenge any elements of the Plan? Y ☐ N ☑ (b) If yes, include Challenged Elements.

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the 5-Year and Annual PHA Plan. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals, and objectives for serving the needs of low- income, very low- income, and extremely low-income families.

Public reporting burden for this information collection is estimated to average 5.26 hours per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions to reduce this burden, to the Reports Management Officer, REE, Department of Housing and Urban Development, 451 7th Street, SW, Room 4176, Washington, DC 20410-5000. When providing comments, please refer to OMB Approval No. 2577-0226. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

Form identification: *CA126-Hawthorne Housing Form HUD-50075-HP (Form ID - 7866) printed by Kimberly Mack in HUD Secure Systems/Public Housing Portal at 03/23/2026 12:19PM EST*

Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan or State Consolidated Plan
(All PHAs)

U. S Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 09/30/2027

Certification by State or Local Official of PHA Plans Consistency with the Consolidated Plan or State Consolidated Plan

I, **Alejandro Vargas** (*Official's Name*), the **Mayor** (*Official's Title*) certify that the 5-Year PHA Plan for fiscal years **2026-2030** and/or Annual PHA Plan for fiscal year **2026** of the **CA126 - Hawthorne Housing** (*PHA Name*) is consistent with the Consolidated Plan or State Consolidated Plan including any applicable fair housing goals or strategies to:

Hawthorne, California
Local Jurisdiction Name

pursuant to 24 CFR Part 91 and 24 CFR Part 903.15.

Provide a description of how the PHA Plan's contents are consistent with the Consolidated Plan or State Consolidated Plan.

The Annual PHA Plan is consistent with the City of Hawthorne's Consolidated Plan in addressing the housing needs of low-income, elderly families, families with disabilities and households of various races and ethnic groups. All plans identify and address issues of housing affordability and supply to meet the needs of families within the City of Hawthorne's Jurisdiction.

I/We, the undersigned, certify under penalty of perjury that the information provided above is true and correct. WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012, 1014; 31 U.S.C. §3729, 3802).

Name of Authorized Official: **Alejandro Vargas**	Title: **Mayor**
Signature:	Date:

This information is collected to ensure consistency with the consolidated plan or state consolidated plan.

Public reporting burden for this information collection is estimated to average 0.16 hours per year per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions to reduce this burden, to the Reports Management Officer, REE, Department of Housing and Urban Development, 451 7th Street, SW, Room 4176, Washington, DC 20410-5000. When providing comments, please refer to OMB Approval No. 2577-0226. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

Form identification: CA126 - Hawthorne Housing form HUD-50077-SL (Form ID - 6476) printed by Kimberly Mack in HUD Secure Systems/Public Housing Portal at 04/06/2026 04:29PM EST

Certifications of Compliance with PHA Plan and Related Regulations ***(Standard, Troubled, HCV-Only, and High Performer PHAs)***	**U.S. Department of Housing and Urban Development** Office of Public and Indian Housing **OMB No. 2577-0226** **Expires 09/30/2027**

PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations including PHA Plan Elements that Have Changed

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairperson or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the 5-Year and/or X Annual PHA Plan, hereinafter referred to as "the Plan," of which this document is a part, and make the following certification and agreements with the Department of Housing and Urban Development (HUD) for the PHA fiscal year beginning 07/2026, in which the PHA receives assistance under 42 U.S.C. 1437f and/or 1437g in connection with the submission of the Plan and implementation thereof:

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located (24 CFR § 91.2).
2. The Plan contains a signed certification by the appropriate State or local official (form HUD-50077-SL) that the Plan is consistent with the applicable Consolidated Plan, which includes any applicable fair housing goals or strategies, for the PHA's jurisdiction and a description of the way the PHA Plan is consistent with the applicable Consolidated Plan (24 CFR §§ 91.2, 91.225, 91.325, and 91.425).
3. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Resident Advisory Board or Boards in developing the Plan, including any changes or revisions to the policies and programs identified in the Plan before they were implemented, and considered the recommendations of the Resident Advisory Board (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the way the Plan addresses these recommendations.
4. The PHA provides assurance as part of this certification that:
    i. The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
    ii. The changes were duly approved by the PHA Board of Directors (or similar governing body); and
    iii. The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours. Where possible, PHAs should make documents available electronically, for public inspection upon request.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment. The PHA ensured all notices and meetings provided effective communication with persons with disabilities and further provided meaningful language access for persons with Limited English Proficiency (LEP).
6. The PHA certifies that it will carry out the public housing program of the agency in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4), the Fair Housing Act (42 U.S.C. 3601-19), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), Title II of the Americans with Disabilities Act (42 U.S.C. 12101 et seq.), the Violence Against Women Act (34 U.S.C. § 12291 et seq.), and other applicable civil rights requirements, and that it will affirmatively further fair housing in the administration of all HUD programs. In addition, if it administers a Housing Choice Voucher Program, the PHA certifies that it will administer the program in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, the Violence Against Women Act, and other applicable civil rights requirements, and that it will affirmatively further fair housing in the administration of all HUD programs.
7. The PHA will affirmatively further fair housing, in compliance with the Fair Housing Act, 24 CFR § 5.150 et seq., 24 CFR § 903.7(o), and 24 CFR § 903.15, which means that it will take meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living

patterns, transforming racially or ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws (24 CFR § 5.151). Pursuant to 24 CFR § 903.15(c)(2), a PHA's policies should be designed to reduce the concentration of tenants and other assisted persons by race, national origin, and disability. PHA policies should include affirmative steps stated in 24 CFR § 903.15(c)(2)(i) and 24 CFR § 903.15(c)(2)(ii). Furthermore, under 24 CFR § 903.7(o), a PHA must submit a civil rights certification with its Annual and 5-year PHA Plans, except for qualified PHAs who submit the Form HUD-50077-CR as a standalone document. The PHA certifies that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing.

8. For PHA Plans that include a policy for site-based waiting lists:
    - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module and/or its successor system: the Housing Information Portal (HIP) in an accurate, complete and timely manner (as specified in PIH Notice 2011-65);
    - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
    - Adoption of a site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
    - The PHA shall take reasonable measures to assure that such a waiting list is consistent with affirmatively furthering fair housing; and
    - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR 903.7(o)(1).
9. The PHA will comply with the prohibitions against discrimination based on age pursuant to the Age Discrimination Act of 1975.
10. In accordance with the Fair Housing Act, the PHA will not base a determination of eligibility for housing on marital status and will not otherwise discriminate because of sex.
11. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, 'Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped' for people with physical disabilities.
12. The PHA will comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
13. The PHA will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implement the regulations at 49 CFR Part 24 as applicable.
14. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
15. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
16. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
17. The PHA will keep records in accordance with 2 CFR 200.302 and facilitate an effective audit to determine compliance with program requirements.
18. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act**,** the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
19. The PHA will comply with the policies, guidelines, and requirements of 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Financial Assistance, including but not limited to submitting the assurances required under 24 CFR §§ 1.5, 3.115, 8.50, and 107.25 by submitting an SF-424, including the required assurances in SF-424B or D, as applicable.
20. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
21. All attachments to the Plan have been and will continue to always be available at all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary

business office of the PHA and, where possible, should be made available for public inspection in an electronic format.

22. The PHA certifies that it is following all applicable Federal statutory and regulatory requirements, including the Declaration of Trust(s).

Hawthorne Housing	**CA126**
PHA Name	PHA Number/HA Code

X Annual PHA Plan for Fiscal Year 20**26**

_ 5-Year PHA Plan for Fiscal Years 20-20

I/We, the undersigned, certify under penalty of perjury that the information provided above is true and correct. WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012, 1014; 31 U.S.C. §3729, 3802)

Name of Executive Director: **MS Kimberly Mack**		Name of Board Chairman: **Alejandro Vargas**	
Signature:	Date:	Signature:	Date:

This information is collected to ensure compliance with PHA Plan, Civil Rights, and related laws and regulations including PHA plan elements that have changed.

Public reporting burden for this information collection is estimated to average 0.16 hours per year per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions to reduce this burden, to the Reports Management Officer, REE, Department of Housing and Urban Development, 451 7th Street, SW, Room 4176, Washington, DC 20410-5000. When providing comments, please refer to OMB Approval No. 2577-0226. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

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Form identification: *CA126-Hawthorne Housing form HUD-50077-ST-HCV-HP (Form ID -2238) for CY 2026 printed by Kimberly Mack in HUD Secure Systems/Public Housing Portal at 04/06/2026 04:30PM EST*

HCV ADMINISTRATIVE PLAN

EFFECTIVE
6/1/2026

HAWTHORNE HOUSING AUTHORITY

HCV Administrative Plan

HAWTHORNE HOUSING AUTHORITY

Approved by the HA City Council: April 14, 2026

Submitted to HUD: April 15, 2026

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6/1/2026 Revisions to the Administrative Plan		
Remove Pages	**Insert Pages**	**Changes Made in Admin Plan**
Title Page	Title Page	Updated copyright date for title page for approval by HA Board of Commissioners and submission to HUD
TOC-1 thru TOC-52 (Entire TOC)	TOC-1 thru TOC-52	Updated TOC
Intro-i thru Intro-iv (Entire Intro Chapter)	Intro-i thru Intro-iv	Added new section on HOTMA changes and new links for the new version **HUD HCV Guidebook** on bottom of page 7 in table on p. Intro-vii,
1-2/3	All	Changed text under PHA Policy on p. 1-2 Added language to the bottom of the 6th paragraph – HUD revised notice Added 7th paragraph on streamlining changes Updated 4th bullet point on page 10 to include ref 24 CFR 5.703 language Pg- 14. Removed language from bullet point 11 Pg. 14. Added new bullet point 12 re increases and decreases in VPS Updated footer on all pages
2-5	5,6	Made 2-I.C. Discrimination Complaints a main subsection Added Complaints under the Equal Access Final Rule subsection with PHA policy Updated VAWA Complaint Processing and PHA Policy
3-3-51	3-3,9,12,15,18,19,25, 29,30	Removed language from 2nd paragraph under Family Added paragraph under PHA policy, HOTMA 102-104 Compliance Definition on pg. 3 Added HOTMA102/104 Compliance language for foster children and adults on pg.9 Reworded PHA policy on pg. 12 Added bullet low income eligibility under VASH on pg. 15 Removed 2nd paragraph in section 3-II.C. Added CFR reference in section3-II.D. Added subtitle language to top of pg. 19 Removed language from Income Reports paragraph 25 Added HOTMA 102/104 Language to top of pg. 29 and revised wording under 3-III.C. Pg. 30 -Changed PHA policy for compliance and added final paragraph
4-18	4-3,10,16	Omitted redundant terminology in the PHA Plan on pg. 3 Added “Email” to PHA policy on Pg.10 and 16

6/1/2026 Revisions to the Administrative Plan		
Remove Pages	**Insert Pages**	**Changes Made in Admin Plan**
6-33, 6-37, 6-38, 6-44, 6-61, 6-62, 6-63,	6-33, 6-37, 6-38, 6-44, 6-61, 6-62, 6-63,	Pg. 33 – Updated language on entire pages Pg. 37- Added sentence under second paragraph Pg.38 - Removed Asset Owned by a Business Entity paragraph Pg.44 - Added new language and charts to Asset Inclusions and Exclusions Pg. 61 – made grammatical corrections to min rent $50 Pg. 62 – Added language to PHA Policy Pg. 63 – Removed "do not" from PHA Policy
9-3	9-3	Pg. 3 – Added 24 CFR 982.302 to title
12-11, 12-15	12-11, 12-15	Pg. 11 – Removed HOTMA Subheading Pg. 15 – Added language to the end of the 8th paragraph
14-11	14-11	Added HOTMA subtitle under 14-II.D.
15-33, 15-34	15-33, 15-34	Pg. 33 – Added language to first sentence of the 4th paragraph and removed last sentence Pg. 34 – Added language to the top of 1st paragraph
16-5, 16-6, 16-16, 16-17, 16-19, 16-26, 16-32, 16-34, 16-35, 16-60, 16-65,	16-5, 16-6, 16-16, 16-17, 16-19, 16-26, 16-32, 16-34, 16-35, 16-60, 16-65,	Pg.5 – Corrected grammar Pg. 6 – Updated PHA Policy Pg. 16 – Added PHA Policy Pg. 17 – Removed PHA Policy Pg. 19 – Corrected grammar Pg. 26 – Added language under Issuance of Decision, 1st sentence Pg. 32 – Added Criminal Prosecution language Pg. 34 – Updated language to PHA policy, 2nd sentence Pg. 35 – Added language to PHA Policy Pg. 60 – Added VAWA contact information Pg. 65 – Removed bullet number 3
Glossary		Removed HOTMA 102/104 Language Prefix

Introduction

HOTMA CHANGES IN THE ADMINSTRATIVE PLAN

On July 29, 2016, the Housing Opportunity Through Modernization Act of 2016 (HOTMA) was signed into law. HOTMA made numerous changes to statutes governing HUD programs, including sections of the United States Housing Act of 1937. Title I of HOTMA contains 14 different sections that impact the public housing and Section 8 programs.

HOTMA 102/104

HUD published a final rule on February 14, 2023, revising regulations related to income, assets, adjusted income, verification, and reexams (among others) to implement Sections 102 and 104 of HOTMA. While the new regulations were effective January 1, 2024, HUD has delayed the compliance date for HOTMA 102/104. Initially, HUD published a delayed compliance date of January 1, 2025, but HUD again delayed the compliance date for HOTMA 102/104and no new date has been provided. *Compliance* with Sections 102 and 104 of HOTMA means not only applying HOTMA 102/104 regulations to affected programs but also reporting in HUD's new Housing Information Portal (HIP) system. Currently, PHAs remain unable to comply with HOTMA 102/104 because compliance depends on transitioning from HUD's IMS/PIC system (which is unable to accept HOTMA-compliant Form HUD-50058) to HUD's new HIP system (which will be the only system that accepts HOTMA-compliant Form HUD-50058). PHAs cannot transition to HOTMA until HIP is in place, HOTMA-compliant, and accessible. However, HUD has determined that a few HOTMA 102/104 policies are not dependent on transition systems and easily isolated from other HOTMA 102/104 policy changes. These policies may be implemented prior to the migration to HIP.

HUD stated that PHAs may update their policy documents before determining the date at which they will transition to all HOTMA Section 102 and 104 policies. HUD stated that in order to update their policy documents for HOTMA in this circumstance, PHAs may create an appendix that contains the HOTMA policies that will be incorporated at a later date. The model policy adopts such an approach. HOTMA 102/104 policies are provided in each affected area of the model policy. However, with the exception of the policies HUD has indicated may be adopted early, HOTMA policies that are "on hold" are indicated in the model policy as such. Further, an appendix has been provided to explicitly call out those policies that are on hold.

HOTMA VOUCHER FINAL RULE

The final rule implementing streamlining changes to the HCV and PBV programs was published on May 7, 2024, and codified certain provisions in Sections 101, 105, 106, and 112 of HOTMA, as well as incorporating changes from the NSPIRE final rule discussed above. The rule is known as the "HOTMA voucher final rule." The effective date of the HOTMA voucher final rule was June 6, 2024. While the compliance date for certain provisions of the rule is the same as the effective date, the compliance date for other provisions is not until 90 days, 180 days, or one year after the effective date. Further, many new changes to the regulations described in the HOTMA voucher final rule require changes to the PHA's administrative plan. PHAs must make all revisions needed to bring existing policies into compliance with the final rule no later than June 6, 2025 (one year after the effective date). However, if a PHA wishes to use program flexibilities requiring adoption of new local policies not already present in the PHA's administrative plan, the PHA must add those policies to the administrative plan prior to using those program flexibilities.

Further, the delayed compliance date for policies of June 6, 2025, does not authorize delayed compliance with the provisions of the rule. PHAs that choose not to bring their policies into compliance with the rule until June 6, 2025, must still implement each provision on its compliance date.

In order to identify those provisions of the final rule that are not effective until after June 6, 2`024, the model policy states that certain policies are not effective until a specific date.

ABOUT THE ADMINISTRATIVE PLAN

REFERENCES CITED IN THE ADMINISTRATIVE PLAN

The authority for PHA policies is derived from many sources. Primary among these sources are federal statutes, federal regulations, and guidance issued by HUD. State law also directs PHA policy. State law must be followed where such law exists and does not conflict with federal regulations. Industry practice may also be used to develop policy as long as it does not conflict with federal requirements or prohibitions.

HUD

HUD provides the primary source of PHA policy through federal regulations, HUD notices, and handbooks. Compliance with federal regulations, current HUD notices, and current HUD handbooks is mandatory.

HUD also provides guidance to PHAs through other means such as HUD-published guidebooks, expired HUD notices, and expired handbooks. Basing PHA policy on HUD guidance is optional, as long as PHA policies comply with federal law, federal regulations and mandatory policy. Because HUD has already determined that the guidance it provides is consistent with mandatory policies, PHA reliance on HUD guidance provides the PHA with a "safe harbor."

Material posted on the HUD website can provide further clarification of HUD policies. For example, FAQs on the HUD website can provide direction on the application of federal regulations in various aspects of the program.

State Law

Where there is no mandatory federal guidance, PHAs must comply with state law, if it exists. Where state law is more restrictive than federal law, but does not conflict with it, the PHA should follow the state law.

Industry Practice

Where no law or HUD authority exists on a particular subject, industry practice may support PHA policy. Industry practice refers to a way of doing things or a policy that has been adopted by a majority of PHAs.

NSPIRE AND HQS IN THE ADMINISTRATIVE PLAN

The PHA must determine that the rental unit selected by the family is in safe and habitable condition at certain times prescribed by the regulations. The current applicable inspection standard for the HCV and PBV programs is Housing Quality Standards (HQS). On May 11, 2023, HUD published a final rule implementing the National Standards for the Physical Inspection of Real Estate (NSPIRE final rule), a new approach to defining and assessing housing quality across multiple HUD programs. 24 CFR 5.703 describes the NSPIRE standards, including variations for the HCV and PBV programs. Notice PIH 2023-28 finalized the administrative procedures for NSPIRE as they pertain specifically to the HCV and PBV programs. Collectively, this is known as "NSPIRE-V."

The compliance date for NSPIRE-V is no later than October 1, 2025, at which point the HQS inspection standard will sunset. PHAs may, however, implement NSPIRE-V prior to October 1, 2025, provided they do so in accordance with requirements in FR Notice 7/5/24.

However, even once the HQS inspection standard has sunset, the regulations at 24 CFR Part 982 and 983 governing the HCV and PBV programs will continue to use the terms *HQS* and *housing quality standards* rather than *NSPIRE*. This is because, the definition of *housing quality standards (HQS)* at 24 CFR 982.4 means the minimum quality standards developed by HUD in accordance with 24 CFR 5.703 for the HCV program, including any variations approved by HUD for the PHA. As such, the model policy uses the term *housing quality standards* whenever applicable regulations use this term. Except in the chapter describing HQS, the acronym *HQS* is not used in the model policy in order to avoid confusion between the umbrella term meaning housing standards and the specific inspection protocol. The model policy only uses the term *NSPIRE* when referring to specific NSPIRE standards.

HOTMA SECTIONS 102 AND 104 CHANGES IN THE MODEL POLICY

On July 29, 2016, the Housing Opportunity Through Modernization Act of 2016 (HOTMA) was signed into law. HOTMA made numerous changes to statutes governing HUD programs, including sections of the United States Housing Act of 1937. Title I of HOTMA contains 14 different sections that impact the public housing and Section 8 programs. HUD published a final rule on February 14, 2023, revising regulations related to income and assets (Sections 102 and 104 of HOTMA). While the new income and asset regulations were effective January 1, 2024, PHAs were instructed to select a compliance date no later than January 1, 2025. *Compliance* with Sections 102 and 104 of HOTMA means not only applying HOTMA regulations to affected programs but also reporting in HUD's new Housing Information Portal (HIP) system. Currently, PHAs remain unable to select a compliance date because HOTMA compliance depends on transitioning from HUD's IMS/PIC system (which is unable to accept HOTMA-compliant Form HUD-50058) to HUD's new HIP system (which will be the only system that accepts HOTMA-compliant Form HUD-50058). Because HOTMA-compliant reexaminations cannot be successfully submitted to IMS/PIC, HUD advised PHAs not to begin conducting reexaminations under HOTMA rules without further information on when the new HOTMA-compliant Form HUD-50058 in HIP will be available. PHAs cannot transition to HOTMA until HIP is in place, HOTMA-compliant, and accessible.

HOTMA VOUCHER FINAL RULE CHANGES IN THE MODEL POLICY

The final rule implementing streamlining changes to the HCV and PBV programs was published on May 7, 2024, and codified certain provisions in Sections 101, 105, 106, and 112 of HOTMA, as well as incorporating changes from the NSPIRE final rule discussed above. The rule is known as the "HOTMA voucher final rule." The effective date of the HOTMA voucher final rule was June 6, 2024. While the compliance date for certain provisions of the rule is the same as the effective date, the compliance date for other provisions is not until 90 days, 180 days, or one year after the effective date. Further, many new changes to the regulations described in the HOTMA voucher final rule require changes to the PHA's administrative plan. PHAs must make all revisions needed to bring existing policies into compliance with the final rule no later than June 6, 2025 (one year after the effective date). However, if a PHA wishes to use program flexibilities requiring adoption of new local policies not already present in the PHA's administrative plan, the PHA must add those policies to the administrative plan prior to using those program flexibilities. Further, the delayed compliance date for policies of June 6, 2025, does not authorize delayed compliance with the provisions of the rule. PHAs that choose not to bring their policies into compliance with the rule until June 6, 2025, must still implement each provision on its compliance date.

In order to identify those provisions of the final rule that are not effective until after June 6, 2024, the model policy states that certain policies are not effective until a specific date.

RESOURCES CITED IN THE ADMINISTRATIVE PLAN

The administrative plan cites several documents. Where a document or resource is cited frequently, it may be abbreviated. Where it is cited only once or twice, the administrative plan may contain the entire name of the document or resource. Following is a key to abbreviations used for various sources that are frequently cited in the administrative plan and a list of references and document locations that are referenced in the administrative plan or that may be helpful to you.

HUD HCV Guidebook

In November 2019 HUD began issuing a new version of the HCV Guidebook chapter-by-chapter. Unlike the previous version of the HCV Guidebook in which chapters were numbered, the new version of the guidebook includes chapter names, but no numbers. As the new version of the guidebook has not yet been fully released, and since the previous version of the guidebook contains guidance not found in the new version, the policy cites both versions of the guidebook. Therefore, where the HCV Guidebook is cited in the policy, the citation will make a distinction between the "old" and "new" versions of the guidebook. The "old" version of the guidebook will continue to be cited as *HCV GB* with a chapter/page reference (example: HCV GB, p. 5-4). If HUD has also released a new chapter on the same topic with information that either adds new information or updates existing information from the previous guidebook, the new guidebook will be cited as *New HCV GB* with a chapter title and page reference (example: New HCV GB, *Payment Standards,* p. 11). On September 29, 2023, HUD issued Notice PIH 2023-27 to implement sections 102 and 104 of the Housing Opportunity Through Modernization Act of 2016 (HOTMA). The notice supersedes relevant portions of the guidebook, specifically the chapters on eligibility, denials, and annual reexaminations and interim reexaminations. Where chapters have not been altered by the HOTMA implementation notice, the model policy continues to cite the HCV Guidebook.

Abbreviations

Throughout the administrative plan, abbreviations are used to designate certain documents in citations. The following is a table of abbreviations of documents cited in the administrative plan.

Abbreviation	Document
CFR	Code of Federal Regulations
HCV GB	Housing Choice Voucher Program Guidebook (7420.10G), April 2001.
New HCV GB	Housing Choice Voucher Program Guidebook (7420.10G), Various dates of release
HUD-50058 IB	HUD-50058 Instruction Booklet
RHIIP FAQs	Rental Housing Integrity Improvement Program (RHIIP) Frequently Asked Questions.
VG	PIH Notice 2004-01 Verification Guidance, March 9, 2004.
HB 4350.3	Occupancy Requirements of Subsidized Multifamily Housing Programs

Resources and Where to Find Them

The HUD website is https://www.hud.gov/.

Guidebooks, handbooks, and other HUD resources may be found at the HUDClips website: https://www.hud.gov/program_offices/administration/hudclips.

Following is a list of resources helpful to the PHA or referenced in the administrative plan, and the online location of each.

Document and Location
Code of Federal Regulations https://www.ecfr.gov/
Eligibility of Students for Assisted Housing Under Section 8 of the U.S. Housing Act of 1937; Final Rule http://edocket.access.gpo.gov/2008/pdf/E8-19435.pdf
Enterprise Income Verification (EIV) System, Security Procedures for Upfront Income Verification data https://www.hud.gov/sites/documents/EIVSECGUIDEPHA.PDF
Executive Order 11063 https://www.archives.gov/federal-register/codification/executive-order/11063.html
Federal Register https://www.federalregister.gov/
Housing Choice Voucher Program Guidebook (7420.10G), Updated Chapters https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/guidebook
HOTMA Final Rule https://www.federalregister.gov/documents/2023/02/14/2023-01617/housing-opportunity-through-modernization-act-of-2016-implementation-of-sections-102-103-and-104?utm_campaign=subscription+mailing+list&utm_source=federalregister.gov&utm_medium=email
HOTMA Implementation Notice, PIH 2023-27 https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-27pihn.pdf
Joint Statement of the Department of Housing and Urban Development and the Department of Justice, issued May 17, 2004 https://www.justice.gov/sites/default/files/crt/legacy/2010/12/14/joint_statement_ra.pdf
Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons, published January 22, 2007 https://www.lep.gov/guidance/HUD_guidance_Jan07.pdf
Notice PIH 2010-26 (HA), Nondiscrimination and Accessibility Notice https://www.hud.gov/sites/documents/DOC_8993.PDF
Notice PIH 2017-12, Administrative Guidance for Effective and Mandated Use of the Enterprise Income Verification (EIV) System https://www.hud.gov/sites/documents/PIH2017-12EIVNOTICE.PDF
VAWA Resources https://www.hud.gov/vawa

Chapter 1

OVERVIEW OF THE PROGRAM AND PLAN

INTRODUCTION

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

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

There are three parts to this chapter:

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

Part II: The HCV Program. This part contains information about the Housing Choice Voucher program operation, roles and responsibilities, and partnerships.

Part III: The HCV Administrative Plan. This part discusses the purpose and organization of the plan and its revision requirements.

PART I: THE PHA

1-I.A. OVERVIEW

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

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

The Section 8 tenant-based Housing Choice Voucher (HCV) assistance program is funded by the federal government and administered by the **Hawthorne Housing Authority (HHA)** for the jurisdiction of the **Hawthorne, County of Los Angeles, CA**.

The officials of a PHA are known as commissioners or, collectively, as the board of commissioners. Commissioners are appointed in accordance with state housing law and generally serve in the same capacity as the directors of a corporation, establishing policies under which the PHA conducts business, ensuring that policies are followed by PHA staff and ensuring that the PHA is successful in its mission. The board is responsible for preserving and expanding the agency's resources and assuring the agency's continued viability.

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

The principal staff member of the PHA is the executive director (ED), hired and appointed by the board of commissioners. The executive director is directly responsible for carrying out the policies established by the board and is delegated the responsibility for hiring, training and supervising the PHA staff in order to manage the day-to-day operations of the PHA. The executive director is responsible for ensuring compliance with federal and state laws and directives for the programs managed. In addition, the executive director's duties include budgeting and financial planning for the agency.

1-I.C. PHA MISSION

The purpose of a mission statement is to communicate the purpose of the agency to people inside and outside of the agency. It provides guiding direction for developing strategy, defining critical success factors, searching out key opportunities, making resource allocation choices, satisfying clients and stakeholders, and making decisions.

PHA Policy

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

1-I.D. THE PHA'S PROGRAMS

The following programs are included under this administrative plan:

PHA Policy

The PHA's administrative plan is applicable to the operation of the Housing Choice Voucher program.

1-I.E. THE PHA'S COMMITMENT TO ETHICS AND SERVICE

As a public service agency, the PHA is committed to providing excellent service to HCV program participants, owners, and to the community. The PHA's standards include:

- Administer applicable federal and state laws and regulations to achieve high ratings in performance measurement indicators while maintaining efficiency in program operation to ensure fair and consistent treatment of clients served.
- Provide decent, safe, and sanitary housing – in compliance with program housing quality standards – for very low income families while ensuring that family rents are fair, reasonable, and affordable.
- Encourage self sufficiency of participant families and assist in the expansion of family opportunities which address educational, socio-economic, recreational and other human services needs.
- Promote fair housing and the equal opportunity for very low-income families of all ethnic backgrounds to experience freedom of housing choice.
- Promote a housing program which maintains quality service and integrity while providing an incentive to private property owners to rent to very low-income families.
- Promote a market-driven housing program that will help qualified low-income families be successful in obtaining affordable housing and increase the supply of housing choices for such families.
- Create positive public awareness and expand the level of family, owner, and community support in accomplishing the PHA's mission.
- Attain and maintain a high level of standards and professionalism in day-to-day management of all program components.
- Administer an efficient, high-performing agency through continuous improvement of the PHA's support systems and a high level of commitment to our employees and their development.

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

PART II: THE HOUSING CHOICE VOUCHER (HCV) PROGRAM

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

The intent of this section is to provide the public and staff with information related to the overall operation of the program. There have been many changes to the program since its inception in 1974 and a brief history of the program will assist the reader to better understand the program.

The United States Housing Act of 1937 (the "Act") is responsible for the birth of federal housing program initiatives. The Act was intended to provide financial assistance to states and cities for public works projects, slum clearance and the development of affordable housing developments for low-income residents.

The Housing and Community Development (HCD) Act of 1974 created a new federally assisted housing program – the Section 8 Existing program (also known as the Section 8 Certificate program). The HCD Act represented a significant shift in federal housing strategy from locally owned public housing to privately owned rental housing.

Under the Certificate program, federal housing assistance payments were made directly to private owners of rental housing, where this housing was made available to lower-income families. Eligible families were able to select housing in the private rental market. Assuming that the housing met certain basic physical standards of quality ("housing quality standards") and was within certain HUD-established rent limitations ("fair market rents"), the family would be able to receive rental assistance in the housing unit. Family contribution to rent was generally set at 30 percent of the family's adjusted income, with the remainder of the rent paid by the program.

Another unique feature of the Certificate program was that the rental assistance remained with the eligible family, if the family chose to move to another privately-owned rental unit that met program requirements (in contrast to the public housing program where the rental assistance remains with the unit, should the family decide to move). Consequently, the Certificate program was characterized as tenant-based assistance, rather than unit-based assistance.

The Housing and Community Development (HCD) Act of 1987 authorized a new version of tenant-based assistance – the Section 8 Voucher program. The Voucher program was very similar to the Certificate program in that eligible families were able to select housing in the private rental market and receive assistance in that housing unit.

However, the Voucher program permitted families more options in housing selection. Rental housing still had to meet the basic housing quality standards, but there was no fair market rent limitation on rent. In addition, family contribution to rent was not set at a limit of 30 percent of adjusted income. Consequently, depending on the actual rental cost of the unit selected, a family might pay more or less than 30 percent of their adjusted income for rent.

From 1987 through 1999, public housing agencies managed both the Certificate and Voucher tenant-based assistance programs, with separate rules and requirements for each. From 1994 through 1998, HUD published a series of new rules, known as "conforming" rules, to more closely combine and align the two similar housing programs, to the extent permitted by the law.

In 1998, the Quality Housing and Work Responsibility Act (QHWRA) – also known as the Public Housing Reform Act – was signed into law. QHWRA eliminated all statutory differences between the Certificate and Voucher tenant-based programs and required that the two programs be merged into a single tenant-based assistance program, now known as the Housing Choice Voucher (HCV) program.

The HCV program was modeled closely on the pre-merger Voucher program. However, unlike the pre-merger Voucher program, the HCV program requires an assisted family to pay at least 30 percent of adjusted income for rent.

The transition of assistance from the Certificate and Voucher programs to the new HCV program began in October 1999. By October 2001, all families receiving tenant-based assistance were converted to the HCV program.

On July 29, 2016, the Housing Opportunity Through Modernization Act of 2016 (HOTMA) was signed into law. HOTMA made numerous changes to statutes governing HUD programs, including sections of the United States Housing Act of 1937. Title I of HOTMA contains 14 different sections that impact the public housing and Section 8 programs.

- The Final Rule implementing broad changes to income and assets in Sections 102 and 104 of HOTMA, and for PHAs that administer the public housing program over-income provisions in Section 103, was officially published in the *Federal Register* on February 14, 2023. On September 29, 2023, HUD issued notice PIH 2023-27, which provided guidance to PHAs on the implementation of the program changes described in the Final Rule. HUD issued a revised version of the notice on February 2, 2024.
- The Final Rule implementing streamlining changes to the HCV and PBV programs was published on May 7, 2024, and codified certain provisions in Sections 101, 105, 106, and 112 of HOTMA as well as incorporating changes from the NSPIRE final rule.

1-II.B. HCV PROGRAM BASICS

The purpose of the HCV program is to provide rental assistance to eligible families. The rules and regulations of the HCV program are determined by the U.S. Department of Housing and Urban Development. The PHA is afforded choices in the operation of the program which are included in the PHA's administrative plan, a document approved by the board of commissioners of the PHA.

The HCV program offers mobility to eligible families because they may search for suitable housing anywhere in the PHA's jurisdiction and may also be eligible to move under portability to other PHAs' jurisdictions.

When a family is determined to be eligible for the program and funding is available, the PHA issues the family a housing voucher. When the family finds a suitable housing unit and funding is available, the PHA will enter into a contract with the owner and the family will enter into a lease with the owner. Each party makes their respective payment to the owner so that the owner receives full rent.

Even though the family is determined to be eligible for the program, the owner has the responsibility of approving the family as a suitable renter. The PHA continues to make payments to the owner as long as the family is eligible and the housing unit continues to qualify under the program.

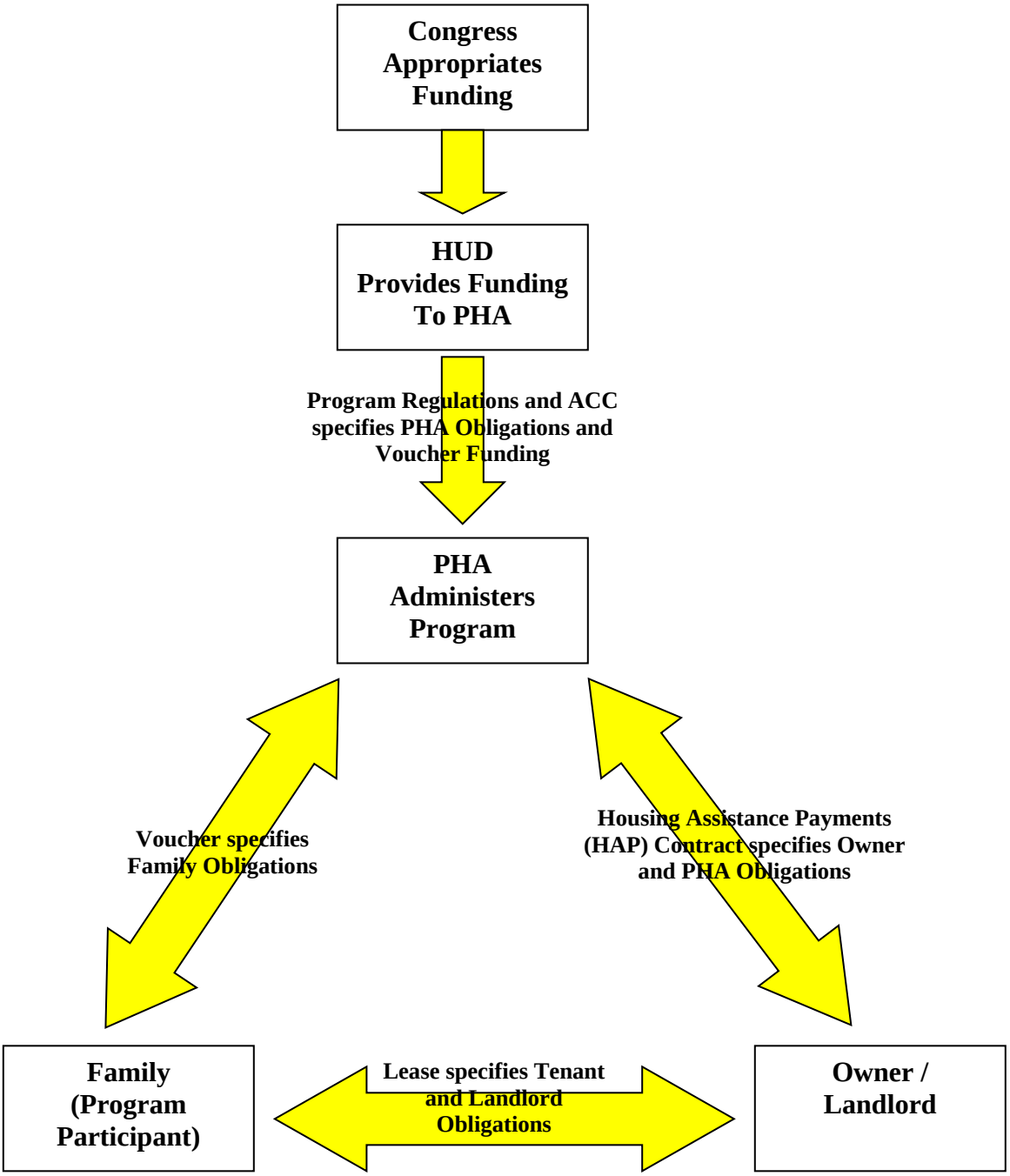
1-II.C. THE HCV PARTNERSHIPS

To administer the HCV program, the PHA enters into a contractual relationship with HUD (Consolidated Annual Contributions Contract). The PHA also enters into contractual relationships with the assisted family and the owner or landlord of the housing unit.

For the HCV program to work and be successful, all parties involved – HUD, the PHA, the owner, and the family – have important roles to play. The roles and responsibilities of all parties are defined in federal regulations and in legal documents that parties execute to participate in the program.

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

The HCV Relationships:



What Does HUD Do?

HUD has the following major responsibilities:

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

What Does the PHA Do?

The PHA administers the HCV program under contract with HUD and has the following major responsibilities:

- Establish local policies to administer the program;
- Review applications from interested applicants to determine whether they are eligible for the program;
- Maintain a waiting list and select families for admission;
- Issue vouchers to eligible families and provide information on how to lease a unit;
- Conduct outreach to owners, with special attention to owners outside areas of poverty or minority concentration;
- Approve the rental unit (including assuring compliance with housing quality standards and rent reasonableness), the owner, and the tenancy;
- Make housing assistance payments to the owner in a timely manner;
- Recertify families for continued eligibility under the program;
- Ensure that owners and families comply with their contractual obligations;
- Provide families and owners with prompt, professional service;
- Comply with all fair housing and equal opportunity requirements, HUD regulations and requirements, the ACC, HUD-approved applications for funding, the PHA's administrative plan, and other applicable federal, state and local laws.

What Does the Owner Do?

The owner has the following major responsibilities:

- Screen families who apply for tenancy, to determine suitability as renters.
  - The PHA can provide some information to the owner, but the primary responsibility for tenant screening rests with the owner.
  - The owner should consider family background factors such as rent and bill-paying history, history of caring for property, respecting the rights of others to peaceful enjoyment of the property, compliance with essential conditions of tenancy, whether the family is engaging in drug-related criminal activity or other criminal activity that might threaten others.
- Comply with the terms of the Housing Assistance Payments contract executed with the PHA;
- Comply with all applicable fair housing laws and do not discriminate against anyone;
- Maintain the housing unit in accordance with minimum quality standards developed by HUD in accordance with 24 CFR 5.703 (including any variations approved by HUD for the PHA) and make necessary repairs in a timely manner;
- Collect rent due from the assisted family and otherwise comply with and enforce provisions of the dwelling lease.

What Does the Family Do?

The family has the following responsibilities:

- Provide the PHA with complete and accurate information as determined by the PHA to be necessary for administration of the program;
- Make their best and most timely efforts to locate qualified and suitable housing;
- Attend all appointments scheduled by the PHA;
- Allow the PHA to inspect the unit at reasonable times and after reasonable notice;
- Take responsibility for care of the housing unit, including any violations of housing quality standards caused by the family;
- Comply with the terms of the lease with the owner;
- Comply with the family obligations of the voucher;
- Not commit serious or repeated violations of the lease;
- Not engage in drug-related or violent criminal activity;
- Notify the PHA and the owner before moving or terminating the lease;
- Use the assisted unit only for residence and as the sole residence of the family. Not sublet the unit, assign the lease, or have any interest in the unit;
- Promptly notify the PHA of any changes in family composition;
- Not commit fraud, bribery, or any other corrupt or criminal act in connection with any housing programs.

1-II.D. APPLICABLE REGULATIONS

Applicable regulations include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 35: Lead-Based Paint
- 24 CFR Part 100: The Fair Housing Act
- 24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher Program
- 24 CFR Part 983: Project-Based Vouchers
- 24 CFR Part 985: The Section 8 Management Assessment Program (SEMAP)

PART III: THE HCV ADMINISTRATIVE PLAN

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

The administrative plan is required by HUD. The purpose of the administrative plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local goals and objectives contained in the PHA's agency plan. This administrative plan is a supporting document to the PHA agency plan and is available for public review as required by CFR 24 Part 903.

This administrative plan is set forth to define the PHA's local policies for operation of the housing programs in accordance with federal laws and regulations. All issues related to the HCV program not addressed in this document are governed by such federal regulations, HUD handbooks and guidebooks, notices, and other applicable law. The policies in this administrative plan have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding.

The PHA is responsible for complying with all changes in HUD regulations pertaining to the HCV program. If such changes conflict with this plan, HUD regulations will have precedence.

Administration of the HCV program and the functions and responsibilities of PHA staff shall be in compliance with the PHA's personnel policy and HUD regulations as well as all federal, state and local fair housing laws and regulations.

1-III.B. CONTENTS OF THE PLAN [24 CFR 982.54]

The HUD regulations at 24 CFR 982.54 define the policies that must be included in the administrative plan. They are as follow:

- Selection and admission of applicants from the PHA waiting list, including any PHA admission preferences, procedures for removing applicant names from the waiting list, and procedures for closing and reopening the PHA waiting list (Chapter 4);
- Issuing or denying vouchers, including PHA policy governing the voucher term and any extensions of the voucher term. If the PHA decides to allow extensions of the voucher term, the PHA administrative plan must describe how the PHA determines whether to grant extensions, and how the PHA determines the length of any extension (Chapter 5);
- Any special rules for use of available funds when HUD provides funding to the PHA for a special purpose (e.g., desegregation), including funding for specified families or a specified category of families (Chapter 4);

- Occupancy policies, including definition of what group of persons may qualify as a 'family', definition of when a family is considered to be 'continuously assisted'; standards for denying admission or terminating assistance based on criminal activity or alcohol abuse in accordance with 982.553 (Chapters 3 and 12);
- Encouraging participation by owners of suitable units located outside areas of low income or minority concentration (Chapter 13);
- Assisting a family that claims that illegal discrimination has prevented the family from leasing a suitable unit (Chapter 2);
- Providing information about a family to prospective owners (Chapters 3 and 9);
- Disapproval of owners (Chapter 13);
- Subsidy standards (Chapter 5);
- Family absence from the dwelling unit (Chapter 12);
- How to determine who remains in the program if a family breaks up (Chapter 3);
- Informal review procedures for applicants (Chapter 16);
- Informal hearing procedures for participants (Chapter 16);
- The process for establishing and revising voucher payment standards (Chapter 16);
- Policies on administering decreases and increases in the payment standard during the HAP contract term (Chapter 6);
- The method of determining that rent to owner is a reasonable rent (initially and during the term of a HAP contract) (Chapter 8);
- Special policies concerning special housing types in the program (e.g., use of shared housing) (Chapter 15);
- Policies concerning payment by a family to the PHA of amounts the family owes the PHA (Chapter 16);
- Interim redeterminations of family income and composition (Chapter 11);
- Restrictions, if any, on the number of moves by a participant family (Chapter 10);
- Approval by the board of commissioners or other authorized officials to charge the administrative fee reserve (Chapter 16);
- Procedural guidelines and performance standards for conducting required housing quality standards inspections (Chapter 8);
- PHA screening of applicants for family behavior or suitability for tenancy (Chapter 3);
- Policies governing the project-basing of vouchers in both the standard Project-Based Voucher (PBV) program (Chapter 17) and the RAD Project-Based Voucher program (Chapter 18); and
- Special policies governing any special purpose vouchers issued by the PHA (Chapter 19).

Mandatory vs. Discretionary Policy

HUD makes a distinction between:

- Mandatory policies: those driven by legislation, regulations, current handbooks, notices, and legal opinions, and
- Optional, non-binding guidance, including guidebooks, notices that have expired and recommendations from individual HUD staff.

HUD expects PHAs to adopt local policies and procedures that are consistent with mandatory policies in areas where HUD gives the PHA discretion. The PHA's administrative plan is the foundation of those policies and procedures. HUD's directions require PHAs to make policy choices that provide sufficient guidance to staff and ensure consistency to program applicants and participants.

Creating policies based upon HUD guidance is not mandatory but provides a PHA with a "safe harbor." HUD has already determined that the recommendations and suggestions it makes are consistent with mandatory policies. If a PHA adopts an alternative strategy, it must make its own determination that the alternative approach is consistent with legislation, regulations, and other mandatory requirements. There may be very good reasons for adopting a policy or procedure that is different than HUD's safe harbor, but PHAs should carefully think through those decisions.

1-III.C. ORGANIZATION OF THE PLAN

The plan is organized to provide information to users in particular areas of operation.

1-III.D. UPDATING AND REVISING THE PLAN

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

PHA Policy

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

Chapter 2

FAIR HOUSING AND EQUAL OPPORTUNITY

INTRODUCTION

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

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

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

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

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

PART I: NONDISCRIMINATION

2-I.A. OVERVIEW

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

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Orders 11063 and 13988
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)
- The Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity Final Rule, published in the *Federal Register* February 3, 2012 and further clarified in Notice PIH 2014-20
- Violence Against Women Act (VAWA)

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

Any applicable state laws or local ordinances and any legislation protecting individual rights of tenants, applicants, or staff that may subsequently be enacted will also apply.

PHA Policy

No state or local nondiscrimination laws or ordinances apply.

2-I.B. NONDISCRIMINATION

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

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

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

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

PHA Policy

The PHA does not identify any additional protected classes.

The PHA will not use any of these factors to:

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

Providing Information to Families and Owners

The PHA must take steps to ensure that families and owners are fully aware of all applicable civil rights laws. As part of the briefing process, the PHA must provide information to HCV applicant families about civil rights requirements and the opportunity to rent in a broad range of neighborhoods [24 CFR 982.301]. The Housing Assistance Payments (HAP) contract informs owners of the requirement not to discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability in connection with the contract.

2-I.C. DISCRIMINATION COMPLAINTS

General Housing Discrimination Complaints

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

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

PHA Policy

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

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

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

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

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

PHA Policy

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

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

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

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

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

VAWA Complaint Processing [Notice FHEO 2023-01]

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

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

PHA Policy

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

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

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

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

PART II: POLICIES RELATED TO PERSONS WITH DISABILITIES

2-II.A. OVERVIEW

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

The PHA must ensure that persons with disabilities have full access to the PHA's programs and services. This responsibility begins with the first contact by an interested family and continues through every aspect of the program.

PHA Policy

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

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

A specific name and phone number of designated staff will be provided to process requests for accommodation.

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

2-II.B. DEFINITION OF REASONABLE ACCOMMODATION

A reasonable accommodation is an adjustment made to a rule, policy, practice, or service that allows a person with a disability to have equal access to the HCV program. For example, reasonable accommodations may include making home visits, extending the voucher term, or approving an exception payment standard in order for a participant to lease an accessible dwelling unit.

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

Types of Reasonable Accommodations

When needed, the PHA will modify normal procedures to accommodate the needs of a person with disabilities. Examples include:

- Permitting applications and reexaminations to be completed by mail
- Conducting home visits
- Using higher payment standards (either within the acceptable range or with HUD approval of a payment standard outside the PHA range) if the PHA determines this is necessary to enable a person with disabilities to obtain a suitable housing unit
- Providing time extensions for locating a unit when necessary because of lack of availability of accessible units or special challenges of the family in seeking a unit
- Permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with PHA staff
- Allowing for exceptions to the PHA's subsidy standards
- Allowing a change in the family's rent due date to correspond with the receipt of the head of household, or spouse or cohead's SSI or SSDI benefits

2-II.C. REQUEST FOR AN ACCOMMODATION

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

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

If the need for the accommodation is not readily apparent or known to the PHA, the family must explain the relationship between the requested accommodation and the disability. There must be an identifiable connection, or nexus, between the requested accommodation and the individual's disability.

PHA Policy

The PHA will encourage the family to make its request in writing using a reasonable accommodation request form. However, the PHA will consider the accommodation any time the family indicates that an accommodation is needed whether or not a formal written request is submitted.

2-II.D. VERIFICATION OF DISABILITY

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

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

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

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

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

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

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

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

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

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

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

PHA Policy

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

If the PHA denies a request for an accommodation because there is no relationship, or nexus, found between the disability and the requested accommodation, the notice will inform the family of the right to appeal the PHA's decision through an informal review (if applicable) or informal hearing (see Chapter 16).

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

If the PHA believes that the family has failed to identify a reasonable alternative accommodation after interactive discussion and negotiation, the PHA will notify the family in writing of its determination within 10 business days from the date of the most recent discussion or communication with the family.

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

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

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

PHA Policy

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

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

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

2-II.G. PHYSICAL ACCESSIBILITY

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

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

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

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

The design, construction, or alteration of PHA facilities must conform to the Uniform Federal Accessibility Standards (UFAS). Newly-constructed facilities must be designed to be readily accessible to and usable by persons with disabilities. Alterations to existing facilities must be accessible to the maximum extent feasible, defined as not imposing an undue financial and administrative burden on the operations of the HCV program.

When issuing a voucher to a family that includes an individual with disabilities, the PHA will include a current list of available accessible units known to the PHA and will assist the family in locating an available accessible unit, if necessary.

In general, owners must permit the family to make reasonable modifications to the unit. However, the owner is not required to pay for the modification and may require that the unit be restored to its original state at the family's expense when the family moves.

2-II.H. DENIAL OR TERMINATION OF ASSISTANCE

A PHA's decision to deny or terminate the assistance of a family that includes a person with disabilities is subject to consideration of reasonable accommodation [24 CFR 982.552 (2)(iv)].

When applicants with disabilities are denied assistance, the notice of denial must inform them of the PHA's informal review process and their right to request an informal review. In addition, the notice must inform applicants with disabilities of their right to request reasonable accommodations to participate in the informal review process.

When a participant family's assistance is terminated, the notice of termination must inform them of the PHA's informal hearing process and their right to request a hearing and reasonable accommodation.

When reviewing reasonable accommodation requests, the PHA must consider whether any mitigating circumstances can be verified to explain and overcome the problem that led to the PHA's decision to deny or terminate assistance. If a reasonable accommodation will allow the family to meet the requirements, the PHA must make the accommodation.

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

2-III.A. OVERVIEW

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

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

LEP is defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this administrative plan, LEP persons are HCV applicants and participants, and parents and family members of applicants and participants.

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

2-III.B. ORAL INTERPRETATION

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

PHA Policy

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

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

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

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

Where feasible and possible, the PHA will train and hire bilingual staff to be available to act as interpreters and translators, will pool resources with other PHAs, and will standardize documents.

2-III.C. WRITTEN TRANSLATION

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

PHA Policy

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

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

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

2-III.D. IMPLEMENTATION PLAN

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

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

PHA Policy

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

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

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

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

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

The phrase "physical or mental impairment" includes:

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

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

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

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

The definition of a person with disabilities does not include:

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

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

The HUD definition of a person with a disability is much narrower than the civil rights definition of disability. The HUD definition of a person with a disability is used for purposes of receiving the disabled family preference, the $400 elderly/disabled household deduction, the $480 dependent deduction, the allowance for medical expenses, or the allowance for disability assistance expenses.

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

Chapter 3

ELIGIBILITY

INTRODUCTION

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

To be eligible for the HCV program:

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

This chapter contains three parts:

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

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

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

PART I: DEFINITIONS OF FAMILY AND HOUSEHOLD MEMBERS

3-I.A. OVERVIEW

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

3-I.B. FAMILY AND HOUSEHOLD [24 CFR 5.403; FR Notice 02/03/12; Notice PIH 2014-20; and FR Notice 2/14/23]

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

Family

To be eligible for assistance, an applicant must qualify as a family. *Family* as defined by HUD includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status, a single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person, an otherwise eligible youth who has attained at least 18 years of age and not more than 24 years of age and who has left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act (42 U.S.C. 675(5)(H)), and is homeless or is at risk of becoming homeless at age 16 or older; or a group of persons residing together.

Such group includes but is not limited to a family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family), an elderly family, a near-elderly family, a disabled family, a displaced family, and the remaining member of a tenant family. The PHA has the discretion to determine if any other group of persons qualifies as a family.

Gender Identity means actual or perceived gender characteristics.

Sexual orientation means homosexuality, heterosexuality, or bisexuality.

PHA Policy

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

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

Household

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

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

Family Breakup [24 CFR 982.315; Notice PIH 2017-08]

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

- If the family breakup results from an occurrence of domestic violence, dating violence, sexual assault, stalking, or human trafficking, the PHA must ensure that the victim retains assistance. (For documentation requirements and policies related to domestic violence, dating violence, sexual assault, stalking, and human trafficking, see section 16-IX.D of this plan.)
- In accordance with Notice PIH 2017-08, for HUD–Veterans Affairs Supportive Housing (HUD–VASH) vouchers, when the veteran is the perpetrator of domestic violence, dating violence, sexual assault, stalking, or human trafficking, the victim must continue to be assisted. Upon termination of the perpetrator's HUD–VASH voucher, the victim should be given a regular HCV if one is available, and the perpetrator's HUD–VASH voucher should be used to serve another eligible family. If a regular HCV is not available, the victim will continue to use the HUD–VASH voucher, which must be issued to another eligible family upon the voucher's turnover.
- If a court determines the disposition of property between members of the assisted family, the PHA is bound by the court's determination of which family members continue to receive assistance.

  PHA Policy

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

  If a family breaks up into two otherwise eligible families while receiving assistance, only one of the new families will continue to be assisted.

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

Remaining Member of a Tenant Family [24 CFR 5.403]

The HUD definition of family includes the *remaining member of a tenant family*, which is a member of an assisted family who remains in the unit when other members of the family have left the unit. Household members such as live-in aides, foster children, and foster adults do not qualify as remaining members of a family.

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

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

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

PHA Policy

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

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

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

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

Spouse means the marriage partner of the head of household.

PHA Policy

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

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

PHA Policy

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

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

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

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

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

Joint Custody of Dependents

PHA Policy

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

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

3-I.G. FULL-TIME STUDENT [24 CFR 5.603; HCV GB, p. 5-29]

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

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

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

Elderly Persons

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

Near-Elderly Persons

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

Elderly Family

An *elderly family* is one in which the head, spouse, cohead, or sole member is an elderly person. Identifying elderly families is important because elderly families qualify for the elderly family allowance as described in Chapter 6.

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

Persons with Disabilities

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

As discussed in Chapter 2, the PHA must make all aspects of the HCV program accessible to persons with disabilities and consider reasonable accommodations requested based upon a person's disability.

Disabled Family

A *disabled family* is one in which the head, spouse, or cohead is a person with disabilities. Identifying disabled families is important because these families qualify for the disabled family allowance as described in Chapter 6.

Even though persons with drug or alcohol dependencies are considered persons with disabilities, this does not prevent the PHA from denying assistance for reasons related to alcohol and drug abuse in accordance with the policies found in Part III of this chapter, or from terminating assistance in accordance with the policies in Chapter 12.

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

A *guest* is a person temporarily staying in the unit with the consent of a member of the household who has expressed or implied authority to so consent.

PHA Policy

A guest can remain in the assisted unit no longer than 30 consecutive days or a total of 90 cumulative calendar days during any 12-month period.

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

A family may request an exception to this policy for valid reasons (e.g., care of a relative recovering from a medical procedure is expected to last 40 consecutive days). An exception will not be made unless the family can identify and provide documentation of the residence to which the guest will return.

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

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

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

Foster children and foster adults who are living with an applicant or who have been approved by the PHA to live with a participant family are considered household members but not family members. The income of foster children/adults is not counted in family annual income, and foster children/adults do not qualify for a dependent deduction [24 CFR 5.603; HUD-50058 IB, p. 13].

PHA Policy

A foster child or foster adult may be allowed to reside in the unit if their presence would not result in a violation of space standards as described in Section 8-I.F. of this policy.

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

3-I.L. ABSENT FAMILY MEMBERS

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

Definitions of Temporarily and Permanently Absent

PHA Policy

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

Absent Students

PHA Policy

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

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

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

PHA Policy

If a child has been placed in foster care, the PHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

Absent Head, Spouse, or Cohead

PHA Policy

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

Family Members Permanently Confined for Medical Reasons [HCV GB, p. 5-22]

If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member and the income of that person is not counted [HCV GB, p. 5-22].

PHA Policy

An individual confined to a nursing home or hospital on a permanent basis is not considered a family member.

The PHA will request verification of the family member's permanent absence from a responsible medical professional. If the responsible medical professional cannot provide a determination, the person will be considered temporarily absent. If the family certifies that the family member is confined on a permanent basis, they may present, and the PHA will consider, any additional documentation or evidence.

Return of Permanently Absent Family Members

PHA Policy

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

3-I.M. LIVE-IN AIDE

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

The PHA must approve a live-in aide if needed as a reasonable accommodation in accordance with 24 CFR 8, to make the program accessible to and usable by the family member with disabilities.

The income of a live-in aide is not counted in the calculation of annual income for the family [24 CFR 5.609(b)]. Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide. Because live-in aides are not *family* members, a relative who serves as a live-in aide would not be considered a remaining member of a tenant family.

PHA Policy

A family's request for a live-in aide may be made either orally or in writing. The PHA will verify the need for a live-in aide with a reliable, knowledgeable professional, such as a doctor, social worker, or case worker, unless the disability-related need is apparent or known to the PHA. For continued approval, the family may be required to submit a new, written request-subject to PHA verification at each annual reexamination.

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

The PHA will not approve a particular person as a live-in aide, and may withdraw such approval if [24 CFR 982.316(b)]:

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

The person commits drug-related criminal activity or violent criminal activity; or

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

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

PART II: BASIC ELIGIBILITY CRITERIA

3-II.A. INCOME ELIGIBILITY AND TARGETING

Income Limits

HUD establishes income limits for all areas of the country and publishes them annually in the *Federal Register*. They are based upon estimates of median family income with adjustments for family size. The income limits are used to determine eligibility for the program and for income targeting purposes as discussed in this section.

Definitions of the Income Limits [24 CFR 5.603(b)]

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

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

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

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

Using Income Limits for Eligibility [24 CFR 982.201 and Notice PIH 2023-27]

Income limits are used for eligibility only at admission. Income eligibility is determined by comparing the annual income of an applicant to the applicable income limit for their family size. Income and net family assets of household members are excluded when determining income eligibility; however, household members are considered for purposes of unit size and subsidy standards. In order to be income eligible, an applicant family must be one of the following:

- A *very low-income* family
- A *low-income* family that has been "continuously assisted" under the 1937 Housing Act. A family is considered to be continuously assisted if the family is already receiving assistance under any 1937 Housing Act program at the time the family is admitted to the HCV program [24 CFR 982.4; 24 CFR 982.201(b)]

  PHA Policy

  The PHA will consider a family to be continuously assisted if the family was leasing a unit under any 1937 Housing Act program at the time they were selected from the PHA's waiting list.

- A low-income family that qualifies for voucher assistance as a non-purchasing household living in HOPE 1 (public housing homeownership), HOPE 2 (multifamily housing homeownership) developments, or other HUD-assisted multifamily homeownership programs covered by 24 CFR 248.173

- A low-income or moderate-income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract on eligible low-income housing as defined in 24 CFR 248.101.
- A low-income family is eligible for assistance under VASH [FR Notice 8/13/24]. See Chapter 19 of this policy for more information.

HUD permits the PHA to establish additional categories of low-income families that may be determined eligible. The additional categories must be consistent with the PHA plan and the consolidated plans for local governments within the PHA's jurisdiction.

PHA Policy

The PHA has not established any additional categories of eligible low-income families.

Using Income Limits for Targeting [24 CFR 982.201]

At least 75 percent of the families admitted to the PHA's program during a PHA fiscal year must be extremely low-income families. HUD may approve exceptions to this requirement if the PHA demonstrates that it has made all required efforts but has been unable to attract an adequate number of qualified extremely low-income families.

Families continuously assisted under the 1937 Housing Act and families living in eligible low-income housing that are displaced as a result of prepayment of a mortgage or voluntary termination of a mortgage insurance contract are not counted for income targeting purposes.

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

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

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

Declaration [24 CFR 5.508]

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

U.S. Citizens and Nationals

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

PHA Policy

Family members who declare citizenship or national status will not be required to provide additional documentation unless the PHA receives information indicating that an individual's declaration may not be accurate.

Eligible Noncitizens

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

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

Ineligible Noncitizens

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

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

Mixed Families

A family is eligible for assistance as long as at least one member is a citizen, national, or eligible noncitizen. Families that include eligible and ineligible individuals are considered *mixed families*. Such families will be given notice that their assistance will be prorated, and that they may request a hearing if they contest this determination. See Chapter 6 for a discussion of how rents are prorated, and Chapter 16 for a discussion of informal hearing procedures.

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

A PHA may elect to provide assistance to a family before the verification of the eligibility of the individual or one family member [24 CFR 5.512(b)]. Otherwise, no individual or family may be assisted prior to the affirmative establishment by the PHA that the individual or at least one family member is eligible. Verification of eligibility for this purpose occurs when the individual or family members have submitted documentation to the PHA in accordance with program requirements [24 CFR 5.512(a)].

PHA Policy

The PHA will not provide assistance to a family before the verification of at least one family member.

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

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

Informal hearing procedures are contained in Chapter 16.

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

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

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

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

PHA Policy

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

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

The applicant and all members of the applicant's household must disclose the complete and accurate social security number (SSN) assigned to each household member, and the documentation necessary to verify each SSN. If a child under age 6 has been added to an applicant family within 6 months prior to voucher issuance, an otherwise eligible family may be admitted to the program and must disclose and document the child's SSN within 90 days of the effective date of the initial HAP contract. A detailed discussion of acceptable documentation is provided in Chapter 7.

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

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

3-II.D. FAMILY CONSENT TO RELEASE OF INFORMATION [24 CFR 5.230, 24 CFR 5.232, and HCV GB, p. 5-13]

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

The PHA must deny admission to the program if any member of the applicant family fails to sign and submit the consent forms for obtaining information in accordance with 24 CFR 5, Subparts B and F [24 CFR 982.552(b)(3) and 24 CFR 5.232(a)].

Upon the PHA's HOTMA 102/104 compliance date, the following on revocation of consent is added:

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

PHA Policy

The PHA has established a policy that revocation of consent to access financial records will result in denial of admission.

3-II.E. STUDENTS ENROLLED IN INSTITUTIONS OF HIGHER EDUCATION [24 CFR 5.612, FR Notice 4/10/06, FR Notice 9/21/16]

Section 327 of Public Law 109-115 and the implementing regulation at 24 CFR 5.612 established restrictions on the eligibility of certain students (both part- and full-time) who are enrolled in institutions of higher education.

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, 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 examined along with the income eligibility of the student's parents. In these cases, both the student and the student's parents must be income eligible for the student to receive HCV assistance. If, however, a student in these circumstances is determined independent from their parents in accordance with PHA policy, the income of the student's parents will not be considered in determining the student's eligibility.

The law does not apply to students who reside with parents who are applying to receive HCV assistance. It is limited to students who are seeking assistance on their own, separately from their parents.

Definitions

In determining whether and how the eligibility restrictions apply to a student, the PHA will rely on the following definitions [FR Notice 4/10/06, FR Notice 9/21/16].

Dependent Child

In the context of the student eligibility restrictions, *dependent child* means a dependent child of a student enrolled in an institution of higher education. The dependent child must also meet the definition of *dependent* in 24 CFR 5.603, which states that the dependent must be a member of the assisted family, other than the head of household or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student. Foster children and foster adults are not considered dependents.

Independent Student

PHA Policy

The PHA will consider a student "independent" from their parents and the parents' income will not be considered when determining the student's eligibility if the following four criteria are all met:

The individual is of legal contract age under state law.

The individual has established a household separate from their parents for at least one year prior to application for occupancy or the individual meets the U.S. Department of Education's definition of independent student.

To be considered an *independent student* according to the Department of Education, a student must meet one or more of the following criteria:

The individual is at least 24 years old by December 31 of the award year for which aid is sought

The individual is an orphan, in foster care, or a ward of the court, or was an orphan, in foster care, or ward of the court at any time when the individual was 13 years of age or older

The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual's state of legal residence

The individual is a veteran of the U.S. Armed Forces or is currently serving on active duty in the Armed Forces for other than training purposes

The individual is a graduate or professional student

The individual is married

The individual has one or more legal dependents other than a spouse (for example, dependent children or an elderly dependent parent)

The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth, or as unaccompanied, at risk of homelessness, and self-supporting by:

A local educational agency homeless liaison

The director of a program funded under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act or a designee of the director

A financial aid administrator

The individual is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances

The individual was not claimed as a dependent by their parents pursuant to IRS regulations, as demonstrated on the parents' most recent tax forms.

The individual provides a certification of the amount of financial assistance that will be provided by their parents. This certification must be signed by the individual providing the support and must be submitted even if no assistance is being provided.

If the PHA determines that an individual meets the definition of a *vulnerable youth* such a determination is all that is necessary to determine that the person is an *independent student* for the purposes of using only the student's income for determining eligibility for assistance.

The PHA will verify that a student meets the above criteria in accordance with the policies in Section 7-II.E.

Institution of Higher Education

The PHA will use the statutory definition under section 102 of the Higher Education Act of 1965 to determine whether a student is attending an *institution of higher education* (see Exhibit 3-2).

Parents

PHA Policy

For purposes of student eligibility restrictions, the definition of *parents* includes biological or adoptive parents, stepparents (as long as they are currently married to the biological or adoptive parent), and guardians (e.g., grandparents, aunt/uncle, godparents, etc).

Person with Disabilities

The PHA will use the statutory definition under section 3(b)(3)(E) of the 1937 Act to determine whether a student is a *person with disabilities* (see Exhibit 3-1).

Veteran

PHA Policy

A *veteran* is a person who served in the active military, naval, or air service and who was discharged or released from such service under conditions other than dishonorable.

Vulnerable Youth

PHA Policy

A *vulnerable youth* is an individual who meets the U.S. Department of Education's definition of *independent student* in paragraphs (b), (c), or (h), as adopted in Section II of FR Notice 9/21/16:

> The individual is an orphan, in foster care, or a ward of the court, or was an orphan, in foster care, or ward of the court at any time when the individual was 13 years of age or older
>
> The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual's state of legal residence
>
> The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth, or as unaccompanied, at risk of homelessness, and self-supporting by:
>
> > A local educational agency homeless liaison
> >
> > The director of a program funded under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act or a designee of the director
> >
> > A financial aid administrator

Determining Student Eligibility

If a student is applying for assistance on their own, apart from their parents, the PHA must determine whether the student is subject to the eligibility restrictions contained in 24 CFR 5.612. If the student is subject to those restrictions, the PHA must ensure that: (1) the student is individually eligible for the program, (2) either the student is independent from their parents or the student's parents are income eligible for the program, and (3) the "family" with which the student is applying is collectively eligible for the program.

PHA Policy

For any student who is subject to the 5.612 restrictions, the PHA will:

Follow its usual policies in determining whether the student individually and the student's "family" collectively are eligible for the program

Determine whether the student is independent from their parents in accordance with the definition of *independent student* in this section

Follow the policies below, if applicable, in determining whether the student's parents are income eligible for the program

If the PHA determines that the student, the student's parents (if applicable), or the student's "family" is not eligible, the PHA will send a notice of denial in accordance with the policies in Section 3-III.F, and the applicant family will have the right to request an informal review in accordance with the policies in Section 16-III.B.

Determining Parental Income Eligibility

PHA Policy

For any student who is subject to the 5.612 restrictions and who does not satisfy the definition of *independent student* in this section, the PHA will determine the income eligibility of the student's parents as follows:

If the student's parents are married and living together, the PHA will obtain a joint income declaration and certification of joint income from the parents.

If the student's parent is widowed or single, the PHA will obtain an income declaration and certification of income from that parent.

If the student's parents are divorced or separated, the PHA will obtain an income declaration and certification of income from each parent.

If the student has been living with one of their parents and has not had contact with or does not know where to contact their other parent, the PHA will require the student to submit a certification under penalty of perjury describing the circumstances and stating that the student does not receive financial assistance from the other parent. The PHA will then obtain an income declaration and certification of income from the parent with whom the student has been living or had contact.

In determining the income eligibility of the student's parents, the PHA will use the income limits for the jurisdiction in which the parents live.

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

Existing Tenant Search

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

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

PHA Policy

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

Debts Owed to PHAs and Terminations

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

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

PHA Policy

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

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

EIV Income Report

For each new admission, the PHA is required to review income information in EIV to confirm and validate family reported income within 120 days after the admission information is transmitted to HUD. The PHA must print and maintain copies of the reports in the tenant file and resolve any discrepancies with the family.

PART III: DENIAL OF ASSISTANCE

3-III.A. OVERVIEW

A family that does not meet the eligibility criteria discussed in Parts I and II, must be denied assistance. A PHA may deny assistance for an applicant because of the family's action or failure to act as described in 24 CFR 982.552 or 982.553. In this section we will discuss other situations and circumstances in which denial of assistance is mandatory for the PHA, and those in which denial of assistance is optional for the PHA.

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

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

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

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

Forms of Denial [24 CFR 982.552(a)(2); HCV GB, p. 5-35]

Denial of assistance includes any of the following:

- Not placing the family's name on the waiting list
- Denying or withdrawing a voucher
- Not approving a request for tenancy or refusing to enter into a HAP contract
- Refusing to process a request for or to provide assistance under portability procedures

Prohibited Reasons for Denial of Program Assistance [24 CFR 982.202(b), 24 CFR 5.2005(b)]

HUD rules prohibit denial of program assistance to the program based on any of the following criteria:

- Age, disability, race, color, religion, sex, or national origin (See Chapter 2 for additional information about fair housing and equal opportunity requirements.)
- Where a family lives prior to admission to the program
- Where the family will live with assistance under the program. Although eligibility is not affected by where the family will live, there may be restrictions on the family's ability to move outside the PHA's jurisdiction under portability. (See Chapter 10.)
- Whether members of the family are unwed parents, recipients of public assistance, or children born out of wedlock
- Whether the family includes children
- Whether a family decides to participate in a family self-sufficiency program
- Whether or not a qualified applicant is or has been a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking if the applicant is otherwise qualified for assistance (See section 3-III.G.)

3-III.B. MANDATORY DENIAL OF ASSISTANCE [24 CFR 982.553(a) and 24 CFR 982.552(b)(6)]

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

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

  PHA Policy

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

- The PHA determines that any household member is currently engaged in the use of illegal drugs.

  PHA Policy

  Currently engaged in is defined as any use of illegal drugs during the previous three months.

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

  PHA Policy

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

- Any household member has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing.
- Any household member is subject to a lifetime registration requirement under a state sex offender registration program.
- Any member of the family fails to sign and submit consent forms for obtaining information.
- The family does not meet the restrictions on net assets and real property ownership as required by 24 CFR 5.618.

Upon the PHA's HOTMA 102/104 compliance date, the following section on the asset limitation is added. The asset limitation does not apply until the PHA's HOTMA compliance date.

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

There are two circumstances under which a family is ineligible to receive assistance based on asset ownership.

First, assistance may not be provided to any family if the family's net assets exceed the HUD-published asset limitation amount (adjusted annually by HUD).

- This amount is listed in HUD's current year Inflation-Adjusted Values tables
- $100,000 for 2024, $103,200 for 2025

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

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

The PHA does not have the discretion not to enforce or provide limited enforcement of the asset limitation at admission. However, the real property restriction does not apply in the following circumstances:

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

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

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

  PHA Policy

  The PHA defines *not sufficient for the size of the family* as being overcrowded based on space standards in Chapter 8 of this policy.

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

  PHA Policy

  In general, the PHA defines a *geographic hardship* to include when a family members' work, school, health care provider, or other necessary service is located an unreasonable distance from the real property or there is a lack of adequate transportation options for the family to access work, school, health care, or other necessary services. The PHA will consider circumstantial details a family faces when determining whether a geographic hardship is present.

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

If a family meets one of the above exceptions, the real property is not automatically excluded from the calculation of net family assets. Unless the real property is specifically excluded from net family assets as described in 24 CFR 5.603 and Chapter 6 of this policy, it will be included in net family assets. If the value of that real property brings the net family assets above the HUD-published asset limitation amount, the family is out of compliance with the asset limitation.

See Chapter 7 for information on verifying net family assets for purposes of the asset limitation.

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

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

Criminal Activity [24 CFR 982.553]

HUD permits, but does not require, the PHA to deny assistance if the PHA determines that any household member is currently engaged in, or has engaged in during a reasonable time before the family would receive assistance, certain types of criminal activity.

PHA Policy

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

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

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

Criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity;

Immediate vicinity means within a three-block radius of the premises.

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

Criminal activity that may threaten the health or safety of property owners, management staff, and persons performing contract administration functions or other responsibilities on behalf of the PHA (including a PHA employee or a PHA contractor, subcontractor, or agent).

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

Any conviction for drug-related or violent criminal activity within the past three years.

Records of arrests for drug-related or violent criminal activity within the past three years, although a record or records of arrest will not be used as the sole basis for the denial or proof that the applicant engaged in disqualifying criminal activity.

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

Previous Behavior in Assisted Housing [24 CFR 982.552(c)]

HUD authorizes the PHA to deny assistance based on the family's previous behavior in assisted housing.

PHAs are not permitted to deny assistance to a family because the family previously failed to meet its obligations under the Family Self-Sufficiency (FSS) program [24 CFR 984.101(d)].

PHA Policy

The PHA **will** deny assistance to an applicant family if:

The family does not provide information that the PHA or HUD determines is necessary in the administration of the program.

The family does not provide complete and true information to the PHA.

Any family member has been evicted from federally assisted housing in the last three years.

Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.

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

If the family has not reimbursed any PHA for amounts the PHA paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease, unless the family repays the full amount of the debt prior to being selected from the waiting list.

The family has breached the terms of a repayment agreement entered into with the PHA, unless the family repays the full amount of the debt covered in the repayment agreement prior to being selected from the waiting list.

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

If the family wishes to dispute the information in the report, the family must contact the PHA that entered the information in EIV in writing, explaining why EIV information is disputed. The family must also provide a copy of the letter and all applicable verification to the PHA to support the family's claim. The PHA will consider the information provided by the family prior to issuing a notice of denial.

A family member has engaged in or threatened violent or abusive behavior toward PHA personnel.

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

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

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

3-III.E. SCREENING

Screening for Eligibility

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

PHA Policy

The PHA will perform a criminal background check through local law enforcement for every adult household member.

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

While a PHA has regulatory authority to use criminal conviction records for the purpose of applicant screening for admission, there is no corresponding authority to use these records to check for criminal and illegal drug activity by participants, and therefore, PHAs may not use records for this purpose.

PHAs are required to perform criminal background checks necessary to determine whether any household member is subject to a lifetime registration requirement under a state sex offender program in the state where the housing is located, as well as in any other state where a household member is known to have resided [24 CFR 982.553(a)(2)(i)].

PHA Policy

The PHA will use the Dru Sjodin National Sex Offender database to screen applicants for admission.

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

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

Screening for Suitability as a Tenant [24 CFR 982.307]

The PHA has no liability or responsibility to the owner for the family's behavior or suitability for tenancy. The PHA has the authority to conduct additional screening to determine whether an applicant is likely to be a suitable tenant.

PHA Policy

The PHA will not conduct additional screening to determine an applicant family's suitability for tenancy.

The owner is responsible for screening and selection of the family to occupy the owner's unit. The PHA must inform the owner that screening and selection for tenancy is the responsibility of the owner. An owner may consider a family's history with respect to factors such as: payment of rent and utilities, caring for a unit and premises, respecting the rights of other residents to the peaceful enjoyment of their housing, criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.

HUD requires the PHA to provide prospective owners with the family's current and prior address (as shown in PHA records) and the name and address (if known) of the owner at the family's current and prior addresses. HUD permits the PHA to provide owners with additional information, as long as families are notified that the information will be provided, and the same type of information is provided to all owners.

The PHA may not disclose to the owner any confidential information provided to the PHA by the family in response to a PHA request for documentation of domestic violence, dating violence, sexual assault, stalking, or human trafficking, except at the written request or with the written consent of the individual providing the documentation [see 24 CFR 5.2007(a)(4)].

PHA Policy

The PHA will inform owners of their responsibility to screen prospective tenants and will provide owners with the required known name and address information, at the time of the initial inspection or before. The PHA will not provide any additional information to the owner, such as tenancy history or criminal history, etc.

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

Evidence [24 CFR 982.553(c)]

PHA Policy

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

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

Consideration of Circumstances [24 CFR 982.552(c)(2)]

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

PHA Policy

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

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

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

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

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

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

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

Whether criminal charges were filed

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

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

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

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

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

Removal of a Family Member's Name from the Application

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

For other criminal activity, the PHA may permit the family to exclude the culpable family members as a condition of eligibility. [24 CFR 982.552(c)(2)(ii)].

PHA Policy

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

After admission to the program, the family must present evidence of the former family member's current address upon PHA request.

Reasonable Accommodation [24 CFR 982.552(c)(2)(iv)]

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

PHA Policy

If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of assistance, the PHA will determine whether the behavior is related to the stated disability. If so, upon the family's request, the PHA will determine whether admitting the family as a reasonable accommodation is appropriate. The PHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed denial of assistance. See Chapter 2 for a discussion of reasonable accommodation.

3-III.G. NOTICE OF ELIGIBILITY OR DENIAL

If the family is eligible for assistance, the PHA will notify the family in writing and schedule an applicant briefing, as discussed in Chapter 5.

If the PHA determines that a family is not eligible for the program for any reason, the family must be notified promptly. The notice must describe: (1) the reasons for which assistance has been denied, (2) the family's right to an informal review, and (3) the process for obtaining the informal review [24 CFR 982.554 (a)]. See Chapter 16, for informal review policies and procedures.

PHA Policy

The family will be notified of a decision to deny assistance in writing within 10 business days of the determination.

If a PHA uses a criminal record or sex offender registration information obtained under 24 CFR 5, Subpart J, as the basis of a denial, a copy of the record must precede the notice to deny, with an opportunity for the applicant to dispute the accuracy and relevance of the information before the PHA can move to deny the application. In addition, a copy of the record must be provided to the subject of the record [24 CFR 5.903(f) and 5.905(d)]. The PHA must give the family an opportunity to dispute the accuracy and relevance of that record, in the informal review process in accordance with program requirements [24 CFR 982.553(d)].

PHA Policy

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

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

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

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

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

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

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

Notification

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

PHA Policy

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

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

The PHA will include in its notice of denial the VAWA information described in section 16-IX.C of this plan as well as including a copy of the form HUD-5382. The PHA will request in writing that an applicant wishing to claim protection under VAWA notify the PHA within 14 business days.

Documentation

Victim Documentation [24 CFR 5.2007]

PHA Policy

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

Perpetrator Documentation

PHA Policy

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

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

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

EXHIBIT 3-1: DETAILED DEFINITIONS RELATED TO DISABILITIES

Person with Disabilities [24 CFR 5.403]

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

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

  Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months; *or*

  In the case of an individual who has attained the age of 55 and is blind (within the meaning of "blindness" as defined in section 416(i)(1) of this title), inability by reason of such blindness to engage in substantial gainful activity, requiring skills or ability comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time.

- Has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act of 2000 [42 U.S.C.15002(8)], which defines developmental disability in functional terms as follows:

  (A) In General

  The term "developmental disability" means a severe, chronic disability of an individual that:

  (i) is attributable to a mental or physical impairment or combination of mental and physical impairments;

  (ii) is manifested before the individual attains age 22;

  (iii) is likely to continue indefinitely;

  (iv) results in substantial functional limitations in 3 or more of the following areas of major life activity: (I) Self-care, (II) Receptive and expressive language, (III) Learning, (IV) Mobility, (V) Self-direction, (VI) Capacity for independent living, (VII) Economic self-sufficiency; and

  (v) reflects the individual's need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

(B) Infants and Young Children

An individual from birth to age 9, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, may be considered to have a developmental disability without meeting 3 or more of the criteria described in clauses (i) through (v) of subparagraph (A) if the individual, without services and supports, has a high probability of meeting those criteria later in life.

- Has a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration; substantially impedes their ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions.

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

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

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

Individual with Handicaps [24 CFR 8.3]

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

(1) Physical or mental impairment includes:

(a) Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or

(b) Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term physical or mental impairment includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

(2) *Major life activities* means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.

(3) Has a record of such an impairment means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

(4) *Is regarded as having an impairment* means:

(a) Has a physical or mental impairment that does not substantially limit one or more major life activities but that is treated by a recipient as constituting such a limitation;

(b) Has a physical or mental impairment that substantially limits one or more major life activities only as a result of the attitudes of others toward such impairment; or

(c) Has none of the impairments defined in paragraph (1) of this section but is treated by a recipient as having such an impairment.

EXHIBIT 3-2: DEFINITION OF INSTITUTION OF HIGHER EDUCATION [20 U.S.C. 1001 and 1002]

Eligibility of Students for Assisted Housing Under Section 8 of the U.S. Housing Act of 1937; Supplementary Guidance; Notice [Federal Register, April 10, 2006]

Institution of Higher Education shall have the meaning given this term in the Higher Education Act of 1965 in 20 U.S.C. 1001 and 1002.

Definition of ''Institution of Higher Education'' From 20 U.S.C. 1001

(a) Institution of higher education. For purposes of this chapter, other than subchapter IV and part C of subchapter I of chapter 34 of Title 42, the term ''institution of higher education'' means an educational institution in any State that

(1) Admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate;

(2) Is legally authorized within such State to provide a program of education beyond secondary education;

(3) Provides an educational program for which the institution awards a bachelor's degree or provides not less than a 2-year program that is acceptable for full credit toward such a degree;

(4) Is a public or other nonprofit institution; and

(5) Is accredited by a nationally recognized accrediting agency or association, or if not so accredited, is an institution that has been granted preaccreditation status by such an agency or association that has been recognized by the Secretary for the granting of preaccreditation status, and the Secretary has determined that there is satisfactory assurance that the institution will meet the accreditation standards of such an agency or association within a reasonable time.

(b) Additional institutions included. For purposes of this chapter, other than subchapter IV and part C of subchapter I of chapter 34 of Title 42, the term ''institution of higher education'' also includes—

(1) Any school that provides not less than a 1-year program of training to prepare students for gainful employment in a recognized occupation and that meets the provision of paragraphs (1), (2), (4), and (5) of subsection (a) of this section; and

(2) A public or nonprofit private educational institution in any State that, in lieu of the requirement in subsection (a)(1) of this section, admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.

(c) List of accrediting agencies. For purposes of this section and section 1002 of this title, the Secretary shall publish a list of nationally recognized accrediting agencies or associations that the Secretary determines, pursuant to subpart 2 of part G of subchapter IV of this chapter, to be reliable authority as to the quality of the education or training offered.

Definition of ‘‘Institution of Higher Education’’ From 20 U.S.C. 1002

(a) Definition of institution of higher education for purposes of student assistance programs

(1) Inclusion of additional institutions. Subject to paragraphs (2) through (4) of this subsection, the term ‘‘institution of higher education’’ for purposes of subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42 includes, in addition to the institutions covered by the definition in section 1001 of this title—

(A) A proprietary institution of higher education (as defined in subsection (b) of this section);

(B) A postsecondary vocational institution (as defined in subsection (c) of this section); and

(C) Only for the purposes of part B of subchapter IV of this chapter, an institution outside the United States that is comparable to an institution of higher education as defined in section 1001 of this title and that has been approved by the Secretary for the purpose of part B of subchapter IV of this chapter.

(2) Institutions outside the United States

(A) In general. For the purpose of qualifying as an institution under paragraph (1)(C), the Secretary shall establish criteria by regulation for the approval of institutions outside the United States and for the determination that such institutions are comparable to an institution of higher education as defined in section 1001 of this title (except that a graduate medical school, or a veterinary school, located outside the United States shall not be required to meet the requirements of section 1001 (a)(4) of this title). Such criteria shall include a requirement that a student attending such school outside the United States is ineligible for loans made, insured, or guaranteed under part B of subchapter IV of this chapter unless—

(i) In the case of a graduate medical school located outside the United States—

(I)(aa) At least 60 percent of those enrolled in, and at least 60 percent of the graduates of, the graduate medical school outside the United States were not persons described in section 1091(a)(5) of this title in the year preceding the year for which a student is seeking a loan under part B of subchapter IV of this chapter; and

(bb) At least 60 percent of the individuals who were students or graduates of the graduate medical school outside the United States or Canada (both nationals of the United States and others) taking the examinations administered by the Educational Commission for Foreign Medical Graduates received a passing score in the year preceding the year for which a student is seeking a loan under part B of subchapter IV of this chapter; or

(II) The institution has a clinical training program that was approved by a State as of January 1, 1992; or

(ii) In the case of a veterinary school located outside the United States that does not meet the requirements of section 1001(a)(4) of this title, the institution's students complete their clinical training at an approved veterinary school located in the United States.

(B) Advisory panel

(i) In general. For the purpose of qualifying as an institution under paragraph (1)(C) of this subsection, the Secretary shall establish an advisory panel of medical experts that shall—

(I) Evaluate the standards of accreditation applied to applicant foreign medical schools; and

(II) Determine the comparability of those standards to standards for accreditation applied to United States medical schools.

(ii) Special rule if the accreditation standards described in clause (i) are determined not to be comparable, the foreign medical school shall be required to meet the requirements of section 1001 of this title.

(C) Failure to release information. The failure of an institution outside the United States to provide, release, or authorize release to the Secretary of such information as may be required by subparagraph (A) shall render such institution ineligible for the purpose of part B of subchapter IV of this chapter.

(D) Special rule. If, pursuant to this paragraph, an institution loses eligibility to participate in the programs under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, then a student enrolled at such institution may, notwithstanding such loss of eligibility, continue to be eligible to receive a loan under part B while attending such institution for the academic year succeeding the academic year in which such loss of eligibility occurred.

(3) Limitations based on course of study or enrollment. An institution shall not be considered to meet the definition of an institution of higher education in paragraph (1) if such institution—

(A) Offers more than 50 percent of such institution's courses by correspondence, unless the institution is an institution that meets the definition in section 2471 (4)(C) of this title;

(B) Enrolls 50 percent or more of the institution's students in correspondence courses, unless the institution is an institution that meets the definition in such section, except that the Secretary, at the request of such institution, may waive the applicability of this subparagraph to such institution for good cause, as determined by the Secretary in the case of an institution of higher education that provides a 2-or 4-year program of instruction (or both) for which the institution awards an associate or baccalaureate degree, respectively;

(C) Has a student enrollment in which more than 25 percent of the students are incarcerated, except that the Secretary may waive the limitation contained in this subparagraph for a nonprofit institution that provides a 2-or 4-year program of instruction (or both) for which the institution awards a bachelor's degree, or an associate's degree or a postsecondary diploma, respectively; or

(D) Has a student enrollment in which more than 50 percent of the students do not have a secondary school diploma or its recognized equivalent, and does not provide a 2-or 4-year program of instruction (or both) for which the institution awards a bachelor's degree or an associate's degree, respectively, except that the Secretary may waive the limitation contained in this subparagraph if a nonprofit institution demonstrates to the satisfaction of the Secretary that the institution exceeds such limitation because the institution serves, through contracts with Federal, State, or local government agencies, significant numbers of students who do not have a secondary school diploma or its recognized equivalent.

(4) Limitations based on management. An institution shall not be considered to meet the definition of an institution of higher education in paragraph (1) if—

(A) The institution, or an affiliate of the institution that has the power, by contract or ownership interest, to direct or cause the direction of the management or policies of the institution, has filed for bankruptcy, except that this paragraph shall not apply to a nonprofit institution, the primary function of which is to provide health care educational services (or an affiliate of such an institution that has the power, by contract or ownership interest, to direct or cause the direction of the institution's management or policies) that files for bankruptcy under chapter 11 of title 11 between July 1, 1998, and December 1, 1998; or

(B) The institution, the institution's owner, or the institution's chief executive officer has been convicted of, or has pled nolo contendere or guilty to, a crime involving the acquisition, use, or expenditure of funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, or has been judicially determined to have committed fraud involving funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42.

(5) Certification. The Secretary shall certify an institution's qualification as an institution of higher education in accordance with the requirements of subpart 3 of part G of subchapter IV of this chapter.

(6) Loss of eligibility. An institution of higher education shall not be considered to meet the definition of an institution of higher education in paragraph (1) if such institution is removed from eligibility for funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42 as a result of an action pursuant to part G of subchapter IV of this chapter.

(b) Proprietary institution of higher education

(1) Principal criteria. For the purpose of this section, the term ‘‘proprietary institution of higher education’’ means a school that—

(A) Provides an eligible program of training to prepare students for gainful employment in a recognized occupation;

(B) Meets the requirements of paragraphs (1) and (2) of section 1001 (a) of this title;

(C) Does not meet the requirement of paragraph (4) of section 1001 (a) of this title;

(D) Is accredited by a nationally recognized accrediting agency or association recognized by the Secretary pursuant to part G of subchapter IV of this chapter;

(E) Has been in existence for at least 2 years; and

(F) Has at least 10 percent of the school’s revenues from sources that are not derived from funds provided under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, as determined in accordance with regulations prescribed by the Secretary.

(2) Additional institutions. The term ‘‘proprietary institution of higher education’’ also includes a proprietary educational institution in any State that, in lieu of the requirement in paragraph (1) of section 1001 (a) of this title, admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.

(c) Postsecondary vocational institution.

(1) Principal criteria. For the purpose of this section, the term ‘‘postsecondary vocational institution’’ means a school that—

(A) Provides an eligible program of training to prepare students for gainful employment in a recognized occupation;

(B) Meets the requirements of paragraphs (1), (2), (4), and (5) of section 1001 (a) of this title; and

(C) Has been in existence for at least 2 years.

(2) Additional institutions. The term ‘‘postsecondary vocational institution’’ also includes an educational institution in any State that, in lieu of the requirement in paragraph (1) of section 1001 (a) of this title, admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.

Chapter 4

APPLICATIONS, WAITING LIST AND TENANT SELECTION

INTRODUCTION

When a family wishes to receive assistance under the HCV program, the family must submit an application that provides the PHA with the information needed to determine the family's eligibility. HUD requires the PHA to place all families that apply for assistance on a waiting list. When HCV assistance becomes available, the PHA must select families from the waiting list in accordance with HUD requirements and PHA policies as stated in the administrative plan and the annual plan.

The PHA is required to adopt clear policies and procedures for accepting applications, placing families on the waiting list, and selecting families from the waiting list, and must follow these policies and procedures consistently. The actual order in which families are selected from the waiting list can be affected if a family has certain characteristics designated by HUD or the PHA that justify their selection. Examples of this are the selection of families for income targeting and the selection of families that qualify for targeted funding.

HUD regulations require that all families have an equal opportunity to apply for and receive housing assistance, and that the PHA affirmatively further fair housing goals in the administration of the program [24 CFR 982.53, HCV GB p. 4-1]. Adherence to the selection policies described in this chapter ensures that the PHA will be in compliance with all relevant fair housing requirements, as described in Chapter 2.

This chapter describes HUD and PHA policies for taking applications, managing the waiting list and selecting families for HCV assistance. The policies outlined in this chapter are organized into three sections, as follows:

> Part I: The Application Process. This part provides an overview of the application process, and discusses how applicants can obtain and submit applications. It also specifies how the PHA will handle the applications it receives.
>
> Part II: Managing the Waiting List. This part presents the policies that govern how the PHA's waiting list is structured, when it is opened and closed, and how the public is notified of the opportunity to apply for assistance. It also discusses the process the PHA will use to keep the waiting list current.
>
> Part III: Selection for HCV Assistance. This part describes the policies that guide the PHA in selecting families for HCV assistance as such assistance becomes available. It also specifies how in-person interviews will be used to ensure that the PHA has the information needed to make a final eligibility determination.

PART I: THE APPLICATION PROCESS

4-I.A. OVERVIEW

This part describes the PHA policies for making applications available, accepting applications making preliminary determinations of eligibility, and the placement of applicants on the waiting list. This part also describes the PHA's obligation to ensure the accessibility of the application process to elderly persons, people with disabilities, and people with limited English proficiency (LEP).

4-I.B. APPLYING FOR ASSISTANCE [HCV GB, pp. 4-11 – 4-16, Notice PIH 2009-36]

Any family that wishes to receive HCV assistance must apply for admission to the program. HUD permits the PHA to determine the format and content of HCV applications, as well how such applications will be made available to interested families and how applications will be accepted by the PHA. The PHA must include Form HUD-92006, Supplement to Application for Federally Assisted Housing, as part of the PHA's application.

PHA Policy

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

Applicants may access an application online only during specified times and dates when PHA will open the waiting list. Applications must be complete in order to be accepted by the PHA for processing. If an application is incomplete, the system used will prompt the applicant to complete the missing information in order for the application to be accepted.

Reasonable accommodations will be made for persons with disabilities and who are having trouble applying online. Waiting list applicants who are having difficulty accessing computers and mobile devices will be directed to the library, the Business and Career Centers at South Bay Workforce Investment Board, One-Stop facilities and the City of Hawthorne Senior Center at the Memorial Center.

The first phase is the "initial" application for assistance (referred to as a pre-application). This first phase results in the family's placement on the waiting list. The pre-application will be dated, time-stamped, and referred to the PHA's eligibility office where it will be maintained until such time as it is needed for processing.

The second phase is the "final determination of eligibility" (referred to as the full application). The full application takes place when the family reaches the top of the waiting list. At this time the PHA ensures that verifications of all HUD and PHA eligibility factors are current in order to determine the family's eligibility for the issuance of a voucher.

Duplicate applications, including applications from a segment of an applicant household, will not be accepted. Ineligible families will not be placed on the waiting list.

Pre-applications will not require an interview. The information on the application will not be verified until the applicant has been selected for final eligibility determination. Final

eligibility will be determined when the full application process is completed and all information is verified.

4-I.C. ACCESSIBILITY OF THE APPLICATION PROCESS

Elderly and Disabled Populations [24 CFR 8 and HCV GB, pp. 4-11 – 4-13]

The PHA must take steps to ensure that the application process is accessible to those people who might have difficulty complying with the normal, standard PHA application process. This could include people with disabilities, certain elderly individuals, as well as persons with limited English proficiency (LEP). The PHA must provide reasonable accommodation to the needs of individuals with disabilities. The application-taking facility and the application process must be fully accessible, or the PHA must provide an alternate approach that provides full access to the application process. Chapter 2 provides a full discussion of the PHA's policies related to providing reasonable accommodations for people with disabilities.

Limited English Proficiency

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

4-I.D. PLACEMENT ON THE WAITING LIST

The PHA must review each complete application received and make a preliminary assessment of the family's eligibility. The PHA must accept applications from families for whom the list is open unless there is good cause for not accepting the application (such as denial of assistance) for the grounds stated in the regulations [24 CFR 982.206(b)(2)]. Where the family is determined to be ineligible, the PHA must notify the family in writing [24 CFR 982.201(f)]. Where the family is not determined to be ineligible, the family will be placed on a waiting list of applicants.

No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list [24 CFR 982.202(c)].

Ineligible for Placement on the Waiting List

PHA Policy

If the PHA can determine from the information provided that a family is ineligible, the family will not be placed on the waiting list. Where a family is determined to be ineligible, the PHA will send written notification of the ineligibility determination within 10 business days of receiving a complete application. The notice will specify the reasons for ineligibility and will inform the family of its right to request an informal review and explain the process for doing so (see Chapter 16).

Eligible for Placement on the Waiting List

PHA Policy

The PHA will send written notification of the preliminary eligibility determination within 10 business days of receiving a complete application.

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

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

PART II: MANAGING THE WAITING LIST

4-II.A. OVERVIEW

The PHA must have policies regarding various aspects of organizing and managing the waiting list of applicant families. This includes opening the list to new applicants, closing the list to new applicants, notifying the public of waiting list openings and closings, updating waiting list information, purging the list of families that are no longer interested in or eligible for assistance, as well as conducting outreach to ensure a sufficient number of applicants.

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

4-II.B. ORGANIZATION OF THE WAITING LIST [24 CFR 982.204 and 205]

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

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

- Applicant name;
- Family unit size;
- Date and time of application;
- Qualification for any local preference;
- Racial or ethnic designation of the head of household.

HUD requires the PHA to maintain a single waiting list for the HCV program unless it serves more than one county or municipality. Such PHAs are permitted, but not required, to maintain a separate waiting list for each county or municipality served.

PHA Policy

The PHA will maintain a single waiting list for the HCV program.

HUD directs that a family that applies for assistance from the HCV program must be offered the opportunity to be placed on the waiting list for any public housing, project-based voucher or moderate rehabilitation program the PHA operates if 1) the other programs' waiting lists are open, and 2) the family is qualified for the other programs.

HUD permits, but does not require, that PHAs maintain a single merged waiting list for their public housing, Section 8, and other subsidized housing programs.

A family's decision to apply for, receive, or refuse other housing assistance must not affect the family's placement on the HCV waiting list, or any preferences for which the family may qualify.

PHA Policy

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

4-II.C. OPENING AND CLOSING THE WAITING LIST [24 CFR 982.206]

Closing the Waiting List

A PHA is permitted to close the waiting list if it has an adequate pool of families to use its available HCV assistance. Alternatively, the PHA may elect to continue to accept applications only from certain categories of families that meet particular preferences or funding criteria.

PHA Policy

The PHA will close the waiting list when the preset number of applications has been reached or the estimated waiting period for housing assistance for applicants on the list reaches 24 months for the most current applicants. Where the PHA has particular preferences or funding criteria that require a specific category of family, the PHA may elect to continue to accept applications from these applicants while closing the waiting list to others.

Reopening the Waiting List

If the waiting list has been closed, it cannot be reopened until the PHA publishes a notice in local newspapers of general circulation, minority media, and other suitable media outlets. The notice must comply with HUD fair housing requirements and must specify who may apply, and where and when applications will be received.

PHA Policy

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

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

City of Hawthorne Website - cityofhawthorne.org

Herald Publications – The Hawthorne Press Tribune

Daily Breeze

La Opinion

Nextdoor

LinkedIn

HCTV

Open Door

City of Hawthorne Face Book Page

www.facebook.com/pg/CityOfHawthorneCA/posts

City of Hawthorne Instagram Page - @cityofhawthorneca

YouTube

4-II.D. FAMILY OUTREACH [HCV GB, pp. 4-2 to 4-4]

The PHA must conduct outreach as necessary to ensure that the PHA has a sufficient number of applicants on the waiting list to use the HCV resources it has been allotted.

Because HUD requires the PHA to admit a specified percentage of extremely low-income families to the program (see Chapter 4, Part III), the PHA may need to conduct special outreach to ensure that an adequate number of such families apply for assistance [HCV GB, p. 4-20 to 4-21].

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

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

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

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

PHA Policy

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

4-II.E. REPORTING CHANGES IN FAMILY CIRCUMSTANCES

PHA Policy

While the family is on the waiting list, the family must immediately inform the PHA of changes in contact information, including current residence, mailing address, and phone number. The changes must be submitted in writing.

4-II.F. UPDATING THE WAITING LIST [24 CFR 982.204]

HUD requires the PHA to establish policies to use when removing applicant names from the waiting list.

Purging the Waiting List

The decision to withdraw an applicant family that includes a person with disabilities from the waiting list is subject to reasonable accommodation. If the applicant did not respond to a PHA request for information or updates, and the PHA determines that the family did not respond because of the family member's disability, the PHA must reinstate the applicant family to their former position on the waiting list [24 CFR 982.204(c)(2)].

PHA Policy

The waiting list will be updated as needed to ensure that all applicants and applicant information is current and timely.

To update the waiting list, the PHA will send an update request via first class mail or email to each family on the waiting list to determine whether the family continues to be interested in, and to qualify for, the program. This update request will be sent to the last address or email that the PHA has on record for the family. The update request will provide a deadline by which the family must respond and will state that failure to respond will result in the applicant's name being removed from the waiting list.

The family's response must be in writing and may be delivered in person, by mail, by email, or by fax. Responses should be postmarked or received by the PHA not later than 30 business days from the date of the PHA letter.

If the family fails to respond within 30 business days, the family will be removed from the waiting list without further notice.

If the notice is returned by the post office with no forwarding address, the applicant will be removed from the waiting list without further notice.

If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the address indicated. The family will have 30 business days to respond from the date the letter was re-sent.

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

Removal from the Waiting List

PHA Policy

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

If a family is removed from the waiting list because the PHA has determined the family is not eligible for assistance, a notice will be sent to the family's address of record as well as to any alternate address provided on the initial application. The notice will state the reasons the family was removed from the waiting list and will inform the family how to request an informal review regarding the PHA's decision (see Chapter 16) [24 CFR 982.201(f)].

PART III: SELECTION FOR HCV ASSISTANCE

4-III.A. OVERVIEW

As vouchers become available, families on the waiting list must be selected for assistance in accordance with the policies described in this part.

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

The PHA must maintain a clear record of all information required to verify that the family is selected from the waiting list according to the PHA's selection policies [24 CFR 982.204(b) and 982.207(e)].

4-III.B. SELECTION AND HCV FUNDING SOURCES

Special Admissions [24 CFR 982.203]

HUD may award funding for specifically-named families living in specified types of units (e.g., a family that is displaced by demolition of public housing; a non-purchasing family residing in a HOPE 1 or 2 projects). In these cases, the PHA may admit such families whether or not they are on the waiting list, and, if they are on the waiting list, without considering the family's position on the waiting list. These families are considered non-waiting list selections. The PHA must maintain records showing that such families were admitted with special program funding.

Targeted Funding [24 CFR 982.204(e)]

HUD may award a PHA funding for a specified category of families on the waiting list. The PHA must use this funding only to assist the families within the specified category. In order to assist families within a targeted funding category, the PHA may skip families that do not qualify within the targeted funding category. Within this category of families, the order in which such families are assisted is determined according to the policies provided in Section 4-III.C.

PHA Policy

The PHA administers the following types of targeted funding:

None at this time

Regular HCV Funding

Regular HCV funding may be used to assist any eligible family on the waiting list. Families are selected from the waiting list according to the policies provided in Section 4-III.C.

4-III.C. SELECTION METHOD

PHAs must describe the method for selecting applicant families from the waiting list, including the system of admission preferences that the PHA will use [24 CFR 982.202(d)].

Local Preferences [24 CFR 982.207; HCV p. 4-16]

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

PHA Policy

The PHA will use the following local preferences:

1. The PHA will offer a preference to any family that has been terminated from its HCV Program or Special Purpose Voucher Program due to insufficient program funding.
2. The PHA will offer a preference to families that include victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking who have either been referred by a partnering service agency or consortia or are seeking an emergency transfer under VAWA from the PHA's public housing program or other covered housing program operated by the PHA.

   The PHA will work with the following partnering service agencies:

   The PHA will work with local non-profit public service organizations and other Public Housing Agencies.

   The applicant must certify that the abuser will not reside with the applicant unless the PHA gives prior written approval.
3. **Residency**: for applicants who live, work, or have been hired to work in its jurisdiction.
   - Verification of residency is based on residency when the full application is completed, not at the time of pre-application. It will be part of the full application verification process.
   - An applicant who moves from the PHA's jurisdiction to a location outside the PHA's jurisdiction will no longer be considered a resident in terms of the preference. Similarly, an applicant who moves into the PHA's jurisdiction while on the waiting list will have their preference changed to reflect their new residence.
   - Applicants who work or have been hired to work in the PHA's jurisdiction will only qualify for this preference if their employer has specifically designated their jobsite located in the PHA's jurisdiction and are regularly scheduled to work at least 20 hours per week. This

preference does not apply to contractors who are able to choose their jobsite location.

4. **Senior**: for applicants whose household includes a person age 62 or older.
5. **Disabled**: for applicants whose household includes a person with disabilities as defined in this administrative plan.
6. **Veteran**: for applicants whose head of household is a current member of the U.S. Armed Forces, a veteran, or surviving spouse of a veteran.

Local preferences will be aggregated using the following system:

Each preference will receive an allocation of points. The more preference points an applicant has, the higher the applicant's place on the waiting list.

1. Previously Terminated for Insufficient Funding (5 points)
2. Victims of Domestic Violence (4 points)
3. Residency (3 points)
4. Senior (2 points)
5. Disability (2 points)
6. Veteran (1 point)

Initial Determination of Local Preference Qualification [24CFR 982.207]

At the time of application, an applicant's assertion to a local preference will be accepted without verification (initial pre-application). When the family is selected from the waiting list for the final determination of eligibility, the preference will be verified.

If the preference verification indicates that an applicant does not qualify for the preference, the applicant will be returned to the waiting list without the local preference.

If an applicant falsifies documents or makes false statements in order to qualify for any preference, they will be removed from the waiting list.

Changes in an applicant circumstances while on the waiting list may affect the family's qualification for a preference. Applicants are required to notify the PHA in writing when their circumstances change.

The PHA will first assist families that have been terminated from the HCV program or Special Purpose Voucher Program due to insufficient funding and then assist families that qualify for the VAWA preference.

Income Targeting Requirement [24 CFR 982.201(b)(2)]

HUD requires that extremely low-income (ELI) families make up at least 75 percent of the families admitted to the HCV program during the PHA's fiscal year. ELI families are those with annual incomes at or below the federal poverty level or 30 percent of the area median income, whichever number is higher. To ensure this requirement is met, a PHA may skip non-ELI families on the waiting list in order to select an ELI family.

Low-income families admitted to the program that are "continuously assisted" under the 1937 Housing Act [24 CFR 982.4(b)], as well as low-income or moderate-income families admitted to the program that are displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing, are not counted for income targeting purposes [24 CFR 982.201(b)(2)(v)].

PHA Policy

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

Order of Selection

The PHA system of preferences may select families based on local preferences according to the date and time of application or by a random selection process (lottery) [24 CFR 982.207(c)]. If a PHA does not have enough funding to assist the family at the top of the waiting list, it is not permitted to skip down the waiting list to a family that it can afford to subsidize when there are not sufficient funds to subsidize the family at the top of the waiting list [24 CFR 982.204(d) and (e)].

PHA Policy

Families will be selected from the waiting list based on the targeted funding or selection preference(s) for which they qualify, and in accordance with the PHA's hierarchy of preferences, if applicable. Within each targeted funding or preference category, families will be selected on a first-come, first-served basis according to the date and time their complete application is received by the PHA. Documentation will be maintained by the PHA as to whether families on the list qualify for and are interested in targeted funding. If a higher placed family on the waiting list is not qualified or not interested in targeted funding, there will be a notation maintained so that the PHA does not have to ask higher placed families each time targeted selections are made.

4-III.D. NOTIFICATION OF SELECTION

When a family has been selected from the waiting list, the PHA must notify the family [24 CFR 982.554(a)].

PHA Policy

The PHA will notify the family by first class mail or email when it is selected from the waiting list. The notice will inform the family of the following:

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

Who is required to attend the interview

All documents that must be provided at the interview, including information about what constitutes acceptable documentation

If a notification letter is returned to the PHA with no forwarding address, the family will be removed from the waiting list. A notice of denial (see Chapter 3) will be sent to the family's address of record, as well as to any known alternate address.

4-III.E. THE APPLICATION INTERVIEW

HUD recommends that the PHA obtain the information and documentation needed to make an eligibility determination though a face-to-face interview with a PHA representative [HCV GB, pg. 4-16]. Being invited to attend an interview does not constitute admission to the program.

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

Reasonable accommodation must be made for persons with disabilities who are unable to attend an interview due to their disability.

PHA Policy

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

The head of household and the spouse/cohead will be strongly encouraged to attend the interview together. However, either the head of household or the spouse/cohead may attend the interview on behalf of the family. Verification of information pertaining to adult members of the household not present at the interview will not begin until signed release forms are returned to the PHA.

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

Pending disclosure and documentation of social security numbers, the PHA will allow the family to retain its place on the waiting list for ***30 days***. If not all household members have disclosed their SSNs at the next time the PHA is issuing vouchers, the PHA will issue a voucher to the next eligible applicant family on the waiting list.

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

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

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

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

If the family is unable to attend a scheduled interview, the family should contact the PHA in advance of the interview to schedule a new appointment. In all circumstances, if a family does not attend a scheduled interview, the PHA will send another notification letter with a new interview appointment time. Applicants who fail to attend two scheduled interviews without PHA approval will be denied assistance based on the family's failure to supply information needed to determine eligibility. A notice of denial will be issued in accordance with policies contained in Chapter 3.

4-III.F. COMPLETING THE APPLICATION PROCESS

The PHA must verify all information provided by the family (see Chapter 7). Based on verified information, the PHA must make a final determination of eligibility (see Chapter 3) and must confirm that the family qualified for any special admission, targeted funding admission, or selection preference that affected the order in which the family was selected from the waiting list.

PHA Policy

The full application will be mailed to the applicant in advance, to be completed prior to the applicant interview. Applicants will be required to complete a full application in their own handwriting, unless assistance is needed, or a request for accommodation is made by a person with a disability. The applicant will bring the completed application and accompanying verifications to the interview. Applicant will then be interviewed by PHA staff to review the information on the full application form. Accommodations as needed will be made to a person with a disability.

All preferences claimed on the pre-application or while the family is on the waiting list will be verified after the family is selected from the waiting list and is part of completing the full application. The qualification for preference must exist at the time of verification, because claim of a preference determines placement on the waiting list.

If the PHA determines that the family is ineligible, the PHA will send written notification of the ineligibility determination within 10 business days of the determination. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal review (Chapter 16).

If a family fails to qualify for any criteria that affected the order in which it was selected from the waiting list (e.g. targeted funding, extremely low-income), the family will be returned to its original position on the waiting list. The PHA will notify the family in writing that it has been returned to the waiting list, and will specify the reasons for it.

If the PHA determines that the family is eligible to receive assistance, the PHA will invite the family to attend a briefing in accordance with the policies in Chapter 5.

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 PHA 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 PHA issues the family a voucher. The voucher includes the unit size for which the family qualifies based on the PHA'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 PHA 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 PHA'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 PHA 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 PHA'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. The PHA must take reasonable steps to ensure meaningful access by persons with Limited English proficiency.

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

Notification of Briefing

Prior to issuance of a voucher, the PHA must give the family an oral briefing and provide the family with a briefing packet containing written information about the program. Families may be briefed in individual face-to-face meetings, through group briefing sessions, or via remote briefing sessions.

PHA Policy

Families will be notified of their eligibility for assistance at the time they are invited to a briefing. The notice will be sent by first class mail and will also be sent by email if the family has provided a valid email address to the PHA.

The notice will advise the family of the type of briefing, who is required to be present at the briefing, and the date and time of the briefing. The notice will also inform the family of any additional requirements for in-person or remote briefings as addressed in relevant policy elsewhere in this section.

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 resent to the address indicated.

In-Person Briefings

At the briefing, the PHA must ensure 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.

PHA Policy

In-person briefings will generally be conducted in group meetings. At the family's written request, the PHA may provide an individual briefing.

Generally, the head of household is required to attend the briefing. If the head of household is unable to attend, the PHA 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 PHA staff person.

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

Attendance

PHA Policy

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

Remote Briefings [Notice PIH 2020-32]

Remote briefings may be conducted over the phone, via video conferencing, or through other virtual platforms.

PHA Policy

The PHA has the sole discretion to require that briefings be conducted remotely in case of local, state, or national physical distancing orders, and in cases of inclement weather or natural disaster. If the PHA schedules a remote briefing, the PHA will conduct a face-to-face briefing upon request of the applicant as a reasonable accommodation for a person with a disability if safety and health concerns can be reasonably addressed.

In addition, the PHA will conduct a briefing remotely upon request of the applicant as a reasonable accommodation for a person with a disability, if an applicant does not have childcare or transportation that would enable them to attend the briefing, or if the applicant believes an in-person briefing would create an undue health risk. The PHA will consider other reasonable requests for a remote briefing on a case-by-case basis.

Accessibility Requirements for Persons with Disabilities and LEP Individuals

As with in-person briefings, the platform for conducting remote briefings must be accessible and the briefing conducted in accordance with Section 504 and accessibility requirements. This includes ensuring any information, websites, emails, digital notifications, and other virtual platforms are accessible for persons with vision, hearing, and other disabilities. Further, providing effective communication in a digital context may require the use of individualized auxiliary aids or services, such as audio description, captioning, sign language and other types of interpreters, keyboard accessibility, accessible documents, screen reader support, and transcripts. Auxiliary aids or services must be provided in accessible formats, in a timely manner, and in such a way to protect the privacy and independence of the individual.

If no method of conducting a remote briefing is available that appropriately accommodates an individual's disability, the PHA may not hold against the individual their inability to participate in the remote briefing, and the PHA should consider whether postponing the remote briefing to a later date is appropriate or whether there is a suitable alternative.

Due to the individualized nature of disability, the appropriate auxiliary aid or service necessary, or reasonable accommodation, will depend on the specific circumstances.

Limited English Proficiency (LEP) requirements also apply to remote briefings, including the use of interpretation services and document translation. See Chapter 2 for a more thorough discussion of accessibility and LEP requirements, all of which apply in the context of remote briefings.

Conducting Remote Briefings

The PHA must ensure that the lack of technology or inability to use technology for remote briefings does not pose a disadvantage to families that may not be apparent to the PHA. The PHA must ensure that the family has appropriate technological access in order to fully participate in the remote briefing.

PHA Policy

At least 10 business days prior to scheduling the remote briefing, the PHA will provide written notification via first class mail and/or email to families participating in the briefing to advise of technological requirements and to request the family notify the PHA of any known barriers. If any family does not respond within five business days, or if the written notification is returned by the post office or the email is rejected, the PHA will contact the family by telephone to identify potential technological barriers and to determine which technology resources are accessible to the family. The PHA will resolve any barriers using the guidance in Section 6 of Notice PIH 2020-32, including offering the family the opportunity to attend an in-person briefing or have a one-on-one briefing over the phone, as appropriate.

The PHA will conduct remote briefings via a video conferencing platform when available. If applicants are unable to adequately access the video conferencing platform, the briefing will be conducted by telephone conferencing call-in. If the family is unable to adequately access the telephone conferencing call-in, the remote briefing will be postponed, and an in-person alternative or one-on-one briefing over the phone will be provided.

The PHA will provide login information and/or conferencing call-in information and an electronic copy of the briefing packet via email at least five business days before the briefing. The PHA will provide a paper copy of the briefing packet upon family request and may reschedule the briefing to allow adequate time for the family to receive the physical briefing packet.

The PHA will ensure that all electronic information stored or transmitted as part of the briefing meets the requirements for accessibility for persons with disabilities and persons with LEP, and is secure, including ensuring personally identifiable information (PII) is protected.

The PHA will ensure that families who participate in remote briefings have the opportunity to ask questions as part of the briefing.

If families lose connectivity during any remote briefing or otherwise feel they were unable to access information presented during the briefing, the family may request a one-on-one briefing over the phone or in person with the PHA.

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 PHA's jurisdiction and any information on selecting a unit that HUD provides;
- An explanation of how portability works;
- The PHA must inform the family of how portability may affect the family's assistance through screening, subsidy standards, payment standards, and any other elements of the portability process which may affect the family's assistance; and
- An explanation of the advantages of areas that do not have a high concentration of low-income families.

The PHA may not discourage the family from choosing to live anywhere in the PHA's jurisdiction or outside the PHA's jurisdiction under portability, unless otherwise expressly authorized by statute, regulation, PIH Notice, or court order.

The PHA must take appropriate steps to ensure effective communication in accordance with 24 CFR 8.6 and 28 CFR part 35, subpart E, and must provide information on the reasonable accommodation process.

Briefing Packet [24 CFR 982.301(b); New HCV GB, *Housing Search and Leasing,* p. 7]

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

- The term of the voucher, voucher suspensions, and the PHA's policies on any extensions of the term. If the PHA 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 PHA determines the payment standard for a family and how the PHA determines total tenant payment for a family.
- An explanation of how the PHA determines the maximum allowable rent for an assisted unit.
- Where the family may lease a unit and an explanation of how portability works, including information on how portability may affect the family's assistance through screening, subsidy standards, payment standards, and any other elements of the portability process that may affect the family's assistance.
- The HUD-required tenancy addendum, which must be included in the lease.
- The form the family must use to request approval of tenancy, and an explanation of how to request approval.
- A statement of the PHA policy on providing information about families to prospective owners.
- The PHA subsidy standards and when the PHA will consider granting exceptions as allowed by 24 CFR 982.402(b)(8), and when exceptions are required as a reasonable accommodation for persons with disabilities under Section 504, the Fair Housing Act, or the Americans with Disabilities Act (ADA).
- Materials (e.g., brochures) on how to select a unit and any additional information on selecting a unit that HUD provides (e.g., HUD brochure entitled, "A Good Place to Live").
- Information on federal, state and local equal opportunity laws, the contact information for the Section 504 coordinator, a copy of the housing discrimination complaint form, and information on how to request a reasonable accommodation or modification (including information on requesting exception payment standards as a reasonable accommodation) under Section 504, the Fair Housing Act, or the Americans with Disabilities Act (ADA).
- A list of landlords known to the PHA who may be willing to lease a unit to the family or other resources (e.g., newspapers, organizations, online search tools) known to the PHA that may assist the family in locating a unit. PHAs must ensure that the list of landlords or other resources covers areas outside of poverty or minority concentration.
- Notice that if the family includes a person with disabilities, the PHA is subject to requirements under 24 CFR 8.28(a)(3) to provide a current listing of accessible units known to the PHA, and if necessary, other assistance in locating an available unit.

- The family obligations under the program.
- PHA informal hearing procedures including when the PHA is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.
- An explanation of the advantages of moving to an area that does not have a high concentration of low-income families, which may include access to accessible and high-quality housing, transit, employment opportunities, educational opportunities, recreational facilities, public safety stations, retail services, and health services.
- The HUD pamphlet on lead-based paint entitled, “Protect Your Family from Lead in Your Home” [24 CFR 35.88].

If the PHA is located in a metropolitan 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 with names, addresses, and telephone numbers

Additional Items to Be Included in the Briefing Packet

In addition to items required by the regulations, PHAs may wish to include supplemental materials to help explain the program to both participants and owners [HCV GB p. 8-7, Notice PIH 2017-12].

PHA Policy

The PHA will provide the following additional materials in the briefing packet:

The grounds on which the PHA may terminate assistance for a participant family because of family action or failure to act

Requirements for notifying the PHA of any changes in income or family composition

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

The form HUD-5380 domestic violence certification form and the form HUD-5382 notice of occupancy rights, which contain information on VAWA protections for victims of domestic violence, dating violence, sexual assault, and stalking

"Is Fraud Worth It?" (form HUD-1141-OIG), which 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 2017-12

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 PHA 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

PHA Policy

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

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

Family Obligations [24 CFR 982.551]

The family obligations of the voucher are listed as follows:

- The family must supply any information that the PHA 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 PHA 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 may be held responsible for a breach of housing quality standards caused by the family's failure to pay tenant-provided utilities or appliances, or damages to the dwelling unit or premises beyond ordinary wear and tear caused by any member of the household or guest.

  PHA Policy

  Damages beyond ordinary wear and tear will be considered to be damages which could be assessed against the security deposit under state law or in court practice.

- The family must allow the PHA 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.

  PHA Policy

  The PHA 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, 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 the fault of the tenant or guests. Any incidents of, or criminal activity related to, domestic violence, dating violence, sexual assault, stalking, or human trafficking will not be construed as serious or repeated lease violations by the victim [see 24 CFR 5.2005(c)(1)].

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

  PHA Policy

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

- The family must promptly give the PHA 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 PHA. The family must promptly notify the PHA in writing of the birth, adoption, or court-awarded custody of a child. The family must request PHA approval to add any other family member as an occupant of the unit.

  PHA Policy

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

- The family must promptly notify the PHA in writing if any family member no longer lives in the unit.
- If the PHA has given approval, a foster child or a live-in aide may reside in the unit. The PHA has the discretion to adopt reasonable policies concerning residency by a foster child or a live-in aide, and to define when PHA 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.

  PHA 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 PHA 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 PHA when the family is absent from the unit.

  PHA 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 PHA 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 PHA 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 PHA 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 PHA 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 PHA 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 PHA must also establish policies related to the issuance of the voucher, to the voucher term, and to any extensions of the voucher term.

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

For each family, the PHA determines the appropriate number of bedrooms under the PHA 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 PHA 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 24 CFR 5.703.
- 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 PHA 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 PHA subsidy standards.

  PHA Policy

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

Voucher Size	**Persons in Household (Minimum – Maximum)**
1 Bedroom	1-2
2 Bedrooms	2-4
3 Bedrooms	3-6
4 Bedrooms	4-8
5 Bedrooms	6-10

- As permitted by HUD, a family may use a living room as a sleeping area.

5-II.C. EXCEPTIONS TO SUBSIDY STANDARDS

In determining family unit size for a particular family, the PHA may grant an exception to its established subsidy standards if the PHA determines that the exception is justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances [24 CFR 982.402(b)(8)]. 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

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)].

PHA Policy

The PHA 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.

The family must request any exception to the subsidy standards in writing, which will include email. 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 (e.g., doctor or health professional), unless the disability and the disability–related need 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.

The PHA 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 PHA 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 PHA has determined the family to be eligible for the program, and that the PHA expects to have money available to subsidize the family if the family finds an approvable unit. However, the PHA 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 PHA's Housing Choice Voucher program [Voucher, Form HUD-52646].

The PHA must issue the family a voucher within 60 days of determining the family eligible [24 CFR 982.201(e)]. The income documentation must be dated within 120 days of when it was received by the PHA. However, for fixed-income sources, including Social Security benefits, the documentation must be dated within the appropriate benefit year.

PHA Policy

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

The PHA 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 PHA must wait until it has adequate funds before it calls another family from the list [HCV GB p. 8-10].

PHA Policy

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

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

5-II.E. VOUCHER TERM AND EXTENSIONS

Voucher Term [24 CFR 982.303]

The initial term of a voucher must be at least 60 calendar days. The initial term must be stated on the voucher [24 CFR 982.303(a)].

PHA Policy

The initial voucher term will be 120 calendar days.

The family must submit a Request for Tenancy Approval and proposed lease within the 120-day period unless the PHA grants an extension.

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

The PHA has the authority to grant extensions of search time, to specify the length of an extension, and to determine the circumstances under which extensions will be granted. There is no limit on the number of extensions that the PHA can approve. Discretionary policies related to extension and expiration of search time must be described in the PHA's administrative plan [24 CFR 982.54].

PHAs 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 PHA's decision to approve or deny an extension. The PHA'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)].

PHA Policy

The PHA will automatically approve one 60-day extension upon written request from the family.

The PHA will approve additional extensions up to 60 days 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 PHA. Following is a list of extenuating circumstances that the PHA 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 PHA

Whether family size or other special circumstances 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 PHA may require the family to provide documentation to support the request or obtain verification from a qualified third party.

All requests for extensions to the voucher term must be made in writing and submitted to the PHA no sooner than 5 days prior to the expiration date of the voucher (or extended term of the voucher).

The PHA 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.

No voucher shall exceed the maximum allowed 240 days.

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

The PHA must provide for suspension of the initial or any extended term of the voucher from the date the family submits a request for PHA approval of the tenancy until the date the PHA notifies the family in writing whether the request has been approved or denied.

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. If the family still wishes to receive assistance, the PHA may require that the family reapply, or may place the family on the waiting list with a new application date but without requiring reapplication. Such a family does not become ineligible for the program on the grounds that it was unable to locate a unit before the voucher expired [HCV GB p. 8-13].

PHA Policy

If an applicant family's voucher term or extension expires before the PHA has approved a tenancy, the PHA will require the family to reapply for assistance.

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

Chapter 6

INCOME AND SUBSIDY DETERMINATIONS UNDER HOTMA 102/104

[24 CFR Part 5, Subparts E and F; 24 CFR 982]

INTRODUCTION

This chapter is applicable upon the PHA's HOTMA 102/104 compliance date. Prior to this date, the PHA will follow policies as outlined in Chapter 6.A. of the model policy.

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

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

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

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

Part IV: Calculating Family Share and PHA Subsidy. This part describes the statutory formula for calculating total tenant payment (TTP), the use of utility allowances, and the methodology for determining PHA subsidy and required family payment.

PART I: ANNUAL INCOME

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

Annual income includes:

- All amounts, not specifically excluded in 24 CFR 5.609(b);
- All amounts received from all sources (other than those specifically excluded in 24 CFR 5.609(b)) by each member of the family who is 18 years of age or older or is the head of household or spouse;
- Unearned income (other than those sources specifically excluded in 24 CFR 5.609(b)) by or on behalf of each dependent who is under 18 years of age; and
- Imputed returns of an asset based on the current passbook savings rate, as determined by HUD, when the value of net family assets exceeds the HUD-published threshold amount (adjusted annually and published in HUD's Inflation-Adjusted Values tables) and the actual returns from a given asset cannot be calculated.

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

Annual income includes "all amounts received," not the amount that a family may be legally entitled to receive but did not receive. For example, a family's child support or alimony income must be based on payments received, not the amounts to which the family is entitled by court or agency orders. However, when a family member's wages or benefits are garnished, levied, or withheld to pay restitution, child support, tax debt, student loan debt, or other applicable debts, the PHA must use the gross amount of the income, prior to the reduction, to determine a family's annual income [Notice PIH 2023-27].

Annual income also includes all actual anticipated income from assets (provided the income is not otherwise excluded) even if the asset itself is excluded from net family assets [Notice PIH 2023-27]. 24 CFR 5.603(b)(1) describes HUD regulations for treating specific types of income and assets. The full texts of those portions of the regulations are provided in exhibits at the end of this chapter as follows:

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

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

6-I.B. HOUSEHOLD COMPOSITION AND INCOME

Overview

Income received by all family members must be counted unless specifically excluded by the regulations. It is the responsibility of the head of household to report changes in family composition in accordance with HUD regulations and PHA policies in Chapter 11. The rules on which sources of income are counted vary somewhat by family member. The chart below summarizes how family composition affects income determinations.

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

Temporarily Absent Family Members

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

PHA Policy

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

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

Absent Students

PHA Policy

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

Absences Due to Placement in Foster Care

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

PHA Policy

If a child has been placed in foster care, the PHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will continue to be counted as a family member.

Absent Head, Spouse, or Cohead

PHA Policy

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

Absence of Entire Family

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit. In cases where the family has moved out of the unit, the PHA will terminate assistance in accordance with appropriate termination procedures contained in this Plan.

Families are required both to notify the PHA before they move out of a unit and to give the PHA information about any family absence from the unit. Families must notify the PHA at least 30 days before leaving the unit or if they are going to be absent from the unit for more than 30 consecutive days. If the entire family is absent from the assisted unit for more than 60 consecutive days, the unit will be considered to be vacated and the assistance will be terminated. If it is determined that the family is absent from the unit, the PHA may continue assistance payments for a maximum of one month. HUD regulations require the PHA to terminate assistance if the entire family is absent from the unit for a period of more than 180 consecutive calendar days.

Absence means that no family member is residing in the unit. In order to determine if the family is absent from the unit, the PHA may:

- Write letters to the family at the unit
- Telephone the family at the unit
- Interview neighbors
- Verify if utilities are in service
- Check with the post office

A person with a disability may request an extension of time as an accommodation, provided that the extension does not go beyond the HUD-allowed 180 consecutive calendar days limit.

If the absence which resulted in termination of assistance was due to a person's disability, and the PHA can verify that the person was unable to notify the PHA in accordance with the family's responsibilities, and if funding is available, the PHA may reinstate the family as an accommodation if requested by the family, as long as the period was within 180 days.

Absence Due to Incarceration

If the sole member is incarcerated for more than 90 days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for 120 days in 12 months, 90 days consecutively.

The PHA will determine if the reason for incarceration is for drug-related or violent criminal activity.

Family Members Permanently Confined for Medical Reasons

If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member and the income of that person is not counted [HCV GB, p. 5-22].

PHA Policy

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

When an individual who has been counted as a family member is determined permanently absent, the family is eligible for the medical expense deduction only if the remaining head, spouse, or cohead qualifies as an elderly person or a person with disabilities.

Joint Custody of Dependents

PHA Policy

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

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

Caretakers for a Child

PHA Policy

The approval of a caretaker is at the owner and PHA's discretion and subject to the owner and PHA's screening criteria. If neither a parent nor a designated guardian remains in a household receiving HCV assistance, the PHA will take the following actions.

(1) If a responsible agency has determined that another adult is to be brought into the assisted unit to care for a child for an indefinite period, the designated caretaker will not be considered a family member until a determination of custody or legal guardianship is made.

(2) If a caretaker has assumed responsibility for a child without the involvement of a responsible agency or formal assignment of custody or legal guardianship, the caretaker will be treated as a visitor for 90 days. After the 90 days has elapsed, the caretaker will be considered a family member unless information is provided that would confirm that the caretaker's role is temporary. In such cases the PHA will extend the caretaker's status as an eligible visitor.

(3) At any time that custody or guardianship legally has been awarded to a caretaker, the housing choice voucher will be transferred to the caretaker.

(4) During any period that a caretaker is considered a visitor, the income of the caretaker is not counted in annual income and the caretaker does not qualify the family for any deductions from income.

6-I.C. CALCULATING ANNUAL INCOME

The methodology used for calculating income differs depending on whether income is being calculated at initial occupancy, interim reexamination, or at annual reexamination. However, income from assets is always anticipated regardless of certification type.

Anticipating Annual Income [24 CFR 5.609(c)(1)]

At initial occupancy and for an interim reexamination of family income, the PHA is required to use anticipated income (current income) for the upcoming 12-month period following the new admission or interim reexamination effective date. Policies related to verifying income are found in Chapter 7.

PHA Policy

When the PHA cannot readily anticipate income based upon current circumstances (e.g., in the case of temporary, sporadic, or variable employment, seasonal employment, unstable working hours, or suspected fraud), the PHA will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish annual income.

Any time current circumstances are not used to project annual income, a clear rationale for the decision will be documented in the file. In all such cases the family may present information and documentation to the PHA to show why the historic pattern does not represent the family's anticipated income.

In all cases, the family file will be documented with a clear record of the reason for the decision, and a clear audit trail will be left as to how the PHA annualized projected income.

Known Changes in Income

If the PHA verifies an upcoming increase or decrease in income at admission or interim reexamination, annual income will be projected by applying each income amount to the appropriate part of the 12-month period.

Example: An employer reports that a full-time employee who has been receiving $8/hour will begin to receive $8.25/hour in the eighth week after the effective date of the new admission or interim reexamination. In such a case the PHA would calculate annual income as follows: ($8/hour × 40 hours × 7 weeks) + ($8.25 × 40 hours × 45 weeks).

The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family. In such cases the PHA will calculate annual income using current circumstances and then, should the change in income require the PHA to conduct an interim reexamination, conduct an interim reexamination in accordance with PHA policy in Chapter 11.

Calculating Annual Income at Annual Reexamination [24 CFR.609(c)(2); Notice PIH 2023-27]

At annual reexamination, except where the PHA uses a streamlined income determination, PHAs must first determine the family's income for the previous 12-month period and use this amount as the family income for annual reexaminations; however, adjustments to reflect current income must be made. Any change of income since the family's last annual reexamination, including those that did not meet the threshold to process an interim reexamination of family income in accordance with PHA policies in Chapter 11 and HUD regulations, must be considered. If, however, there have been no changes to income, then the amount of income calculated for the previous 12-month period is the amount that will be used to determine the family's rental assistance. Income from assets is always anticipated, irrespective of the income examination type. Policies related to conducting annual reexaminations are located in Chapter 11.

6-I.D. EARNED INCOME

Wages and Related Compensation [24 CFR 5.609(a); Notice PIH 2023-27]

The earned income of each member of the family who is 18 years of age or older, or who is the head of household or spouse/cohead regardless of age, is included in annual income. Income received as a day laborer or seasonal worker is also included in annual income, even if the source, date, or amount of the income varies [24 CFR 5.609 (b)(24)].

Earned income means income or earnings from wages, tips, salaries, other employee compensation, and net income from self-employment. Earned income does not include any pension or annuity, transfer payments (meaning payments made or income received in which no goods or services are being paid for, such as welfare, social security, and governmental subsidies for certain benefits), or any cash or in-kind benefits [24 CFR 5.100].

A *day laborer* is defined as an individual hired and paid one day at a time without an agreement that the individual will be hired or work again in the future [24 CFR 5.603(b)]. Income earned as a day laborer is not considered nonrecurring income.

A *seasonal worker* is defined as an individual who is hired into a short-term position (e.g., for which the customary employment period for the position is six months or fewer) and the employment begins about the same time each year (such as summer or winter). Typically, the individual is hired to address seasonal demands that arise for the particular employer or industry [24 CFR 5.603(b)]. Some examples of seasonal work include employment limited to holidays or agricultural seasons. Seasonal work may include but is not limited to employment as a lifeguard, ballpark vendor, or snowplow driver [Notice PIH 2023-27]. Income earned as a seasonal worker is not considered nonrecurring income.

PHA Policy

The PHA will include in annual income the full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation.

For persons who regularly receive bonuses or commissions, the PHA will verify and then average amounts received for the two years preceding admission or interim reexamination. If only a one-year history is available, the PHA will use the prior year amounts. In either case the family may provide, and the PHA will consider, a credible justification for not using this history to anticipate future bonuses or commissions. If a new employee has not yet received any bonuses or commissions, the PHA will count only the amount estimated by the employer. The file will be documented appropriately.

Military Pay

All regular pay, special pay and allowances of a member of the Armed Forces are counted except for the special pay to a family member serving in the Armed Forces who is exposed to hostile fire [24 CFR 5.609(b)(11)].

Earnings of a Minor [24 CFR 5.609(b)(3)]

A minor is a member of the family, other than the head of household or spouse, who is under 18 years of age. Employment income earned by minors is not included in annual income. All other sources of unearned income, except those specifically excluded by the regulations, are included.

Earned Income of Full-Time Students [24 CFR 5.609(b)(14)]

The earned income of a dependent full-time student in excess of the amount of the dependent deduction is excluded from annual income. All sources of unearned income, except those specifically excluded by the regulations, are included.

A family member other than the head of household or spouse/cohead is considered a full-time student if they are attending school or vocational training on a full-time basis [24 CFR 5.603(b)]. To be considered "full-time," a student must be considered "full-time" by an educational institution with a degree or certificate program [HCV GB, p. 5-29].

6-I.E. EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES [24 CFR 5.617; Streamlining Final Rule (SFR) Federal Register 3/8/16; Notice PIH 2023-27]

HOTMA removed the statutory authority for the EID. The EID is available only to families that are eligible for and participating on the program as of December 31, 2023, or before; no new families may be added on or after January 1, 2024. If a family is receiving the EID prior to or on the effective date of December 31, 2023, they are entitled to the full amount of the benefit for a full 24-month period. The policies below are applicable only to such families. No family will still be receiving the EID after December 31, 2025. The EID will sunset on January 1, 2026, and the PHA policies below will no longer be applicable as of that date or when the last qualifying family exhausts their exclusion period, whichever is sooner.

Calculation of the Disallowance

Calculation of the earned income disallowance for an eligible member of a qualified family begins with a comparison of the member's current income with their "baseline income." The family member's baseline income is their income immediately prior to qualifying for the EID. The family member's baseline income remains constant throughout the period that they are participating in the EID.

Calculation Method

Initial 12-Month Exclusion

During the initial exclusion period of 12 consecutive months, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded.

PHA Policy

The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.

Second 12-Month Exclusion

During the second exclusion period of 12 consecutive months, the PHA must exclude at least 50 percent of any increase in income attributable to employment or increased earnings.

PHA Policy

During the second 12-month exclusion period, the PHA will exclude 100 percent of any increase in income attributable to new employment or increased earnings.

Lifetime Limitation

The EID has a two-year (24-month) lifetime maximum. The two-year eligibility period begins at the same time that the initial exclusion period begins and ends 24 months later. During the 24-month period, an individual remains eligible for EID even if they begin to receive assistance from a different housing agency, move between public housing and Section 8 assistance, or have breaks in assistance. The EID will sunset on January 1, 2026. In no circumstances will a family member's exclusion period continue past January 1, 2026.

6-I.F. BUSINESS AND SELF-EMPLOYMENT INCOME [24 CFR 5.609(b)(28); Notice PIH 2023-27]

Annual income includes "net income from the operation of a business or profession. *Net income* is gross income minus business expenses that allows the business to operate. *Gross income* is all income amounts received into the business, prior to the deduction of business expenses.

Expenditures for business expansion or amortization of capital indebtedness may not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family."

PHA Policy

To determine business expenses that may be deducted from gross income, the PHA will use current applicable Internal Revenue Service (IRS) rules for determining allowable business expenses [see IRS Publication 535], unless a topic is addressed by HUD regulations or guidance as described herein.

Independent Contractors

Income received as an independent contractor is included in annual income, even if the source, date, or amount of the income varies [24 CFR 5.609 (b)(24)].

An *independent contractor* is defined as an individual who qualifies as an independent contractor instead of an employee in accordance with the Internal Revenue Code Federal income tax requirements and whose earnings are consequently subject to the Self-Employment Tax. In general, an individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done [24 CFR 5.603(b)]. This may include individuals such as third-party delivery and transportation service providers and "gig workers" like babysitters, landscapers, rideshare drivers, and house cleaners. Income earned as an independent contractor is not considered nonrecurring income.

Business Expansion

HUD regulations do not permit the PHA to deduct from gross income expenses for business expansion.

PHA Policy

Business expansion is defined as any capital expenditures made to add new business activities, to expand current facilities, or to operate the business in additional locations. For example, purchase of a street sweeper by a construction business for the purpose of adding street cleaning to the services offered by the business would be considered a business expansion. Similarly, the purchase of a property by a hair care business to open at a second location would be considered a business expansion.

Capital Indebtedness

HUD regulations do not permit the PHA to deduct from gross income the amortization of capital indebtedness.

PHA Policy

Capital indebtedness is defined as the principal portion of the payment on a capital asset such as land, buildings, and machinery. This means the PHA will allow as a business expense interest, but not principal, paid on capital indebtedness.

Negative Business Income

If the net income from a business is negative, no business income will be included in annual income; a negative amount will not be used to offset other family income.

Withdrawal of Cash or Assets from a Business

HUD regulations require the PHA to include in annual income the withdrawal of cash or assets from the operation of a business or profession unless the withdrawal reimburses a family member for cash or assets invested in the business by the family.

PHA Policy

Acceptable investments in a business include cash loans and contributions of assets or equipment. For example, if a member of an assisted family provided an up-front loan of $2,000 to help a business get started, the PHA will not count as income any withdrawals from the business up to the amount of this loan until the loan has been repaid. Investments do not include the value of labor contributed to the business without compensation.

Co-owned Businesses

PHA Policy

If a business is co-owned with someone outside the family, the family must document the share of the business it owns. If the family's share of the income is lower than its share of ownership, the family must document the reasons for the difference.

Assets Owned by a Business Entity

If a business entity (e.g., limited liability company or limited partnership) owns the asset, then the family's asset is their ownership stake in the business, not some portion of the business's assets. However, if the family holds the assets in their own name (e.g., they own one-third of a restaurant) rather than in the name of a business entity, then the percentage value of the asset owned by the family is what is counted toward net family assets (e.g., one-third of the value of the restaurant) [Notice PIH 2023-27].

6-I.G. STUDENT FINANCIAL ASSISTANCE [FR Notice 2/14/23 and Notice PIH 2023-27]

Introduction

The treatment of student financial assistance depends on the HUD program, student/household characteristics, and the type of financial assistance received by the student. For public housing residents, all income received under Title IV of the HEA must be excluded from income. Other student financial assistance may be included depending on the students actual covered costs to For Section 8 programs, including HCV, however, for over 10 years HUD appropriations have included a provision that for Section 8 students who are age 23 and under and without dependent children, any amounts received in excess of tuition and any other required fees and charges must be considered income. Under HOTMA, HUD has interpreted this limitation to apply when the student is the head of household or spouse, but not when the student resides with their parents [71 FR 18146].

For any funds from a year where HUD's appropriations continue to include this Section 8 student financial assistance limitation, if the student does not reside with their parents is the head of household, cohead, or spouse, and is under the age of 23 or without dependent children, then both the assistance received under Title IV HEA and other student financial assistance received by the student is included as income to the extent that it exceeds the total of tuition and any other required fees and charges.

In contrast, student financial assistance received by a Section 8 student who is the head of household, spouse, or cohead, and is over the age of 23 with dependent children, or a student who resides with their parents in a Section 8 unit, is governed by the HOTMA student rule, which is described below.

During years in which an appropriations act does not contain this Section 8 student financial assistance limitation (or any other such limitation), then the determination of student financial assistance for all Section 8 students defaults to the methodology for public housing.

HOTMA Student Financial Assistance Requirements [24 CFR 5.609(b)(9)]

The regulations under HOTMA distinguish between two categories of student financial assistance paid to both full-time and part-time students. The first category is any assistance to students under section 479B of the Higher Education Act of 1965 (Title IV of the HEA) which must be excluded from the family's annual income [24 CFR 5.609(b)(9)(i)]. Examples of assistance under title IV of the HEA include:

- Federal Pell Grants;
- Teach Grants;
- Federal Work Study Programs;
- Federal Perkins Loans;
- Income earned in employment and training programs under section 134 of the Workforce Innovation and Opportunity Act (WIOA); or

- Bureau of Indian Affairs/Education student assistance programs
  - The Higher Education Tribal Grant
  - The Tribally Controlled Colleges or Universities Grant Program

The second category is any other grant-in-aid, scholarship, or other assistance amounts an individual receives for the actual covered costs charged by the institute of higher education (not otherwise excluded by the Federally mandated income exclusions)[24 CFR 5.609(b)(9)(ii)]. Other student financial assistance received by the student that, either by itself or in combination with HEA assistance, exceeds the actual covered costs is included in income.

Actual covered costs are defined as the actual costs of:

- Tuition, books, and supplies;
  - Including supplies and equipment to support students with learning disabilities or other disabilities
- Room and board; and
- Other fees required and charged to a student by the education institution.

For a student who is not the head of household or spouse/cohead, actual covered costs also include the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit.

Further, to qualify, other student financial assistance must be expressly:

- For tuition, book, supplies, room and board, or other fees required and charged to the student by the educational institution;
- To assist a student with the costs of higher education; or
- To assist a student who is not the head of household or spouse with the reasonable and actual costs of housing while attending the educational institution and not residing in an assisted unit.

The student financial assistance may be paid directly to the student or to the educational institution on the student's behalf. However, any student financial assistance paid to the student must be verified by the PHA.

The financial assistance must be a grant or scholarship received from:

- The Federal government;
- A state, tribal, or local government;
- A private foundation registered as a nonprofit;
- A business entity (such as corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation, or nonprofit entity); or
- An institution of higher education.

Student financial assistance, does not include:

- Financial support provided to the student in the form of a fee for services performed; (e.g., a work study or teaching fellowship that is not excluded under section 479B of the Higher Education Act HEA);
- Gifts, including gifts from family or friends; or
- Any amount of the scholarship or grant that, either by itself or in combination with assistance excluded under the HEA, exceeds the actual covered costs of the student.

Calculating Income from Student Financial Assistance [HOTMA Student Financial Assistance Resource Sheet; Notice PIH 2023-27]

There are two steps required as part of the calculation for Section 8 students. First, determine the student's relationship to the household, age, and whether they have dependent children. Second, calculate whether any excess student financial assistance should be included in the family's income.

If the student does not live with their parents and is the head of household, cohead, or spouse, and is 23 or younger or does not have dependent children, then Title IV HEA assistance is considered when determining the student's total financial aid amount. Subtract the total tuition plus required fees and charges from the total student financial assistance (Title IV HEA assistance and any other student financial assistance). If the total tuition plus required fees and charges is zero or exceeds the amount of total financial assistance from all sources, then no student financial assistance is included in annual income. Any amount of student financial assistance that exceeds the total tuition plus required fees and charges must be included in annual income.

If the student either lives with their parents or is over 23 with dependent children, then the calculation will use the HOTMA methodology for calculating financial assistance, which always begins with deducting the assistance received under 479B of the HEA from the total actual covered costs, because the 479B assistance is intended to pay the student's actual covered costs. When a student receives assistance from both Title IV of the HEA and from other sources, the assistance received under Title IV of the HEA must be applied to the student's actual covered costs first and then other student financial assistance is applied to any remaining actual covered costs. Once actual costs are covered, any remaining student financial assistance is considered income.

PHA Policy

If the student does not live with their parents and is the head of household, cohead, or spouse, and is 23 or younger or does not have dependent children, then Title IV HEA assistance will be considered when determining the student's total financial assistance to be included in annual income. The PHA will use Notice PIH 2015-21 as a guide to determine the total amount of the student's tuition plus required fees and charges. The PHA will subtract the total tuition plus required fees and charges from the total student financial assistance. If the result is zero or exceeds the amount of total financial assistance from all sources, then no student financial assistance will be included in annual income. Any amount of student financial assistance that exceeds the total tuition plus required fees and charges will be included in annual income.

Example 1

- Tuition and required fees and charges: $20,000
- Title IV HEA assistance: $10,000
- Other student financial assistance: $15,000
- Total student financial assistance: $10,000 + $15,000 = $25,000
- Included income: $25,000 in financial assistance - $20,000 tuition and required fees = $5,000

If a student is head, spouse, or cohead, and is over 23 with dependent children or lives with their parents, the following applies:

If a student only receives financial assistance under Title IV of the HEA and does not receive any other student financial assistance, the PHA will exclude the full amount of the assistance received under Title IV from the family's annual income. The PHA will not calculate actual covered costs in this case.

If the student does not receive any assistance under Title IV of the HEA but does receive assistance from another source, the PHA will first calculate the actual covered costs to the student in accordance with 24 CFR 5.609(b)(ii). The PHA will then subtract the total amount of the student's financial assistance from the student's actual covered costs. The PHA will include any amount of financial assistance in excess of the student's actual covered costs in the family's annual income.

Example 1

- Actual covered costs: $20,000
- Other student financial assistance: $25,000
- Excluded income: $20,000 ($25,000 in financial assistance - $20,000 in actual covered costs)
- Included income: $5,000

When a student receives assistance from both Title IV of the HEA and from other sources, the PHA will first calculate the actual covered costs to the student in accordance with 24 CFR 5.609(b)(ii). The assistance received under Title IV of the HEA will be applied to the student's actual covered costs first and then the other student financial assistance will be applied to any remaining actual covered costs.

If the amount of assistance excluded under Title IV of the HEA equals or exceeds the actual covered costs, none of the assistance included under other student financial assistance" would be excluded from income.

Example 2

- Actual covered costs: $25,000
- Title IV HEA assistance: $26,000
- Title IV HEA assistance covers the students entire actual covered costs.
- Other Student Financial Assistance: $5,000
- Excluded income: The entire Title IV HEA assistance of $26,000
- Included income: All other financial assistance of $5,000

If the amount of assistance excluded under Title IV of the HEA is less than the actual covered costs, the PHA will exclude the amount of other student financial assistance up to the amount of the remaining actual covered costs.

Example 3

- Actual covered costs: $22,000
- Title IV HEA assistance: $15,000
- The remaining amount not covered by Title IV HEA assistance is $7,000 ($22,000 in actual covered costs - $15,000 in Title IV HEA assistance).
- Other Student Financial Assistance: $5,000
- $7,000 in remaining actual covered costs - $5,000 in other financial assistance
- Excluded income: $15,000 entire amount of the Title IV HEA Assistance + $5,000 in other financial assistance
- Included income: $0

Example 4

- Actual covered costs: $18,000
- Title IV HEA Assistance: $15,000
- The remaining amount not covered by Title IV HEA assistance is $3,000 ($18,000 in actual covered costs - $15,000 in Title IV HEA Assistance)
- Other student Financial Assistance: $5,000
- When other student financial assistance is applied, financial assistance exceeds actual covered costs by $2,000 ($3,000 in actual covered costs - $5,000 in other financial assistance).
- Included income: $2,000 (the amount by which the financial aid exceeds the student's actual covered costs).

6-I.H. PERIODIC PAYMENTS

Periodic payments are forms of income received on a regular basis.

Income that will not be repeated beyond the coming year (i.e., the 12 months following the effective date of the certification), based on information provided by the family, is considered nonrecurring income and is excluded from annual income. Income that has a discrete end date and will not be repeated beyond the coming year is excluded from a family's annual income because it is nonrecurring income. For example, a family receives income from a guaranteed income program in their city that has a discrete beginning and end date. While the guaranteed income will be repeated in the coming year, it will end before the family's next annual reexamination. This income is fully excluded from annual income.

However, this does not include unemployment income and other types of periodic payments that are received at regular intervals (such as weekly, monthly, or yearly). Unemployment income and other types of periodic payments are not considered nonrecurring income, unless explicitly excluded from income under 25 CFR 5.609(b), and thus they are included in annual income.

Insurance payments and settlements for personal or property losses, including but not limited to payments under health insurance, motor vehicle insurance, and workers' compensation, are excluded from annual income. Any workers' compensation is always excluded from annual income, regardless of the frequency or length of the payments.

Lump-Sum Payments for the Delayed Start of a Periodic Payment [24 CFR 5.609(b)(16)]

Deferred periodic amounts from Supplemental Security Income (SSI) and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs (VA) disability benefits that are received in a lump sum amount or in prospective monthly amounts are excluded from annual income.

PHA Policy

The PHA will include in annual income lump sums received as a result of delays in processing periodic payments (other than those specifically excluded by the regulation), such as unemployment or welfare assistance.

When a delayed-start payment is received that is to be included and the family reports this during the period in which the PHA is processing an annual reexamination, the PHA will adjust the family's rent retroactively for the period the payment was intended to cover.

If the delayed-start payment is received outside of the time the PHA is processing an annual reexamination, then the PHA will consider whether the amount meets the threshold to conduct an interim reexamination. If so, the PHA will conduct an interim in accordance with PHA policies in Chapter 11. If not, the PHA will consider the amount when processing the family's next annual recertification.

Retirement Accounts [24 CFR 5.609(b)(26); Notice PIH 2023-27]

Income received from any account under a retirement plan recognized as such by the IRS, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-employed individuals is not considered actual income from assets.

However, any distribution of periodic payments from such accounts is included in annual income at the time they are received by the family.

An asset moved to a retirement account held by a member of the family is not considered to be an asset disposed of for less than fair market value.

Social Security Benefits [Notice PIH 2018-24]

The PHA is required to use the gross benefit amount to calculate annual income from Social Security benefits.

Annually in October, the Social Security Administration (SSA) announces the cost-of-living adjustment (COLA) by which federal Social Security and SSI benefits are adjusted to reflect the increase, if any, in the cost of living. The federal COLA does not apply to state-paid disability benefits. Effective the day after the SSA has announced the COLA, PHAs are required to factor in the COLA when determining Social Security and SSI annual income for all annual reexaminations and interim reexaminations of family income that have not yet been completed and will be effective January 1 or later of the upcoming year [Notice PIH 2023-27]. When a family member's benefits are garnished, levied, or withheld to pay restitution, child support, tax debt, student loan debt, or other debts, the PHA must use the gross amount of the income, prior to the reduction, to determine a family's annual income.

PHA Policy

Annual income includes "all amounts received," not the amount that a family may be legally entitled to receive but which they do not receive. When the SSA overpays an individual, resulting in a withholding or deduction from their benefit amount until the overpayment is paid in full, the PHA will use the reduced benefit amount after deducting only the amount of the overpayment withholding from the gross benefit amount.

Alimony and Child Support

PHA Policy

The PHA will count all regular payments of alimony or child support awarded as part of a divorce or separation agreement unless the family certifies and the PHA verifies that the payments are not being made.

In order to verify that payments are not being made, the PHA will review child support payments over the last three months. If no payments have been made in the past three months and there are no lump sums, the PHA will not include alimony or child support in annual income.

If payments are being made regularly, the PHA will use the amount received during the last 12 months (excluding any lump sums received). If payments have been made for a period less than 12 months, the PHA will average all payments that have been made.

At new admission or interim recertification, if any lump sum payments were made in the past 12 months, the PHA will determine the likelihood of the family receiving another similar payment within the next 12 months before deciding whether or not this amount will be included in the calculation of annual income.

If the PHA determines and can appropriately verify that the family in all likelihood will not receive a similar payment, then the amount will not be considered when projecting annual income.

If the PHA determines that it is likely that the family will receive a similar payment and can appropriately verify it, the amount will be included when projecting annual income.

6-I.I. NONRECURRING INCOME [24 CFR 5.609(b)(24) and Notice PIH 2023-27]

Income received as an independent contractor, day laborer, or seasonal worker is not excluded from income as nonrecurring income, even if the source, date, or amount of the income varies.

Income that has a discrete end date and will not be repeated beyond the coming year during the family's upcoming annual reexamination period will be excluded from a family's annual income as nonrecurring income. This exclusion does not include unemployment income and other types of periodic payments that are received at regular intervals (such as weekly, monthly, or yearly).

Income amounts excluded under this category may include, but are not limited to:

- Nonrecurring payments made to the family or to a third party on behalf of the family to assist with utilities;
- Payments for eviction prevention;
- Security deposits to secure housing;
- Payments for participation in research studies (depending on the duration); and
- General one-time payments received by or on behalf of the family.

Nonrecurring income that is excluded under the regulations includes:

- Payments from the U.S. Census Bureau for employment (relating to decennial census or the American Community Survey) lasting no longer than 180 days and not culminating in permanent employment [24 CFR 5.609(b)(24)(i)].
- Direct federal or state payments intended for economic stimulus or recovery [24 CFR 5.609(b)(24)(ii)].
- Amounts directly received by the family as a result of state refundable tax credits or state or federal tax refunds at the time they are received [24 CFR 5.609(b)(24)(iii) and (iv)].
- Gifts for holidays, birthdays, or other significant life events or milestones (e.g., wedding gifts, baby showers, anniversaries) [24 CFR 5.609(b)(24)(v)].
- Non-monetary, in-kind donations, such as food, clothing, or toiletries, received from a food bank or similar organization [24 CFR 5.609(b)(24)(vi)]. When calculating annual income, PHAs are prohibited from assigning monetary value to such non-monetary in-kind donations received by the family [Notice PIH 2023-27]. Non-recurring, non-monetary in-kind donations from friends and family are excluded as non-recurring income. However, the value of regular in-kind donations (such as the value of groceries) received by friends and family are included.
- Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings [24 CFR 5.609(b)(24)(vii)].

6-I.J. WELFARE ASSISTANCE

Overview

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

Sanctions Resulting in the Reduction of Welfare Benefits [24 CFR 5.615]

The PHA must make a special calculation of annual income when the welfare agency imposes certain sanctions on certain families. The full text of the regulation at 24 CFR 5.615 is provided as Exhibit 6-3. The requirements are summarized below. This rule applies only if a family was receiving HCV assistance at the time the sanction was imposed.

Covered Families

The families covered by 24 CFR 5.615 are those "who receive welfare assistance or other public assistance benefits ('welfare benefits') from a State or other public agency ('welfare agency') under a program for which Federal, State or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance" [24 CFR 5.615(b)]

Imputed Income

When a welfare agency imposes a sanction that reduces a family's welfare income because the family commits fraud or fails to comply with the agency's economic self-sufficiency program or work activities requirement, the PHA must include in annual income "imputed" welfare income. The PHA must request that the welfare agency provide the reason for the reduction of benefits and the amount of the reduction of benefits. The imputed welfare income is the amount that the benefits were reduced as a result of the sanction.

This requirement does not apply to reductions in welfare benefits: (1) at the expiration of the lifetime or other time limit on the payment of welfare benefits, (2) if a family member is unable to find employment even though the family member has complied with the welfare agency economic self-sufficiency or work activities requirements, or (3) because a family member has not complied with other welfare agency requirements [24 CFR 5.615(b)(2)].

Offsets

The amount of the imputed welfare income is offset by the amount of additional income the family begins to receive after the sanction is imposed. When the additional income equals or exceeds the imputed welfare income, the imputed income is reduced to zero [24 CFR 5.615(c)(4)].

6-I.K. STATE PAYMENTS TO ALLOW INDIVIDUALS WITH DISABILITIES TO LIVE AT HOME [24 CFR 5.609(b)(19)]

Payments made by or authorized by a state Medicaid agency (including through a managed care entity) or other state or federal agency to an assisted family to enable a member of the assisted family who has a disability to reside in the family's assisted unit are excluded.

Authorized payments may include payments to a member of the assisted family through state Medicaid-managed care systems, other state agencies, federal agencies or other authorized entities.

The payments must be received for caregiving services a family member provides to enable another member of the assisted family who has a disability to reside in the family's assisted unit. Payments to a family member for caregiving services for someone who is not a member of the assisted family (such as for a relative that resides elsewhere) are not excluded from income.

Furthermore, if the agency is making payments for caregiving services to the family member for an assisted family member and for a person outside of the assisted family, only the payments attributable to the caregiving services for the caregiver's assisted family member would be excluded from income.

6-I.L. CIVIL RIGHTS SETTLEMENTS [24 CFR 5.609(b)(25); FR Notice 2/14/23]

Regardless of how the settlement or judgment is structured, civil rights settlements or judgments, including settlements or judgments for back pay, are excluded from annual income. This may include amounts received because of litigation or other actions, such as conciliation agreements, voluntary compliance agreements, consent orders, other forms of settlement agreements, or administrative or judicial orders under the Fair Housing Act, Title VI of the Civil Rights Act, Section 504 of the Rehabilitation Act (Section 504), the Americans with Disabilities Act, or any other civil rights or fair housing statute or requirement.

While these civil rights settlement or judgment amounts are excluded from income, the settlement or judgment amounts will generally be counted toward the family's net family assets (e.g., if the funds are deposited into the family's savings account or a revocable trust under the control of the family or some other asset that is not excluded from the definition of *net family assets*). Income generated on the settlement or judgment amount after it has become a net family asset is not excluded from income. For example, if the family received a settlement or back pay and deposited the money in an interest-bearing savings account, the interest from that account would be income at the time the interest is received.

Furthermore, if a civil rights settlement or judgment increases the family's net family assets such that they exceed the HUD-published threshold amount ($50,000 for 2024, and $51,600 for 2025), then income will be imputed on the net family assets pursuant to 24 CFR 5.609(a)(2). If the imputed income, which HUD considers unearned income, increases the family's annual adjusted income by 10 percent or more, then an interim reexamination of income will be required unless the addition to the family's net family assets occurs within the last three months of the family's income certification period and the PHA or owner chooses not to conduct the examination.

6-I.M. ADDITIONAL EXCLUSIONS FROM ANNUAL INCOME [24 CFR 5.609(b); FR Notice 1/31/2024]

Other exclusions contained in 24 CFR 5.609(b) and FR Notice 1/31/24 that have not been discussed earlier in this chapter include the following:

- Payments received for the care of foster children or foster adults or state or tribal kinship or guardianship care payments [24 CFR 5.609(b)(4)].
- Insurance payments and settlements for personal or property losses, including but not limited to payments through health insurance, motor vehicle insurance, and workers' compensation [24 CFR 5.609(b)(5)]. However, periodic payments paid at regular intervals (such as weekly, monthly, or yearly) for a period of greater than one year that are received in lieu of wages are included in annual income [Notice PIH 2023-27].
- Amounts received by the family that are specifically for, or in reimbursement of, the cost of health and medical care expenses for any family member [24 CFR 5.609(b)(6)].
- Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family becoming disabled [24 CFR 5.609(b)(7)].
- Income and distributions from any Coverdell education savings account under Section 530 of the Internal Revenue Code of 1986 or any qualified tuition program under Section 529 of such Code [24 CFR 5.609(b)(10)].
- Income earned by government contributions to, and distributions from, "baby bond" accounts created, authorized, or funded by federal, state, or local government [24 CFR 5.609(b)(10)].
- The special pay to a family member serving in the Armed Forces who is exposed to hostile fire [24 CFR 5.609(b)(11)].
- Payments related to aid and attendance under 38 U.S.C. 1521 to veterans in need of regular aid and attendance [24 CFR 5.609(b)(17)]. This income exclusion applies only to veterans in need of regular aid and attendance and not to other beneficiaries of the payments, such as a surviving spouse [Notice PIH 2023-27].
- Loan proceeds (the net amount disbursed by a lender to or on behalf of a borrower, under the terms of a loan agreement) received by the family or a third party (e.g., proceeds received by the family from a private loan to enable attendance at an educational institution or to finance the purchase of a car) [24 CFR 5.609(b)(20)]. The loan borrower or co-borrower must be a member of the family for this income exclusion to be applicable [Notice PIH 2023-27].

- Payments received by tribal members as a result of claims relating to the mismanagement of assets held in trust by the United States, to the extent such payments are also excluded from gross income under the Internal Revenue Code or other federal law [24 CFR 5.609(b)(21)]. Generally, payments received by tribal members in excess of the first $2,000 of per capita shares are included in a family's annual income for purposes of determining eligibility. However, as explained in Notice PIH 2023-27, payments made under the Cobell Settlement, and certain per capita payments under the recent Tribal Trust Settlements, must be excluded from annual income.
- Replacement housing "gap" payments made in accordance with 49 CFR Part 24 that offset increased out of pocket costs of displaced persons that move from one federally subsidized housing unit to another federally subsidized housing unit. Such replacement housing "gap" payments are not excluded from annual income if the increased cost of rent and utilities is subsequently reduced or eliminated, and the displaced person retains or continues to receive the replacement housing "gap" payments [24 CFR 5.609(b)(23)].
- Income earned on amounts placed in a family's Family Self-Sufficiency account [24 CFR 5.609(b)(27)].
- Amounts received by participants in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred e.g., special equipment, clothing, transportation, childcare, etc.) and which are made solely to allow participation in a specific program [24 CFR 5.609(i)(12)(ii)].
- Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS) [(24 CFR 5.609(b)(12)(i)].
- Amounts received under a resident service stipend not to exceed $200 per month. A resident service stipend is a modest amount received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development [24 CFR 5.609 I(12)(ii)].

Incremental earnings and benefits to any family member resulting from participation in qualifying training program funded by HUD or in qualifying federal, state, tribal, or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff are excluded from annual income. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the training program unless those amounts are excluded under 24 CFR 5.609(b)(9)(i) [24 CFR 5.609(b)(12)(iv)].

PHA Policy

The PHA defines *training program* as "a learning process with goals and objectives, generally having a variety of components, and taking place in a series of sessions over a period of time. It is designed to lead to a higher level of proficiency, and it enhances the individual's ability to obtain employment. It may have performance standards to measure proficiency. Training may include but is not limited to: (1) classroom training in a specific occupational skill, (2) on-the-job training with wages subsidized by the program, or (3) basic education" [expired Notice PIH 98-2, p. 3].

The PHA defines *incremental earnings and benefits* as the difference between (1) the total amount of welfare assistance and earnings of a family member prior to enrollment in a training program and (2) the total amount of welfare assistance and earnings of the family member after enrollment in the program [expired Notice PIH 98-2, pp. 3–4].

In calculating the incremental difference, the PHA will use as the pre-enrollment income the total annualized amount of the family member's welfare assistance and earnings reported on the family's most recently completed HUD-50058.

End of participation in a training program must be reported in accordance with the PHA's interim reporting requirements (see Chapter 11).

- Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era [24 CFR 5.609(b)(13)].
- Adoption assistance payments for a child in excess of the amount of the dependent deduction per adopted child [24 CFR 5.609(b)(15)].
- Refunds or rebates on property taxes paid on the dwelling unit [24 CFR 5.609(b)(20)].
- Amounts that HUD is required by federal statute to exclude from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(b) apply. HUD will publish a notice in the *Federal Register* to identify the benefits that qualify for this exclusion. Updates will be published when necessary.

HUD publishes an updated list of these exclusions periodically. The most recent list of exclusions was published in the *Federal Register* on January 31, 2024. It includes:

(a) The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b)). This exclusion also applies to assets.

(b) Benefits under Section 1780 of the Richard B. Russell School Lunch Act and Child Nutrition Act of 1966, including WIC and reduced-price lunches.

(c) Payments, including for supportive services and reimbursement of out-of-pocket expenses, to volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058). The exclusion also applies to assets.

- Except, the exclusion does not apply when the Chief Executive Officer of the Corporation for National and Community Service determines that the value of all such payments, adjusted to reflect the number of hours such volunteers are serving, is equivalent to or greater than the minimum wage then in effect under the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.) or the minimum wage, under the laws of the State where such volunteers are serving, whichever is the greater (42 U.S.C. 5044(f)(1)).

(d) Certain payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c)).

(e) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 5506).

(f) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f)(1)).

(g) Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998 which was reauthorized as the Workforce Innovation and Opportunity Act of 2014 (29 U.S.C. 3241(a)(2)).

(h) Deferred disability benefits from the Department of Veterans Affairs, whether received as a lump sum or in monthly prospective amounts.

(i) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Section 6).

(j) Payments, funds, or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (25 U.S.C. 1774f(b)).

(k) A lump sum or periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the United States District Court case entitled *Elouise Cobell et al.* v. *Ken Salazar et al.,* for a period of one year from the time of receipt of that payment as provided in the Claims Resolution Act of 2010.

(l) The first $2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U. S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first $2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408). This exclusion does not include proceeds of gaming operations regulated by the Commission (25 U.S.C. 1407–1408).

(m) Payments received from programs funded under Title V of the Older Americans Act of 1965 (42 U.S.C. 3056(f)).

(n) Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in *In Re Agent Orange* product liability litigation, M.D.L. No. 381 (E.D.N.Y.). This exclusion also applies to assets.

(o) Payments received under 38 U.S.C. 1833(c) to children of Vietnam veterans born with spinal bifida, children of women Vietnam veterans born with certain birth defects, and children of certain Korean and Thailand service veterans born with spinal bifida (42 U.S.C. 12637(d)).

(p) Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721). This exclusion also applies to assets.

(q) The value of any childcare provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Childcare and Development Block Grant Act of 1990 (42 U.S.C. 9858q).

(r) Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j)). This exclusion also applies to assets.

(s) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433) This exclusion also applies to assets.

(t) Amounts of student financial assistance funded under Title IV of the Higher Education Act of 1965j, including awards under federal work-study programs or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu). For Section 8 programs, only, any financial assistance in excess of amounts received by an individual for tuition and any other required fees and charges under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income if the individual is over the age of 23 with dependent children (Pub. L. 109–115, section 327 (as amended)).

(u) Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d)).

(v) Any amount of crime victim compensation that provides medical or other assistance (or payment or reimbursement of the cost of such assistance) under the Victims of Crime Act of 1984 received through a crime victim assistance program, unless the total amount of assistance that the applicant receives from all such programs is sufficient to fully compensate the applicant for losses suffered as a result of the crime (34 U.S.C. 20102(c)).

(w) Any amounts in an "individual development account" are excluded from assets and any assistance, benefit, or amounts earned by or provided to the individual development account are excluded from income, as provided by the Assets for Independence Act, as amended (42 U.S.C. 604(h)(4)).

(x) Major disaster and emergency assistance received under the Robert T. Stafford Disaster Relief and Emergency Assistance Act and comparable disaster assistance provided by states, local governments, and disaster assistance organizations. This exclusion also applies to assets.

(y) Distributions from an ABLE account, distributions from and certain contributions to an ABLE account established under the ABLE Act of 2014 (Pub. L. 113–295.), as described in Notice PIH 2019–09 or subsequent or superseding notice is excluded from income and assets.

(z) The amount of any refund (or advance payment with respect to a refundable credit) issued under the Internal Revenue Code is excluded from income and assets for a period of 12 months from receipt (26 U.S.C. 6409).

(aa) Assistance received by a household under the Emergency Rental Assistance Program pursuant to the Consolidated Appropriations Act, 2021 (Pub. L. 116–260, section 501(j)), and the American Rescue Plan Act of 2021.

(ab) Per capita payments made from the proceeds of Indian Tribal Trust Settlements listed in IRS Notice 2013-1 and 2013-55 must be excluded from annual income unless the per capita payments exceed the amount of the original Tribal Trust Settlement proceeds and are made from a Tribe's private bank account in which the Tribe has deposited the settlement proceeds. Such amounts received in excess of the Tribal Trust Settlement are included in the gross income of the members of the Tribe receiving the per capita payments as described in IRS Notice 2013-1. The first $2,000 of per capita payments are also excluded from assets unless the per capita payments exceed the amount of the original Tribal Trust Settlement proceeds and are made from a Tribe's private bank account in which the Tribe has deposited the settlement proceeds (25 U.S.C. 117b(a), 25 U.S.C. 1407).

(ac) Any amounts (i) not actually received by the family, (ii) that would be eligible for exclusion under 42 U.S.C. 1382b(a)(7), and (iii) received for service-connected disability under 38 U.S.C. Chapter 11 or dependency and indemnity compensation under 38 U.S.C. Chapter 13 (25 U.S.C. 4103(9)(C)) as provided by an amendment by the Indian Veterans Housing Opportunity Act of 2010 (Pub. L. 111–269 section 2) to the definition of income applicable to programs under the Native American Housing Assistance and Self-Determination Act (NAHASDA) (25 U.S.C. 4101 et seq.).

PART II: ASSETS

6-II.A. OVERVIEW

Annual income includes all actual anticipated income from assets (unless otherwise excluded by the regulations) even if the asset itself is excluded from net family assets [Notice PIH 2023-27].

The regulation at 24 CFR 5.603(b)(3) provides a list of items that are excluded from the calculation of net family assets. Note, unlike previous versions of the regulations, the current regulations do not list types of assets that are included in annual income. Instead, HUD relies on the definition of items excluded from assets to provide the scope of what is included. Exhibit 6-2 provides the regulatory definition of *net family assets*.

Optional policies for family self-certification of assets are found in Chapter 7. Policies related to the asset limitation may be found in Chapters 3 and 12.

Income from assets is always anticipated, irrespective of the income examination type.

PHA Policy

The PHA generally will use current circumstances to determine both the value of an asset and the anticipated income from the asset. The PHA will use other than current circumstances to anticipate income when (1) an imminent change in circumstances is expected, (2) it is not feasible to anticipate a level of income over 12 months, or (3) the PHA believes that past income is the best indicator of anticipated income. For example, if a family member owns real property that typically receives rental income, but the property is currently vacant, the PHA can take into consideration past rental income along with the prospects of obtaining a new tenant.

Any time current circumstances are not used to determine asset income, a clear rationale for the decision will be documented in the file. In such cases the family may present information and documentation to the PHA to show why the asset income determination does not represent the family's anticipated asset income.

6-II.B. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE [24 CFR 5.603(b)(2)]

PHAs must include the value of any business or family assets disposed of by an applicant or participant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application or reexamination, as applicable, in excess of the consideration received for the asset. An asset moved to a retirement account held by a member of the family is not considered to be an asset disposed of for less than fair market value [Notice PIH 2023-27].

The family must certify whether any assets have been disposed of for less than fair market value in the preceding two years.

Minimum Threshold

The *HCV Guidebook* permits the PHA to set a threshold below which assets disposed of for less than fair market value will not be counted [HCV GB, p. 5-27].

PHA Policy

The PHA will not include the value of assets disposed of for less than fair market value unless the cumulative fair market value of all assets disposed of during the past two years exceeds the gross amount received for the assets by more than $1,000.

Separation or Divorce

The regulation also specifies that assets are not considered disposed of for less than fair market value if they are disposed of as part of a separation or divorce settlement and the applicant or tenant receives important consideration not measurable in dollar terms.

PHA Policy

All assets disposed of as part of a separation or divorce settlement will be considered assets for which important consideration not measurable in monetary terms has been received. In order to qualify for this exemption, a family member must be subject to a formal separation or divorce settlement agreement established through arbitration, mediation, or court order.

Foreclosure or Bankruptcy

Assets are not considered disposed of for less than fair market value when the disposition is the result of a foreclosure or bankruptcy sale. Negative equity in real property or other investments does not prohibit the owner from selling the property or other investments, so negative equity alone would not justify excluding the property or other investments from family assets.

Family Declaration

PHA Policy

Families must sign a declaration form at initial certification and each annual recertification identifying all assets that have been disposed of for less than fair market value or declaring that no assets have been disposed of for less than fair market value. The PHA may verify the value of the assets disposed of if other information available to the PHA does not appear to agree with the information reported by the family.

6-II.C. ASSET INCLUSIONS AND EXCLUSIONS

Necessary and Non-Necessary Personal Property [24 CFR 5.603(b)(3)(i)]

All assets are categorized as either *real property* (e.g., land, a home) or *personal property*.

Personal property includes tangible items, like boats, as well as intangible items, like bank accounts.

The value of necessary items of personal property is excluded from the calculation of net family assets. Necessary items of personal property include a car used for commuting or medical devices.

HUD defines *necessary personal property* as items essential to the family for the maintenance, use, and occupancy of the premises as a home; or they are necessary for employment, education, or health and wellness. Necessary personal property includes more than merely items that are indispensable to the bare existence of the family. It may include personal effects (such as items that are ordinarily worn or utilized by the individual), items that are convenient or useful to a reasonable existence, and items that support and facilitate daily life within the family's home. Necessary personal property also includes items that assist a household member with a disability, including any items related to disability-related needs, or that may be required for a reasonable accommodation for a person with a disability. Necessary personal property does not include bank accounts, other financial investments, or luxury items. Items of personal property that do not qualify as necessary personal property are classified as non-necessary personal property.

The combined value of all **non-necessary** items of personal property is only included in annual income when the combined total value exceeds the HUD-published threshold amount (adjusted annually and published in HUD's current year Inflation-Adjusted Values tables). When the combined value of all non-necessary personal property does not exceed the HUD-published threshold amount, all non-necessary personal property is excluded from net family assets.

- The threshold amount is $50,000 for 2024, and $51,600 for 2025.

While not an exhaustive list, the following table from Notice PIH 2023-27 provides examples of necessary and non-necessary personal property.

Necessary Personal Property	Non-Necessary Personal Property
Car(s)/vehicle(s) that a family relies on for transportation for personal or business use (e.g., bike, motorcycle, skateboard, scooter) Furniture, carpets, linens, kitchenware Common appliances Common electronics (e.g., radio, television, DVD player, gaming system) Clothing Personal effects that are not luxury items (e.g., toys, books) Wedding and engagement rings Jewelry used in religious/cultural celebrations and ceremonies Religious and cultural items Medical equipment and supplies Health care–related supplies Musical instruments used by the family Personal computers, phones, tablets, and related equipment Professional tools of trade of the family, for example professional books Educational materials and equipment used by the family, including equipment to accommodate persons with disabilities Equipment used for exercising (e.g., treadmill, stationary bike, kayak, paddleboard, ski equipment)	Recreational car/vehicle not needed for day-to-day transportation for personal or business use (campers, motorhomes, traveling trailers, all-terrain vehicles (ATVs)) Bank accounts or other financial investments (e.g., checking account, savings account, stocks/bonds) Recreational boat/watercraft Expensive jewelry without religious or cultural value, or which does not hold family significance Collectibles (e.g., coins/stamps) Equipment/machinery that is not used to generate income for a business Items such as gems/precious metals, antique cars, artwork, etc.

PHA Policy

In determining the value of non-necessary, non-financial personal property, the PHA will use the family's estimate of the value. The PHA may obtain an appraisal if there is reason to believe that the family's estimated value is off by $50 or more. The family must cooperate with the appraiser but cannot be charged any costs related to the appraisal.

Checking and Savings Accounts [Notice PIH 2023-27]

HUD considers bank accounts as non-necessary items of personal property. Whether or not non-necessary personal property is counted toward net family assets depends on the combined value of all of the family's assets.

- When the combined value of net family assets is greater than the HUD-published threshold amount, which is adjusted annually and listed in HUD's current year Inflation Adjusted Values tables ($50,000 for 2024, and $51,600 for 2025), checking and/or savings accounts would be counted toward net family assets.
- When the combined value of all non-necessary personal property does not exceed the HUD-published threshold amount, all non-necessary personal property is excluded from net family assets. In this case, the value of the family's checking and/or savings accounts would not be considered when calculating net family assets.

However, actual income from checking and savings accounts is always included in a family's annual income, regardless of the total value of net family assets or whether the asset itself is included or excluded from net family assets, unless that income is specifically excluded.

ABLE Accounts [24 CFR 5.609(b) (10); Notice PIH 2019-09]

An Achieving a Better Life Experience (ABLE) account is a type of tax-advantaged savings account that an eligible individual can use to pay for qualified disability expenses. Section 103 of the ABLE Act mandates that an individual's ABLE account (specifically, its account balance, contributions to the account, and distributions from the account) is excluded when determining the designated beneficiary's eligibility and continued occupancy under certain federal means-tested programs. The PHA must exclude the entire value of the individual's ABLE account from the household's assets. Distributions from the ABLE account are also not considered income. However, all wage income received, regardless of which account the money is paid to, is included as income.

Investment Accounts Such as Stocks, Bonds, Saving Certificates, and Money Market Funds [24 CFR 5.603(b)(1)]

HUD considers financial investments such as stocks and bonds non-necessary items of personal property. Whether non-necessary personal property is counted toward net family assets depends on the combined value of all of the family's assets.

- When the combined value of net family assets is greater than the HUD-published threshold amount, which is adjusted annually and listed in HUD's Inflation Adjusted Values tables ($50,000 for 2024, and $51,600 for 2025), financial investments such as stocks and bonds are considered part of net family assets. In this case, the value of the family's financial investments such as stocks and bonds would be counted toward net family assets.
- When the combined value of all non-necessary personal property does not exceed the HUD-published threshold amount, all non-necessary personal property is excluded from net family assets. In this case, the value of the family's financial investments such as stocks and bonds would not be considered when calculating net family assets.

However, actual income from financial accounts is always included in a family's annual income, regardless of the total value of net family assets or whether the asset itself is included or excluded from net family assets, unless that income is specifically excluded. When a stock issues dividend in some years but not others (e.g., due to market performance), the dividend is counted as the actual return when it is issued, but when no dividend is issued, the actual return is $0. When the stock never issues dividends, the actual return is $0.

PHA Policy

The PHA will include interest or dividends earned by investment accounts as actual income from assets even when the earnings are reinvested.

The cash value of such an asset is determined by deducting from the market value any broker fees, penalties for early withdrawal, or other costs of converting the asset to cash.

In determining the market value of an investment account, the PHA will use the value of the account on the most recent investment report.

Lump-Sum Additions to Net Family Assets [24 CFR 5.609(b)(24(viii); Notice PIH 2023-27]

The regulations exclude income from lump-sum additions to family assets, including lottery or other contest winnings as a type of nonrecurring income.

In addition, lump sums from insurance payments, settlements for personal or property losses, and recoveries from civil actions or settlements based on claims of malpractice, negligence, or other breach of duty owed to a family member arising out of law that resulted in a member of the family becoming a family member with a disability are excluded from income.

Further, deferred periodic amounts from Supplemental Security Income (SSI) and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts are also excluded from income.

However, these amounts may count toward net family assets. The PHA must consider any actual or imputed returns from assets as income at the next applicable income examination. In the case where the lump sum addition to assets would lead to imputed income, which is unearned income, that increases the family's annual adjusted income by 10 percent or more, then the addition of the lump sum to the family's assets will trigger an immediate interim reexamination of income in accordance with Chapter 11. This reexamination of income must take place as soon as the lump sum is added to the family's net family assets unless the addition takes place in the last three months of family's income certification period and the PHA chooses not to conduct the examination.

For a discussion of lump-sum payments that represent the delayed start of a periodic payment, most of which are counted as income, see sections 6-I.H and 6-I.I.

PHA Policy

Any lump-sum receipts are only counted as assets if they are retained by a family in a form recognizable as an asset. [RHIIP FAQs]. For example, if the family receives a $1,000 lump sum for lottery winnings, and the family immediately spends the entire amount, the lump sum will not be counted toward net family assets.

Jointly Owned Assets [Notice PIH 2023-27]

For assets owned jointly by the family and one or more individuals outside of the assisted family, the PHA must include the total value of the asset in the calculation of net family assets, unless:

- The asset is otherwise excluded;
- The family can demonstrate that the asset is inaccessible to them; or
- The family cannot dispose of any portion of the asset without the consent of another owner who refuses to comply.

If the family demonstrates that they can only access a portion of an asset, then only that portion's value is included in the calculation of net family assets for the family.

Any income from a jointly owned asset must be included in annual income, unless:

- The income is specifically excluded;
- The family demonstrates that they do not have access to the income from that asset; or
- The family only has access to a portion of the income from that asset.

If the family demonstrates that they can only access a portion of the income from an asset, then only that portion's value is included in the calculation of income from assets.

If an individual is a beneficiary who is entitled to access the account's funds only upon the death of the account's owner, and may not otherwise withdraw funds from an account, then the account is not an asset to the assisted family, and the family should provide proper documentation demonstrating that they are only a beneficiary on the account.

Trusts [24 CFR 5.609(b)(2) and 5.603(b)(4)]

A *trust* is a legal arrangement generally regulated by state law in which one party (the creator or grantor) transfers property to a second party (the trustee) who holds the property for the benefit of one or more third parties (the beneficiaries).

The basis for determining how to treat trusts relies on information about who has access to either the principal in the account or the income from the account. There are two types of trusts, *revocable* and *irrevocable*.

When the creator sets up an *irrevocable trust*, the creator has no access to the funds in the account. Typically, special needs trusts are considered irrevocable. Irrevocable trusts not under the control of any member of the family are excluded from net family assets. The value of the trust continues to be excluded from net family assets, so long as the fund continues to be held in a trust that is not revocable by, or under the control of, any member of the family or household [24 CFR 5.603(b)(4)]. Further, where an irrevocable trust is excluded from net family assets, the PHA must not consider actual income earned by the trust (e.g., interest earned, rental income if property is held in the trust) for so long as the income from the trust is not distributed.

A *revocable trust* is a trust that the creator of the trust may amend or end (revoke). When there is a revocable trust, the creator has access to the funds in the trust account.

- A revocable trust that is under the control of the family is included in net family assets when the grantor is a member of the assisted family. If a revocable trust is included in the calculation of net family assets, then the actual income earned by the revocable trust is also included in the family's income. For example, interest earned or rental income if the property is held in the trust. The PHA must calculate imputed income on the revocable trust if net family assets are more than the HUD-published threshold amount, which is adjusted annually and listed in HUD's Inflation Adjusted Values tables ($50,000 for 2024, and $51,600 for 2025), and actual income from the trust cannot be calculated (e.g., if the trust is comprised of farmland that is not in use).
- A revocable trust that is not under the control of the family is excluded from net family assets. This happens when a member of the assisted family is the beneficiary of a revocable trust, but the grantor is not a member of the assisted family. In this case the beneficiary does not "own" the revocable trust, and the value of the trust is excluded from net family assets. For the revocable trust to be considered excluded from net family assets, no family or household member may be the account's trustee.

For both irrevocable and revocable trusts, if the value of the trust is not considered part of net family assets, then distributions from the trust are treated as follows:

- All distributions from the trust's principal are excluded from income.
- Distributions of income earned by the trust (i.e., interest, dividends, realized gains, or other earnings on the trust's principal), are included as income unless the distribution is used to pay for the health and medical expenses for a minor.

Life Insurance [FR Notice 2/14/23 and Notice PIH 2023-27]

Net family assets do not include the value of term life insurance, which has no cash value to the individual before death.

The cash value of a life insurance policy available to a family member before death, such as a whole life or universal life policy, is included in the calculation of the value of the family's assets. The cash value is the surrender value. While the cash value of an insurance policy is considered an asset, the face value of any policy is not. If such a policy earns dividends or interest that the family could elect to receive, the amount of dividends or interest is counted as income from the asset whether or not the family actually receives it.

Tax Refunds [24 CFR 5.603(b)(3)(xi) and Notice PIH 2023-27]

All amounts received by a family in the form of federal tax refunds or refundable tax credits are excluded from a family's net family assets for a period of 12 months after receipt by the family.

At the time of an annual or interim reexamination of income, if the federal tax refund was received during the 12 months preceding the effective date of the reexamination, then the amount of the refund that was received by the family is subtracted from the total value of net family assets. When the subtraction results in a negative number, then net family assets are considered $0.

Asset Exclusions [24 CFR 5.603(b)]

The following are excluded from the calculations of net family assets:

- The value of any account under a retirement plan recognized as such by the IRS, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-employed individuals [24 CFR 5.603(b)(3)(iii)].
- The value of real property that the family does not have the effective legal authority to sell in the jurisdiction in which the property is located [24 CFR 5.603(b)(3)(iv)].
    - *Real property* as used in this part has the same meaning as that provided under the law of the state in which the property is located [24 CFR 5.100].
    - Examples of this include but are not limited to co-ownership situations (including situations where one owner is a victim of domestic violence), where one party cannot unilaterally sell the real property; property that is tied up in litigation; and inherited property in dispute [Notice PIH 2023-27].
- Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a family member being a person with a disability [24 CFR 5.603(b)(3)(v)];
- The value of any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986 [24 CFR 5.603(b)(3)(vi)];
- The value of any qualified tuition program under Section 529 of such Code [24 CFR 5.603(b)(3)(vi)];
- The value of any "baby bond" account created, authorized, or funded by federal, state, or local government [24 CFR 5.603(b)(3)(vi)];
- Interests in Indian trust land [24 CFR 5.603(b)(3)(vii)];
- Equity in a manufactured home where the family receives assistance under 24 CFR part 982 [24 CFR 5.603(b)(3)(viii)];
- Equity in property under the Homeownership Option for which a family receives assistance under 24 CFR part 982 [24 CFR 5.603(b)(3)(ix)];
- Family Self-Sufficiency accounts [24 CFR 5.603(b)(3)(x)];
- Federal tax refunds or refundable tax credits for a period of 12 months after receipt by the family [24 CFR 5.603(b)(3)(xi)].
- The full amount of assets held in an irrevocable trust [Notice PIH 2023-27]; and
- The full amount of assets held in a revocable trust where a member of the family is the beneficiary, but the grantor/owner and trustee of the trust is not a member of the participant family or household [Notice PIH 2023-27].

6-II.D. DETERMINING INCOME FROM ASSETS

In some cases, amounts that are excluded from net family assets may be included as annual income when disbursements are made to a family from an asset. In other cases, amounts are excluded from annual income as a lump-sum addition to net family assets, but those funds are then considered a net family asset if held in an account or other investment that is considered part of net family assets [Notice PIH 2023-27].

Net Family Assets

Net family assets are defined as the net cash value of all assets owned by the family, after deducting reasonable costs that would be incurred in disposing real property, savings, stocks, bonds, and other forms of capital investment.

PHA Policy

Reasonable costs that would be incurred when disposing of an asset include, but are not limited to, penalties for premature withdrawal, broker and legal fees, and settlement costs incurred in real estate transactions such as settlement costs and transfer taxes [New PH OCC GB, *Income Determinations,* p. 24].

The calculation of asset income sometimes requires the PHA to make a distinction between an asset's market value and its cash value.

- The market value of an asset is its worth in the market (e.g., the amount a buyer would pay for real estate or the total value of an investment account).
- The cash value of an asset is its market value less all reasonable amounts that would be incurred when converting the asset to cash.

The cash value of real property or other assets with negative equity would be considered $0 for the purposes of calculating net family assets. Negative equity in real property or other investments does not prohibit the family from selling the property or other investments, so negative equity alone would not justify excluding the property or other investments from family assets [Notice PIH 2023-27].

Actual Income from Assets

Income from assets must be included on the Form HUD-50058 regardless of the amount of income. Actual income from assets is always included in a family's annual income, regardless of the total value of net family assets or whether the asset itself is included or excluded from net family assets, unless that income is specifically excluded by 24 CFR 5.609(b).

Income or returns from assets are generally considered to be interest, dividend payments, and other actual income earned on the asset, and not the increase in market value of the asset. The increase in market value is relevant to the cash value of the asset for the purpose of determining total net family assets and imputing income.

The PHA may determine the net assets of a family based on a self-certification by the family that the net family assets do not exceed the HUD-published threshold amount, which is adjusted annually and listed in HUD's Inflation Adjusted Values tables, without taking additional steps to verify the accuracy of the declaration [24 CFR 5.618(b)]. Policies related to verification of assets are found in Chapter 7 of this policy.

- The threshold amount is $50,000 for 2024, and $51,600 for 2025.

The PHA may not calculate or include any imputed income from assets when net family assets are less than or equal to the HUD-published threshold amount [24 CFR 5.609(b)(1)]. The actual income from assets must be included on the Form HUD-50058.

Imputed Income from Assets

When net family assets exceed the HUD-published threshold amount, which is adjusted annually and listed in HUD's Inflation Adjusted Values tables, the PHA may not rely on self-certification. If actual returns can be calculated, the PHA must include actual income from the asset on the Form HUD-50058 (for example, a savings account or CD where the rate of return is known). If actual returns cannot be calculated, the PHA must calculate imputed returns using the HUD-determined passbook rate (for example, real property or a non-necessary item of personal property such as a recreational boat). Imputed income is calculated by multiplying the net cash value of the asset, (found by deducting reasonable costs that would be incurred in disposing of the asset from the market value), by the HUD-published passbook rate. If the PHA can compute actual income from some but not all assets, the PHA must compute actual returns where possible and use the HUD-determined passbook rate for assets where actual income cannot be calculated [24 CFR 5.609(a)(2)].

An asset with an actual return of $0 (such as a non-interest-bearing checking account), is not the same as an asset for which an actual return cannot be computed (such as non-necessary personal property). If the asset is a financial asset and there is no income generated (for example, a bank account with a zero percent interest rate or a stock that does not issue cash dividends), then the asset generates zero actual asset income, and imputed income is not calculated. When a stock issues dividend in some years but not others (e.g., due to market performance), the dividend is counted as the actual return when it is issued, and when no dividend is issued, the actual return is $0. When the stock never issues dividends, the actual return is consistently $0.

PART III: ADJUSTED INCOME

6-III.A. INTRODUCTION

Overview

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

> 5.611 *Adjusted income* means annual income (as determined under § 5.609) of the members of the family residing or intending to reside in the dwelling unit, after making the following deductions:
>
> (a) *Mandatory deductions*
>
> (1) $480 for each dependent (adjusted annually by HUD, rounded to the next lowest multiple of $25);
>
> (2) $525 for any elderly family or disabled family (adjusted annually by HUD, rounded to the next lowest multiple of $25);
>
> (3) The sum of the following, to the extent the sum exceeds ten percent of annual income:
>
> (i) Unreimbursed health and medical care expenses of any elderly family or disabled family;
>
> (ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed; and
>
> (4) Any reasonable childcare expenses necessary to enable a member of the family to be employed or to further his or her education.

This part covers policies related to these mandatory deductions. Verification requirements related to these deductions are found in Chapter 7.

Anticipating Expenses

PHA Policy

Generally, the PHA will use current circumstances to anticipate expenses. When possible, for costs that are expected to fluctuate during the year (e.g., childcare during school and non-school periods and cyclical medical expenses), the PHA will estimate costs based on historic data and known future costs.

If a family has an accumulated debt for medical or disability assistance expenses, the PHA will include as an eligible expense the portion of the debt that the family expects to pay during the period for which the income determination is being made. However, amounts previously deducted will not be allowed even if the amounts were not paid as expected in a preceding period. The PHA may require the family to provide documentation of payments made in the preceding year.

When calculating health and medical care expenses, the PHA will include those expenses anticipated to be incurred during the 12 months following the certification date which are not covered by an outside source, such as insurance. The allowance is not intended to give a family an allowance equal to last year's expenses, but to anticipate regular ongoing and anticipated expenses during the coming year. Since these expenses are anticipated, the *PH Occupancy Guidebook* states "it is likely that actual expenses will not match what was anticipated. Typically, this would not be considered an underpayment as long as at the time of the annual reexamination, the expenses were calculated based on the appropriate verification" [New PH OCC GB, *Income Determinations,* p. 30]. For annual reexaminations, the PHA will use information for the previous 12-month period.

6-III.B. DEPENDENT DEDUCTION

An allowance of $480 is deducted from annual income for each dependent (which amount will be adjusted by HUD annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers, rounded to the next lowest multiple of $25) [24 CFR 5.611(a)(1)]. *Dependent* is defined as any family member other than the head, spouse, or cohead who is under the age of 18 or who is 18 or older and is a person with disabilities or a full-time student. Foster children, foster adults, and live-in aides are never considered dependents [24 CFR 5.603(b)].

6-III.C. ELDERLY OR DISABLED FAMILY DEDUCTION

A single deduction of $525 is taken for any elderly or disabled family (which amount will be adjusted by HUD annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers, rounded to the next lowest multiple of $25) [24 CFR 5.611(a)(2)].

An *elderly family* is a family whose head, spouse, cohead, or sole member is 62 years of age or older, and a *disabled family* is a family whose head, spouse, cohead, or sole member is a person with disabilities [24 CFR 5.403].

6-III.D. HEALTH AND MEDICAL CARE EXPENSES DEDUCTION [24 CFR 5.611(a)(3)(i) and 5.603(b)]

Unreimbursed health and medical care expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed ten percent of annual income.

This deduction is permitted only for families in which the head, spouse, or cohead is at least 62 or is a person with disabilities. If a family is eligible for a health and medical care expense deduction, the unreimbursed health and medical care expenses of all family members are included. The PHA calculates health and medical care expenses based on the family's past expenses, but accounting for any anticipated changes in expenses during the certification period.

Definition of *Medical Expenses*

HUD regulations define *health and medical care expenses* at 24 CFR 5.603(b) to mean "any costs incurred in the diagnosis, cure, mitigation, treatment, or prevention of disease or payments for treatments affecting any structure or function of the body. Health and medical care expenses include medical insurance premiums and long-term care premiums that are paid or anticipated during the period for which annual income is computed."

Health and medical care expenses may be deducted from annual income only if they are eligible under this definition and not otherwise reimbursed.

Although HUD revised the definition of *health and medical care expenses* to reflect the Internal Revenue Service (IRS) general definition of medical expenses, HUD is not permitting PHAs to specifically align their policies to IRS Publication 502. PHAs must review each expense to determine whether it is eligible in accordance with HUD's definition.

While PHA policies may not specifically align with IRS Publication 502, HUD recommends PHAs use it as a standard for determining allowable expenses, and the PHA may list examples of allowable expenses in their policy provided they comply with HUD's definition at 24 CFR 5.603. The PHA may not define *health and medical care expenses* more narrowly than the regulation.

PHA Policy

The PHA will use the most current IRS Publication 502 as a standard for determining if expenses claimed by eligible families qualify as health and medical care expenses. However, under no circumstances will the PHA deduct any expenses listed in IRS Publication 502 that do not conform with HUD's definition of *health and medical care expenses.*

Summary of Typical Allowable Health and Medical Care Expenses	
Services of medical professionals Surgery and medical procedures that are necessary, legal, and non-cosmetic Services of medical facilities Hospitalization, long-term care, and in-home nursing services Prescription medicines and insulin, but not nonprescription medicines even if recommended by a doctor Improvements to housing directly related to medical needs (e.g., ramps for a wheelchair, handrails) Medical insurance premiums or the cost of a health maintenance organization (HMO) Medicare Part B and Part D premiums	Substance abuse treatment programs Psychiatric treatment Ambulance services and some costs of transportation related to medical expenses. The PHA will use the most current medical mileage rate listed in IRS Publication 502. The cost and care of necessary equipment related to a medical condition (e.g., eyeglasses/lenses, hearing aids, crutches, and artificial teeth) The costs of buying, training, and maintaining a guide dog or other service animal to assist a visually impaired or hearing disabled person, or a person with other physical disabilities. In general, this includes any costs, such as food, grooming, and veterinary care, incurred in maintaining the health and vitality of the service animal so that it may perform its duties.
Note: This chart provides a summary of eligible health and medical care expenses only. In all cases, the PHA will consider whether health and medical expenses care expenses claimed by the family are eligible under HUD's definition.	

Families That Qualify for Both Health and Medical and Disability Assistance Expenses

PHA Policy

This policy applies only to families in which the head, spouse, or cohead is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either a health and medical care or disability assistance expenses, the PHA will consider them health and medical care expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

6-III.E. DISABILITY ASSISTANCE EXPENSES DEDUCTION [24 CFR 5.603(b) and 24 CFR 5.611(a)(3)(ii)]

Unreimbursed reasonable expenses for attendant care and auxiliary apparatus for each member of the family who is a person with disabilities may be deducted if they: (1) are necessary to enable a family member 18 years or older to work, (2) are not paid to a family member or reimbursed by an outside source, (3) in combination with any medical expenses, exceed ten percent of annual income, and (4) do not exceed the earned income received by the family member who is enabled to work.

Earned Income Limit on the Disability Assistance Expense Deduction

A family can qualify for the disability assistance expense deduction only if at least one family member (who may be the person with disabilities) is enabled to work [24 CFR 5.603(b)].

The disability expense deduction is capped by the amount of "earned income received by family members who are 18 years of age or older and who are able to work" because of the expense [24 CFR 5.611(a)(3)(ii)]. The earned income used for this purpose is the amount verified before any earned income disallowances or income exclusions are applied.

PHA Policy

The family must identify the family members enabled to work as a result of the disability assistance expenses. In evaluating the family's request, the PHA will consider factors such as how the work schedule of the relevant family members relates to the hours of care provided, the time required for transportation, the relationship of the family members to the person with disabilities, and any special needs of the person with disabilities that might determine which family members are enabled to work.

When the PHA determines that the disability assistance expenses enable more than one family member to work, the expenses will be capped by the sum of the family members' incomes.

Eligible Auxiliary Apparatus [Notice PIH 2023-27]

Auxiliary apparatus items may include expenses for wheelchairs, ramps, adaptations to vehicles, guide dogs, assistance animals, or special equipment to enable a person who is blind or has low vision to read or type or special equipment to assist a person who is deaf or hard of hearing.

Eligible Attendant Care [Notice PIH 2023-27]

Examples of attendant care expenses can include teaching a person with disabilities how to perform day-to-day tasks independently like cleaning, bathing, doing laundry, and cooking. Attendant care can be 24-hour care, or care during sporadic periods throughout the day. The family determines the type of attendant care that is appropriate for the person with disabilities.

PHA Policy

Attendant care expenses will be included for the period that the person enabled to work is employed plus reasonable transportation time. The cost of general housekeeping and personal services is not an eligible attendant care expense. However, if the person enabled to work is the person with disabilities, personal services necessary to enable the person with disabilities to work are eligible.

If the care attendant also provides other services to the family, the PHA will prorate the cost and allow only that portion of the expenses attributable to attendant care that enables a family member to work. For example, if the care provider also cares for a child who is not the person with disabilities, the cost of care must be prorated. Unless otherwise specified by the care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

Payments to Family Members

No disability assistance expenses may be deducted for payments to a member of an assisted family [24 CFR 5.603(b)]. However, expenses paid to a relative who is not a member of the assisted family may be deducted if they are not reimbursed by an outside source.

Necessary and Reasonable Expenses

The family determines the type of care or auxiliary apparatus to be provided and must describe how the expenses enable a family member to work. The family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source.

PHA Policy

The PHA determines the reasonableness of the expenses based on typical costs of care or apparatus in the locality. To establish typical costs, the PHA will collect information from organizations that provide services and support to persons with disabilities. A family may present, and the PHA will consider, the family's justification for costs that exceed typical costs in the area.

Families That Qualify for Both Health and Medical and Disability Assistance Expenses

PHA Policy

This policy applies only to families in which the head or spouse is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either health and medical care or disability assistance expenses, the PHA will consider them health and medical care expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

6-III.F. CHILDCARE EXPENSE DEDUCTION

HUD defines *childcare expenses* at 24 CFR 5.603(b) as "amounts anticipated to be paid by the family for the care of children under 13 years of age (age 12 and younger) (including foster children) during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for childcare. In the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income."

Clarifying the Meaning of *Child* for This Deduction

Childcare expenses do not include child support payments made to another on behalf of a minor who is not living in an assisted family's household [VG, p. 26]. However, childcare expenses for foster children that are living in the assisted family's household are included when determining the family's childcare expenses [HCV GB, p. 5-29].

Qualifying for the Deduction

Determining Who Is Enabled to Pursue an Eligible Activity

PHA Policy

The family must identify the family member(s) enabled to pursue an eligible activity. The term *eligible activity* in this section means any of the activities that may make the family eligible for a childcare deduction (seeking work, pursuing an education, or being gainfully employed).

In evaluating the family's request, the PHA will consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

Seeking Work

PHA Policy

If the childcare expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member's efforts to obtain employment at each reexamination. The deduction may be reduced or denied if the family member's job search efforts are not commensurate with the childcare expense being allowed by the PHA.

Furthering Education

PHA Policy

If the childcare expense being claimed is to enable a family member to further their education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the childcare claimed.

Being Gainfully Employed

PHA Policy

If the childcare expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member's employment during the time that childcare is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.

Earned Income Limit on Childcare Expense Deduction

When a family member looks for work or furthers their education, there is no cap on the amount that may be deducted for childcare – although the care must still be necessary and reasonable. However, when childcare enables a family member to work, the deduction is capped by "the amount of employment income that is included in annual income" [24 CFR 5.603(b)].

The earned income used for this purpose is the amount of earned income verified after any earned income disallowances or income exclusions are applied.

The PHA must not limit the deduction to the least expensive type of childcare. If the care allows the family to pursue more than one eligible activity, including work, the cap is calculated in proportion to the amount of time spent working [HCV GB, p. 5-30].

PHA Policy

When the childcare expense being claimed is to enable a family member to work, only one family member's income will be considered for a given period of time. When more than one family member works during a given period, the PHA generally will limit allowable childcare expenses to the earned income of the lowest-paid member. The family may provide information that supports a request to designate another family member as the person enabled to work.

Eligible Childcare Expenses

The type of care to be provided is determined by the assisted family. The PHA may not refuse to give a family the childcare expense deduction because there is an adult family member in the household that may be available to provide childcare [VG, p. 26].

Allowable Childcare Activities

PHA Policy

For school-age children, costs attributable to public or private school activities during standard school hours are not considered. Expenses incurred for supervised activities after school or during school holidays (e.g., summer day camp, after-school sports league) are allowable forms of childcare.

The costs of general housekeeping and personal services are not eligible. Likewise, childcare expenses paid to a family member who lives in the family's unit are not eligible; however, payments for childcare to relatives who do not live in the unit are eligible.

If a childcare provider also renders other services to a family or childcare is used to enable a family member to conduct activities that are not eligible for consideration, the PHA will prorate the costs and allow only that portion of the expenses that is attributable to childcare for eligible activities. For example, if the care provider also cares for a child with disabilities who is 13 or older, the cost of care will be prorated. Unless otherwise specified by the childcare provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

Necessary and Reasonable Costs

Childcare expenses will be considered necessary if: (1) a family adequately explains how the care enables a family member to work, actively seek employment, or further their education, and (2) the family certifies, and the childcare provider verifies, that the expenses are not paid or reimbursed by any other source.

PHA Policy

Childcare expenses will be considered for the time required for the eligible activity plus reasonable transportation time. For childcare that enables a family member to go to school, the time allowed may include not more than one study hour for each hour spent in class.

To establish the reasonableness of childcare costs, the PHA will use the schedule of childcare costs from a qualified local entity that either subsidizes childcare costs or licenses childcare providers. Families may present, and the PHA will consider, justification for costs that exceed typical costs in the area.

6-III.G. HARDSHIP EXEMPTIONS [24 CFR 5.611(c), (d), and (e)]

Health and Medical Care and Disability Assistance Expenses [24 CFR 5.611(c); Notice PIH 2023-27]

The regulations provide for two types of hardship exemption categories for families that qualify for unreimbursed health and medical care expenses and/or disability assistance expenses. A family will benefit from this hardship exemption only if the family has eligible expenses that can be deducted in excess of five percent of annual income. In order to claim unreimbursed health and medical care expenses, the family must have a head, cohead, or spouse that is elderly or a person with a disability. In order to claim unreimbursed reasonable attendant care and auxiliary apparatus expenses, the family must include a person with a disability, and the expenses must enable any member of the family (including the member who is a person with a disability) to be employed.

Families may be eligible for relief under one of two categories; phased-in relief or general relief, as defined below.

Phased-In Relief

The first category is applicable to all families who received a deduction for unreimbursed health and medical care and/or reasonable attendant care or auxiliary apparatus expenses based on their most recent income review prior to January 1, 2024. The family must receive phased-in relief if they are determined to be eligible. These families will begin receiving a 24-month phased-in relief at their next annual or interim reexamination, whichever occurs first, after the date on which the PHA implements phased-in relief.

For these families, the threshold amount is phased-in as follows:

- The family is eligible for a deduction totaling the sum of expenses that exceeds 5 percent of annual income for the first 12 months.
- At the conclusion of 12 months, the family is eligible for a deduction totaling the sum of their expenses that exceed 7.5 percent of annual income for another 12 months.
- At the conclusion of 24 months, the standard threshold amount of 10 percent would be used, unless the family qualifies for relief under the general hardship relief category.

When an eligible family's phased-in relief begins at an interim reexamination, the PHA must process another transaction (either an interim reexamination or non-interim transaction, as applicable) one year later to move the family to the next phase.

Prior to the end of the 24-month period, the family may request a hardship exemption under the second category as described below. If the family is found eligible under the second category, the hardship exemption under the first category ends, and the family's hardship is administered in accordance with the requirements listed below. Once a family requests general relief, the family may no longer receive phased-in relief.

PHAs must track the 24-month phase-period for each eligible family, even if a family's expenses go below the appropriate phase-in percentage, during the first or second 12-month phase-in period. The phase-in must continue for families who move to another housing unit at the same PHA. When the family is treated as a new admission under a different property/program (e.g., the family moves from public housing to the HCV program), unless the PHA has a written policy to continue the phased-in relief upon admission, the family's expense deduction will be calculated using the 10-percent threshold unless request for general relief is approved by the PHA. When a family moves with continued assistance or ports to a new PHA, the family must continue to receive the phased-in relief. The family must receive the remaining calendar months of the percentage phase-in. The PHA must use the existing phase-in documentation to determine the remaining calendar months and the percentage phase-in.

PHA Policy

The PHA will not continue the phased-in relief for families who move from public housing to HCV. These families will be treated as new admissions and the sum of expenses that exceeds 10 percent of annual income will be used to calculate their adjusted income.

General Relief

The second category is for families that can demonstrate:

- Their health and medical and/or disability assistance expenses increased (other than the transition to the higher threshold); or
- The family's financial hardship is a result of a change in circumstances (as defined in PHA policy) that would not otherwise trigger an interim reexamination.

The family may request a hardship exemption under the second category regardless of whether the family previously received the health and medical and/or disability assistance deductions or are currently or were previously receiving relief under the phased-in relief category above. HUD requires that PHAs develop policies defining what constitutes a hardship for purposes of this exemption.

The PHA must obtain third-party verification of the hardship or must document in the file the reason third-party verification was not available. PHAs must attempt to obtain third-party verification prior to the end of the 90-day hardship exemption period.

PHA Policy

To qualify for a hardship exemption, a family must submit a request in writing. The request must show that the family's health and medical and/or disability assistance expenses have increased (other than the transition to the higher threshold) and that the family's financial hardship is a result of a change in circumstances. The PHA defines *a change in circumstances* as a decrease in income or increase in other expenses that has resulted in the family's financial hardship but does not, on its own, trigger an interim reexamination in accordance with PHA policies.

Examples of circumstances constituting a financial hardship may include the following situations:

The family is awaiting an eligibility determination for a federal, state, or local assistance program, such as a determination for unemployment compensation or disability benefits;

The family's income decreased because of a loss of employment, death of a family member, or due to a natural or federal/state declared disaster; or

Other circumstances as determined by the PHA.

The family must provide third-party verification of the hardship with the request. If third-party verification is not available, the PHA will document the file with the reason and will attempt to obtain third-party verification prior to the end of the 90-day hardship exemption period.

The PHA must promptly notify the family in writing of the change in the determination of adjusted income and the family's rent resulting from hardship exemptions. The notice must inform the family of when the hardship exemption will begin and expire [24 CFR 5.611(e)(2)].

PHA Policy

The PHA will make a determination of whether the family qualifies within 30 calendar days and will notify the family in writing of the result within 10 business days of the determination.

If the PHA denies the hardship exemption request, the PHA notice will also state that if the family does not agree with the PHA determination, the family may request a hearing.

If the family qualifies for an exemption, the PHA will include the date the hardship exemption will begin and the date it will expire as well as information on how to request a 90-day extension based on family circumstances.

If the family qualifies, the family will receive a deduction for the sum of eligible expenses that exceed five percent of annual income.

The family's hardship relief ends when the circumstances that made the family eligible for the relief are no longer applicable or after 90 days, whichever is earlier. However, the PHA may, at its discretion, extend the relief for one or more additional 90-day periods while the family's hardship condition continues. PHAs are not limited to a maximum number of 90-day extensions.

PHAs must establish written policies regarding the types of circumstances that will allow a family to qualify for a financial hardship and when such deductions may be eligible for additional 90-day extensions. PHAs must develop policies requiring families to report if the circumstances that made the family eligible for the hardship exemption are no longer applicable.

PHA Policy

The family may request an extension either orally or in writing prior to the end of the hardship exemption period. The PHA will extend relief for an additional 90-days if the family demonstrates to the PHA's satisfaction that the family continues to qualify for the hardship exemption based on circumstances described above. The PHA will require updated verification based on the family's current circumstances. Additional extension(s) may be granted on a case-by-case basis provided the family continues to request extensions prior to the end of each hardship exemption period. Families must report if the circumstances that made the family eligible for the hardship exemption are no longer applicable. At any time, the PHA may terminate the hardship exemption if the PHA determines that the family no longer qualifies for the exemption.

Childcare Expense Hardship Exemption [24 CFR 5.611(d) and Notice PIH 2023-27]

A family whose eligibility for the childcare expense deduction is ending may request a financial hardship exemption to continue receiving the deduction. If the family demonstrates to the PHA's satisfaction that the family is unable to pay their rent because of the loss of the childcare expense deduction, and that the childcare expense is still necessary even though the family member is not working, looking for work, or seeking to further their education, the PHA must recalculate the family's adjusted income and continue the childcare deduction.

The PHA must develop a policy to define what constitutes a hardship, which includes the family's inability to pay rent. The PHA must obtain third-party verification of the hardship or must document in the file the reason third-party verification was not available. PHAs must attempt to obtain third-party verification prior to the end of the 90-day hardship exemption period.

PHA Policy

For a family to qualify, they must demonstrate that their inability to pay rent would be as a result of the loss of this deduction. The PHA defines this hardship as a potential decrease in income or increase in other expenses that would result from the loss of the childcare expense and such loss would impact the family's ability to pay their rent.

Some factors to consider when determining if the family is unable to pay rent may include determining that the rent, utility payment, and applicable expenses (childcare expenses or health and medical expenses) are more than 40 percent of the family's adjusted income, or verifying whether the family has experienced unanticipated expenses, such as large medical bills, that have affected their ability to pay their rent.

The family must also demonstrate that the childcare expense is still necessary even though the family member is no longer employed or furthering their education. The PHA will consider qualification under this criterion on a case-by case basis (for example, if the family member who was employed has left their job in order to provide uncompensated care to an elderly friend or family member who is severely ill and lives across town).

The family must provide third-party verification of the hardship with the request. If third-party verification is not available, the PHA will document the file with the reason and will attempt to obtain third-party verification prior to the end of the 90-day hardship exemption period.

The PHA must promptly notify the family in writing of the change in the determination of adjusted income and the family's rent resulting from hardship exemptions.

If the PHA denies the request, the notice must specifically state the reason for the denial. PHAs must provide families 30 days' notice of any increase in rent.

If the PHA approves the request, the notice must inform the family of when the hardship exemption will begin and expire [24 CFR 5.611(e)(2)]. The notice must also state the requirement for the family to report to the PHA if the circumstances that made the family eligible for relief are no longer applicable and that the family's adjusted income and tenant rent will be recalculated upon expiration of the hardship exemption [Notice PIH 2023-27].

PHA Policy

The PHA will make a determination of whether the family qualifies within 30 calendar days and will notify the family in writing of the result within 10 business days of the determination.

If the PHA denies the hardship exemption request, the PHA notice will also state that if the family does not agree with the PHA determination, the family may request an informal hearing.

If the family qualifies for an exemption, the PHA will include all required information listed above as well as information on how to request a 90-day extension based on family circumstances.

If the family qualifies, the hardship exemption and the resulting alternative adjusted income calculation must remain in place for a period of up to 90 days.

The PHA may, at its discretion, extend the hardship exemptions for additional 90-day periods based on family circumstances and as stated in PHA policies. PHAs are not limited to a maximum number of 90-day extensions. PHAs must develop policies requiring families to report if the circumstances that made the family eligible for the hardship exemption are no longer applicable.

PHAs must promptly notify families in writing if they are denied either an initial hardship exemption or an additional 90-day extension of the exemption. If the PHA denies the request, the notice must specifically state the reason for the denial.

PHAs must notify the family if the hardship exemption is no longer necessary and the hardship exemption will be terminated because the circumstances that made the family eligible for the exemption are no longer applicable. The notice must state the termination date and provide 30 days' notice of rent increase, if applicable.

PHA Policy

The family may request an extension either orally or in writing prior to the end of the hardship exemption period. The PHA will extend relief for an additional 90-days if the family demonstrates to the PHA's satisfaction that the family continues to qualify for the hardship exemption. The PHA will require updated verification based on the family's current circumstances. Additional extensions may be granted on a case-by-case basis provided the family continues to request extensions prior to the end of each hardship exemption period. Families must report if the circumstances that made the family eligible for the hardship exemption are no longer applicable. At any time, the PHA may terminate the hardship exemption if the PHA determines that the family no longer qualifies for the exemption.

6-III.H. PERMISSIVE DEDUCTIONS [24 CFR 5.611(b)(1)(ii)]

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

A PHA that adopts such deductions must have sufficient funding to cover the increased housing assistance payment cost of the deductions. A PHA will not be eligible for an increase in HCV renewal funding for subsidy costs resulting from such deductions.

PHA Policy

The PHA has opted not to use permissive deductions.

PART IV: CALCULATING FAMILY SHARE AND PHA SUBSIDY

6-IV.A. OVERVIEW OF RENT AND SUBSIDY CALCULATIONS

TTP Formula [24 CFR 5.628]

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

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

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

The amount that a family pays for rent and utilities (the family share) will never be less than the family's TTP but may be greater than the TTP depending on the rent charged for the unit the family selects.

Welfare Rent [24 CFR 5.628]

PHA Policy

Welfare rent does not apply in this locality.

Minimum Rent [24 CFR 5.630]

PHA Policy

The minimum rent for this locality is $50.

Family Share [24 CFR 982.305(a)(5)]

If a family chooses a unit with a gross rent (rent to owner plus an allowance for tenant-paid utilities) that exceeds the PHA's applicable payment standard: (1) the family will pay more than the TTP, and (2) at initial occupancy the PHA may not approve the tenancy if it would require the family share to exceed 40 percent of the family's monthly adjusted income. (For a discussion of the application of payment standards, see section 6-IV.C.)

PHA Subsidy [24 CFR 982.505(b)]

The PHA will pay a monthly housing assistance payment (HAP) for a family that is equal to the lower of (1) the applicable payment standard for the family minus the family's TTP or (2) the gross rent for the family's unit minus the TTP. (For a discussion of the application of payment standards, see section 6-IV.C.)

Utility Reimbursement [24 CFR 982.514(b); 982.514(c)]

When the PHA subsidy for a family exceeds the rent to owner, the family is due a utility reimbursement. HUD permits the PHA to pay the reimbursement to the family or directly to the utility provider.

PHA Policy

The PHA will make utility reimbursements to the family.

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

PHA Policy

The PHA will issue all utility reimbursements monthly by Electronic Fund Transfers.

6-IV.B. FINANCIAL HARDSHIPS AFFECTING MINIMUM RENT [24 CFR 5.630]

PHA Policy

The financial hardship rules described below apply in this jurisdiction because the PHA has established a minimum rent of $50.

Overview

If the PHA establishes a minimum rent greater than zero, the PHA must grant an exemption from the minimum rent if a family is unable to pay the minimum rent because of financial hardship.

The financial hardship exemption applies only to families required to pay the minimum rent. If a family's TTP is higher than the minimum rent, the family is not eligible for a hardship exemption. If the PHA determines that a hardship exists, the family share is the highest of the remaining components of the family's calculated TTP.

HUD-Defined Financial Hardship

Financial hardship includes the following situations:

(1) The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program. This includes a family member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.

PHA Policy

A hardship will be considered to exist only if the loss of eligibility has an impact on the family's ability to pay the minimum rent.

For a family waiting for a determination of eligibility, the hardship period will end as of the first of the month following: (1) implementation of assistance, if approved, or (2) the decision to deny assistance. A family whose request for assistance is denied may request a hardship exemption based upon one of the other allowable hardship circumstances.

(2) The family would be evicted because it is unable to pay the minimum rent.

PHA Policy

For a family to qualify under this provision, the cause of the potential eviction must be the family's failure to pay rent to the owner or tenant-paid utilities.

(3) Family income has decreased because of changed family circumstances, including the loss of employment.

(4) A death has occurred in the family.

PHA Policy

In order to qualify under this provision, a family must describe how the death has created a financial hardship (e.g., because of funeral-related expenses or the loss of the family member's income).

(5) The family has experienced other circumstances determined by the PHA.

PHA Policy

The PHA has not established any additional hardship criteria.

Implementation of Hardship Exemption

Determination of Hardship

When a family requests a financial hardship exemption, the PHA must suspend the minimum rent requirement beginning the first of the month following the family's request.

The PHA then determines whether the financial hardship exists and whether the hardship is temporary or long-term.

PHA Policy

The PHA defines temporary hardship as a hardship expected to last 90 days or less. Long-term hardship is defined as a hardship expected to last more than 90 days.

When the minimum rent is suspended, the family share reverts to the highest of the remaining components of the calculated TTP. The example below demonstrates the effect of the minimum rent exemption.

Example: Impact of Minimum Rent Exemption Assume the PHA has established a minimum rent of $50.	
Family Share – No Hardship	**Family Share – With Hardship**
$0 30% of monthly adjusted income	$0 30% of monthly adjusted income
$15 10% of monthly gross income	$15 10% of monthly gross income
N/A Welfare rent	N/A Welfare rent
$50 Minimum rent	$50 Minimum rent
Minimum rent applies. TTP = $50	Hardship exemption granted. TTP = $15

PHA Policy

To qualify for a hardship exemption, a family must submit a request for a hardship exemption in writing. The request must explain the nature of the hardship and how the hardship has affected the family's ability to pay the minimum rent.

The PHA will make the determination of hardship within 30 calendar days.

No Financial Hardship

If the PHA determines there is no financial hardship, the PHA will reinstate the minimum rent and require the family to repay the amounts suspended.

PHA Policy

The PHA will require the family to repay the suspended amount within 30 calendar days of the PHA's notice that a hardship exemption has not been granted.

Temporary Hardship

If the PHA determines that a qualifying financial hardship is temporary, the PHA must suspend the minimum rent for the 90-day period beginning the first of the month following the date of the family's request for a hardship exemption.

At the end of the 90-day suspension period, the family must resume payment of the minimum rent and must repay the PHA the amounts suspended. HUD requires the PHA to offer a reasonable repayment agreement, on terms and conditions established by the PHA. The PHA also may determine that circumstances have changed and the hardship is now a long-term hardship.

PHA Policy

The PHA will enter into a repayment agreement in accordance with the procedures found in Chapter 16 of this plan.

Long-Term Hardship

If the PHA determines that the financial hardship is long-term, the PHA must exempt the family from the minimum rent requirement for so long as the hardship continues. The exemption will apply from the first of the month following the family's request until the end of the qualifying hardship. When the financial hardship has been determined to be long-term, the family is not required to repay the minimum rent.

PHA Policy

The hardship period ends when any of the following circumstances apply:

(1) At an interim or annual reexamination, the family's calculated TTP is greater than the minimum rent.

(2) For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received that are at least equal to the amount lost. For example, if a hardship is approved because a family no longer receives a $60/month child support payment, the hardship will continue to exist until the family receives at least $60/month in income from another source or once again begins to receive the child support.

(3) For hardship conditions based upon hardship-related expenses, the minimum rent exemption will continue to be recognized until the cumulative amount exempted is equal to the expense incurred.

6-IV.C. APPLYING PAYMENT STANDARDS [24 CFR 982.505(c) and Notice PIH 2024-34]

Overview

The PHA's schedule of payment standards is used to calculate housing assistance payments for HCV families. This section covers the application of the PHA's payment standards. The establishment and revision of the PHA's payment standard schedule are covered in Chapter 16.

Payment standard is defined as "the maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family)" [24 CFR 982.4(b)].

The payment standard for a family is the lower of (1) the payment standard for the family unit size, which is defined as the appropriate number of bedrooms for the family under the PHA's subsidy standards [24 CFR 982.4(b)], or (2) the payment standard for the size of the dwelling unit rented by the family [24 CFR 982.505(c)(1)].

If the PHA has established an exception payment standard for a designated part of a an FMR area in accordance with 24 CFR 982.503 and a family's unit is located in the designated area, the PHA must use the appropriate payment standard for the exception area [24 CFR 982.505(c)(2)].

The PHA is required to pay a monthly housing assistance payment (HAP) for a family that is the lower of (1) the payment standard for the family minus the family's TTP or (2) the gross rent for the family's unit minus the TTP.

If during the term of the HAP contract for a family's unit, the owner lowers the rent, the PHA will recalculate the HAP using the lower of the initial payment standard or the gross rent for the unit [HCV GB, p. 7-8].

Changes in Payment Standards

When the PHA revises its payment standards during the term of the HAP contract for a family's unit, it will apply the new payment standards in accordance with HUD regulations. Regulations governing increases and decreases in the payment standard have changed, with a required compliance date of December 3, 2024.

Decreases [24 CFR 982.505(c)(3) and Notice PIH 2024-34]

For new HAP contracts, the PHA applies the payment standard in effect at the time of HAP contract execution.

The PHA must administer decreases in the payment standard amount for the family in accordance with the PHA policy as described in the administrative plan and apply the policy consistently to all families.

If a PHA changes its payment standard schedule, resulting in a lower payment standard amount, during the term of a HAP contract, the PHA is not required to reduce the payment standard used to calculate subsidy for families under HAP contract as long as the HAP contract remains in effect. The PHA must administer decreases in the payment standard amount for the family in accordance with the PHA policy as described in the administrative plan.

Changes effective 12/2/24 and earlier: If the PHA does choose to reduce the payment standard for families currently under HAP contract, the initial reduction to the payment standard may not be applied any earlier than the effective date of the family's second regular reexamination following the effective date of the decrease in the payment standard amount.

Changes effective 12/3/24 and later: If the PHA does choose to reduce the payment standard for families currently under HAP contract, the initial reduction to the payment standard may not be applied any earlier than two years following the effective date of the decrease in the payment standard and only with proper written notice to the family in accordance with 24 CFR 982.505(c)(3)(iii).

At that point, the PHA may either reduce the payment standard to the current amount in effect on the PHA's payment standard schedule or may reduce the payment standard to another amount that is higher than the normally applicable amount on the schedule. The PHA may also establish different policies for designated areas within their jurisdiction (e.g., different zip code areas). In any case, the PHA must provide the family with at least 12 months' notice that the payment standard is being reduced before the effective date of the change. In the written notice, the PHA must state the new payment standard amount, explain that the family's new payment standard amount will be the greater of the amount listed in the current written notice or the new amount (if any) on the PHA's payment standard schedule at the end of the 12-month period, and make clear where the family will find the PHA's payment standard schedule. The PHA's policy on decreases in the payment standard during the term of the HAP contract apply to all families under HAP contract at the time of the effective date of the decrease in the payment standard within the designated area.

PHA Policy

If a PHA changes its payment standard schedule resulting in a lower payment standard amount, during the term of a HAP contract, the PHA will not reduce the payment standard used to calculate subsidy for families under HAP contract as long as the HAP contract remains in effect.

The PHA will not establish different policies for decreases in the payment standard for designated areas within their jurisdiction.

Increases **[24 CFR 982.505(c)(4) and Notice PIH 2024-34]**

For new HAP contracts, the PHA applies the payment standard in effect at the time of HAP contract execution.

Changes effective 12/2/24 and earlier: If the payment standard is increased during the term of the HAP contract, the increased payment standard will be used to calculate the monthly housing assistance payment for the family beginning on the effective date of the family's first regular reexamination on or after the effective date of the increase in the payment standard.

Families requiring or requesting interim reexaminations will not have their HAP payments calculated using the higher payment standard until their next annual reexamination [HCV GB, p. 7-8].

Changes effective 12/3/24 and later: If the payment standard is increased during the term of the HAP contract, the increased payment standard will be applied no later than the earliest of:

- The effective date of an increase in the gross rent that would result in an increase in the family share;
- The family's first regular or interim reexamination; or
- One year following the effective date of the increase in the payment standard amount.

The PHA may adopt a policy to apply a payment standard increase at any time earlier than the date calculated above as long as the policy is included in the administrative plan and applied consistently to all families [24 CFR 982.505(c)(5)].

PHA Policy

The PHA will not adopt payment standard increases earlier than the date required by the regulations.

Changes in Family Unit Size (Voucher Size) **[24 CFR 982.505(c)(6) and Notice PIH 2024-34]**

Changes effective 12/2/24 and earlier: Irrespective of any increase or decrease in the payment standard, if the family unit size increases or decreases during the HAP contract term, the new family unit size must be used to determine the payment standard for the family beginning at the family's first regular reexamination following the change in family unit size.

Changes effective 12/3/24 and later: Irrespective of any increase or decrease in the payment standard, if the family unit size increases or decreases during the HAP contract term, the new family unit size may be used to determine the payment standard immediately but no later than the family's first regular reexamination following the change in family unit size.

PHA Policy

If the family unit size (voucher size) changes during the term of a HAP contract, the new family unit size will be used to determine the payment standard at the family's first regular reexamination following the change in family unit size.

Moves

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.

Reasonable Accommodation [24 CFR 982.503(d)(5)]

If a family requires a higher payment standard as a reasonable accommodation for a family member who is a person with disabilities, the PHA is allowed to establish a higher payment standard for the family of not more than 120 percent of the published FMR without HUD approval or prior notification to HUD. A PHA may establish a payment standard greater than 120 percent of the applicable FMR as a reasonable accommodation in accordance with 24 CFR part 8, after requesting and receiving HUD approval. See Chapter 16 for more information.

6-IV.D. APPLYING UTILITY ALLOWANCES [24 CFR 982.517]

Overview

A PHA-established utility allowance schedule is used in determining family share and PHA subsidy. A family's utility allowance is determined by the size of dwelling unit leased by a family or the voucher unit size for which the family qualifies using PHA subsidy standards, whichever is the lowest of the two. See Chapter 5 for information on the PHA's subsidy standards.

For policies on establishing and updating utility allowances, see Chapter 16.

Flat Fees [24 CFR 982.517(b)(2)(iii)]

The PHA may base its utility allowance payments on actual flat fees charged by an owner for utilities that are billed directly by the owner, but only if the flat fee charged by the owner is no greater than the PHA's applicable utility allowance for the utilities covered by the fee. If the owner charges a flat fee for some but not all utilities, the PHA must pay a separate allowance for any tenant-paid utilities not covered in the flat fee.

PHA Policy

The PHA will not base utility allowance payments on flat fees charged by the owner.

PBV Developments [24 CFR 982.517(b)(2)(iv)]

If a tenant-based voucher holder resides in a project with project-based voucher (PBV) units and the PBV units use a site-specific utility allowance in accordance with PBV regulations, the PHA must use the project-specific utility allowance schedule.

Reasonable Accommodation and Individual Relief

On request from a family that includes a person with disabilities, the PHA must approve a utility allowance which is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation to make the program accessible and usable by the family member with a disability [24 CFR 982.517(e)]. (See Chapter 2 for policies regarding the request and approval of reasonable accommodations.)

Further, the PHA may grant requests for individual relief from charges in excess of the utility allowance on reasonable grounds, such as special factors not within control of the resident, as the PHA deems appropriate. The family must request the higher allowance and provide the PHA an explanation of the need for individual relief and an explanation about the amount of additional allowance required [see HCV GB, p. 18-8].

PHAs should develop criteria for granting individual relief, notify residents about the availability of individual relief, and notify participants about the availability of individual relief programs (sometimes referred to as "Medical Baseline discounts") offered by the local utility company.

PHA Policy

The family must request the higher allowance and provide the PHA with information about the amount of additional allowance required.

The PHA will consider the following criteria as valid reasons for granting individual relief:

The family's consumption was mistakenly portrayed as excessive due to defects in the meter or errors in the meter reading.

The excessive consumption is caused by a characteristic of the unit or owner-supplied equipment that is beyond the family's control, such as a particularly inefficient refrigerator or inadequate insulation. The allowance should be adjusted to reflect the higher consumption needs associated with the unit until the situation is remedied. The resident should be granted individual relief until the allowance is adjusted.

The excessive consumption is due to special needs of the family that are beyond their control, such as the need for specialized equipment in the case of a family member who is ill, elderly, or who has a disability.

In determining the amount of the reasonable accommodation or individual relief, the PHA will allow a reasonable measure of additional usage as necessary. To arrive at the amount of additional utility cost of specific equipment, the family may provide information from the manufacturer of the equipment, or the family or PHA may conduct an internet search for an estimate of usage or additional monthly cost.

Information on reasonable accommodation and individual relief for charges in excess of the utility allowance will be provided to all families at admission as part of the information on payment standards and utility allowances in the briefing packet. The PHA will also provide information on utility relief programs or medical discounts (sometimes referred to as "Medical Baseline discounts") that may be available through local utility providers.

At its discretion, the PHA may reevaluate the need for the increased utility allowance at any regular reexamination.

If the excessive consumption is caused by a characteristic of the unit or PHA-supplied equipment that is beyond the family's control, such as a particularly inefficient refrigerator or inadequate insulation, the individual relief to the resident will cease when the situation is remedied.

Utility Allowance Revisions

At reexamination, the PHA must use the current utility allowance schedule [HCV GB, p. 18-8].

PHA Policy

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

6-IV.E. PRORATED ASSISTANCE FOR MIXED FAMILIES [24 CFR 5.520]

HUD regulations prohibit assistance to ineligible family members. A *mixed family* is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible family members. The PHA must prorate the assistance provided to a mixed family. The PHA will first determine assistance as if all family members were eligible and then prorate the assistance based upon the percentage of family members that actually are eligible. For example, if the PHA subsidy for a family is calculated at $500 and two of four family members are ineligible, the PHA subsidy would be reduced to $250.

EXHIBIT 6-1: ANNUAL INCOME FULL DEFINITION

24 CFR 5.609

(a) Annual income includes, with respect to the family:

(1) All amounts, not specifically excluded in paragraph (b) of this section, received from all sources by each member of the family who is 18 years of age or older or is the head of household or spouse of the head of household, plus unearned income by or on behalf of each dependent who is under 18 years of age, and

(2) When the value of net family assets exceeds the HUD-published threshold amount (which amount HUD will adjust annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers) and the actual returns from a given asset cannot be calculated, imputed returns on the asset based on the current passbook savings rate, as determined by HUD.

(b)Annual income does not include the following:

(1) Any imputed return on an asset when net family assets are less than or equal to the HUD-published threshold amount (which amount HUD will adjust annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers) and no actual income from the net family assets can be determined.

(2) The following types of trust distributions:

(i) For an irrevocable trust or a revocable trust outside the control of the family or household excluded from the definition of net family assets under § 5.603(b):

(A) Distributions of the principal or corpus of the trust; and

(B) Distributions of income from the trust when the distributions are used to pay the costs of health and medical care expenses for a minor.

(ii) For a revocable trust under the control of the family or household, any distributions from the trust; except that any actual income earned by the trust, regardless of whether it is distributed, shall be considered income to the family at the time it is received by the trust.

(3) Earned income of children under the 18 years of age.

(4) Payments received for the care of foster children or foster adults, or State or Tribal kinship or guardianship care payments.

(5) Insurance payments and settlements for personal or property losses, including but not limited to payments through health insurance, motor vehicle insurance, and workers' compensation.

(6) Amounts received by the family that are specifically for, or in reimbursement of, the cost of health and medical care expenses for any family member.

(7) Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family becoming disabled.

(8) Income of a live-in aide, foster child, or foster adult as defined in §§ 5.403 and 5.603, respectively.

(9)

(i) Any assistance that section 479B of the Higher Education Act of 1965, as amended (20 U.S.C. 1087uu), requires be excluded from a family's income; and

(ii) Student financial assistance for tuition, books, and supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, and other fees required and charged to a student by an institution of higher education (as defined under Section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002)) and, for a student who is not the head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit.

(A) Student financial assistance, for purposes of this paragraph (9)(ii), means a grant or scholarship received from— (

1) The Federal government;

(2) A State, Tribe, or local government;

(3) A private foundation registered as a nonprofit under 26 U.S.C. 501(c)(3);

(4) A business entity (such as corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation, or nonprofit entity); or

(5) An institution of higher education.

(B) Student financial assistance, for purposes of this paragraph (9)(ii), does not include—

(1) Any assistance that is excluded pursuant to paragraph (b)(9)(i) of this section;

(2) Financial support provided to the student in the form of a fee for services performed (e.g., a work study or teaching fellowship that is not excluded pursuant to paragraph (b)(9)(i) of this section); (

3) Gifts, including gifts from family or friends; or

(4) Any amount of the scholarship or grant that, either by itself or in combination with assistance excluded under this paragraph or paragraph (b)(9)(i), exceeds the actual covered costs of the student. The actual covered costs of the student are the actual costs of tuition, books and supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, or other fees required and charged to a student by the education institution, and, for a student who is not the head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit. This calculation is described further in paragraph (b)(9)(ii)€ of this section.

(C) Student financial assistance, for purposes of this paragraph (b)(9)(ii) must be:

(1) Expressly for tuition, books, room and board, or other fees required and charged to a student by the education institution;

(2) Expressly to assist a student with the costs of higher education; or

(3) Expressly to assist a student who is not the head of household or spouse with the reasonable and actual costs of housing while attending the education institution and not residing in an assisted unit.

(D) Student financial assistance, for purposes of this paragraph (b)(9)(ii), may be paid directly to the student or to the educational institution on the student's behalf. Student financial assistance paid to the student must be verified by the responsible entity as student financial assistance consistent with this paragraph (b)(9)(ii).

(E) When the student is also receiving assistance excluded under paragraph (b)(9)(i) of this section, the amount of student financial assistance under this paragraph (b)(9)(ii) is determined as follows:

(1) If the amount of assistance excluded under paragraph (b)(9)(i) of this section is equal to or exceeds the actual covered costs under paragraph (b)(9)(ii)(B)(4) of this section, none of the assistance described in this paragraph (b)(9)(ii) of this section is considered student financial assistance excluded from income under this paragraph (b)(9)(ii)(E).

(2) If the amount of assistance excluded under paragraph (b)(9)(i) of this section is less than the actual covered costs under paragraph (b)(9)(ii)(B)(4) of this section, the amount of assistance described in paragraph (b)(9)(ii) of this section that is considered student financial assistance excluded under this paragraph is the lower of:

(i) the total amount of student financial assistance received under this paragraph (b)(9)(ii) of this section, or

(ii) the amount by which the actual covered costs under paragraph (b)(9)(ii)(B)(4) of this section exceeds the assistance excluded under paragraph (b)(9)(i) of this section.

(10) Income and distributions from any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986 or any qualified tuition program under section 529 of such Code; and income earned by government contributions to, and distributions from, "baby bond" accounts created, authorized, or funded by Federal, State, or local government.

(11) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.

(12)

(i) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);

(ii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (e.g., special equipment, clothing, transportation, childcare, etc.) and which are made solely to allow participation in a specific program;

(iii) Amounts received under a resident service stipend not to exceed $200 per month. A resident service stipend is a modest amount received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development.

(iv) Incremental earnings and benefits resulting to any family member from participation in training programs funded by HUD or in qualifying Federal, State, Tribal, or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the employment training program unless those amounts are excluded under paragraph (b)(9)(i) of this section.

(13) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.

(14) Earned income of dependent fulltime students in excess of the amount of the deduction for a dependent in § 5.611.

(15) Adoption assistance payments for a child in excess of the amount of the deduction for a dependent in § 5.611.

(16) Deferred periodic amounts from Supplemental Security Income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts.

(17) Payments related to aid and attendance under 38 U.S.C. 1521 to veterans in need of regular aid and attendance.

(18) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit.

(19) Payments made by or authorized by a State Medicaid agency (including through a managed care entity) or other State or Federal agency to a family to enable a family member who has a disability to reside in the family's assisted unit. Authorized payments may include payments to a member of the assisted family through the State Medicaid agency (including through a managed care entity) or other State or Federal agency for caregiving services the family member provides to enable a family member who has a disability to reside in the family's assisted unit.

(20) Loan proceeds (the net amount disbursed by a lender to or on behalf of a borrower, under the terms of a loan agreement) received by the family or a third party (e.g., proceeds received by the family from a private loan to enable attendance at an educational institution or to finance the purchase of a car).

(21) Payments received by Tribal members as a result of claims relating to the mismanagement of assets held in trust by the United States, to the extent such payments are also excluded from gross income under the Internal Revenue Code or other Federal law.

(22) Amounts that HUD is required by Federal statute to exclude from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in paragraph (b) of this section apply. HUD will publish a notice in the Federal Register to identify the benefits that qualify for this exclusion. Updates will be published when necessary.

(23) Replacement housing "gap" payments made in accordance with 49 CFR part 24 that offset increased out of pocket costs of displaced persons that move from one federally subsidized housing unit to another Federally subsidized housing unit. Such replacement housing "gap" payments are not excluded from annual income if the increased cost of rent and utilities is subsequently reduced or eliminated, and the displaced person retains or continues to receive the replacement housing "gap" payments.

(24) Nonrecurring income, which is income that will not be repeated in the coming year based on information provided by the family. Income received as an independent contractor, day laborer, or seasonal worker is not excluded from income under this paragraph, even if the source, date, or amount of the income varies. Nonrecurring income includes:

(i) Payments from the U.S. Census Bureau for employment (relating to decennial census or the American Community Survey) lasting no longer than 180 days and not culminating in permanent employment.

(ii) Direct Federal or State payments intended for economic stimulus or recovery.

(iii) Amounts directly received by the family as a result of State refundable tax credits or State tax refunds at the time they are received.

(iv) Amounts directly received by the family as a result of Federal refundable tax credits and Federal tax refunds at the time they are received.

(v) Gifts for holidays, birthdays, or other significant life events or milestones (e.g., wedding gifts, baby showers, anniversaries).

(vi) Non-monetary, in-kind donations, such as food, clothing, or toiletries, received from a food bank or similar organization.

(vii) Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings.

(25) Civil rights settlements or judgments, including settlements or judgments for back pay.

(26) Income received from any account under a retirement plan recognized as such by the Internal Revenue Service, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-employed individuals; except that any distribution of periodic payments from such accounts shall be income at the time they are received by the family.

(27) Income earned on amounts placed in a family's Family Self Sufficiency Account.

(28) Gross income a family member receives through self-employment or operation of a business; except that the following shall be considered income to a family member:

(i) Net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations; and

(ii) Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.

EXHIBIT 6-2: TREATMENT OF FAMILY ASSETS

24 CFR 5.603(b) Net Family Assets

(1) Net family assets is the net cash value of all assets owned by the family, after deducting reasonable costs that would be incurred in disposing real property, savings, stocks, bonds, and other forms of capital investment.

(2) In determining net family assets, PHAs or owners, as applicable, must include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives consideration not measurable in dollar terms. Negative equity in real property or other investments does not prohibit the owner from selling the property or other investments, so negative equity alone would not justify excluding the property or other investments from family assets.

(3) Excluded from the calculation of net family assets are: (i) The value of necessary items of personal property; (ii) The combined value of all nonnecessary items of personal property if the combined total value does not exceed the HUD-published threshold amount (which amount will be adjusted by HUD in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers); (iii) The value of any account under a retirement plan recognized as such by the Internal Revenue Service, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-employed individuals; (iv) The value of real property that the family does not have the effective legal authority to sell in the jurisdiction in which the property is located; (v) Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a family member being a person with a disability; (vi) The value of any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986, the value of any qualified tuition program under section 529 of such Code, the value of any Achieving a Better Life Experience (ABLE) account authorized under Section 529A of such Code, and the value of any "baby bond" account created, authorized, or funded by Federal, State, or local government. (vii) Interests in Indian trust land; (viii) Equity in a manufactured home where the family receives assistance under 24 CFR part 982; (ix) Equity in property under the Homeownership Option for which a family receives assistance under 24 CFR part 982; (x) Family Self-Sufficiency Accounts; and (xi) Federal tax refunds or refundable tax credits for a period of 12 months after receipt by the family.

(4) In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the trust fund is not a family asset and the value of the trust is not included in the calculation of net family assets, so long as the fund continues to be held in a trust that is not revocable by, or under the control of, any member of the family or household.

EXHIBIT 6-3: THE EFFECT OF WELFARE BENEFIT REDUCTION

24 CFR 5.615

Public housing program and Section 8 tenant-based assistance program: How welfare benefit reduction affects family income.

(a) *Applicability.* This section applies to covered families who reside in public housing (part 960 of this title) or receive Section 8 tenant-based assistance (part 982 of this title).

(b) *Definitions.* The following definitions apply for purposes of this section:

Covered families. Families who receive welfare assistance or other public assistance benefits ("welfare benefits") from a State or other public agency ("welfare agency") under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance.

Economic self-sufficiency program. See definition at Sec. 5.603.

Imputed welfare income. The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income for purposes of determining rent.

Specified welfare benefit reduction.

(1) A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

(2) "Specified welfare benefit reduction" does not include a reduction or termination of welfare benefits by the welfare agency:

(i) at expiration of a lifetime or other time limit on the payment of welfare benefits;

(ii) because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or

(iii) because a family member has not complied with other welfare agency requirements.

(c) *Imputed welfare income.*

(1) A family's annual income includes the amount of imputed welfare income (because of a specified welfare benefits reduction, as specified in notice to the PHA by the welfare agency), plus the total amount of other annual income as determined in accordance with Sec. 5.609.

(2) At the request of the PHA, the welfare agency will inform the PHA in writing of the amount and term of any specified welfare benefit reduction for a family member, and the reason for such reduction, and will also inform the PHA of any subsequent changes in the term or amount of such specified welfare benefit reduction. The PHA will use this information to determine the amount of imputed welfare income for a family.

(3) A family's annual income includes imputed welfare income in family annual income, as determined at the PHA's interim or regular reexamination of family income and composition, during the term of the welfare benefits reduction (as specified in information provided to the PHA by the welfare agency).

(4) The amount of the imputed welfare income is offset by the amount of additional income a family receives that commences after the time the sanction was imposed. When such additional income from other sources is at least equal to the imputed

(5) The PHA may not include imputed welfare income in annual income if the family was not an assisted resident at the time of sanction.

(d) *Review of PHA decision.*

(1) Public housing. If a public housing tenant claims that the PHA has not correctly calculated the amount of imputed welfare income in accordance with HUD requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the tenant written notice of such denial, with a brief explanation of the basis for the PHA determination of the amount of imputed welfare income. The PHA notice shall also state that if the tenant does not agree with the PHA determination, the tenant may request a grievance hearing in accordance with part 966, subpart B of this title to review the PHA determination. The tenant is not required to pay an escrow deposit pursuant to Sec. 966.55(e) for the portion of tenant rent attributable to the imputed welfare income in order to obtain a grievance hearing on the PHA determination.

(2) Section 8 participant. A participant in the Section 8 tenant-based assistance program may request an informal hearing, in accordance with Sec. 982.555 of this title, to review the PHA determination of the amount of imputed welfare income that must be included in the family's annual income in accordance with this section. If the family claims that such amount is not correctly calculated in accordance with HUD requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the family written notice of such denial, with a brief explanation of the basis for the PHA determination of the amount of imputed welfare income. Such notice shall also state that if the family does not agree with the PHA determination, the family may request an informal hearing on the determination under the PHA hearing procedure.

(e) *PHA relation with welfare agency.*

(1) The PHA must ask welfare agencies to inform the PHA of any specified welfare benefits reduction for a family member, the reason for such reduction, the term of any such reduction, and any subsequent welfare agency determination affecting the amount or term of a specified welfare benefits reduction. If the welfare agency determines a specified welfare benefits reduction for a family member, and gives the PHA written notice of such reduction, the family's annual incomes shall include the imputed welfare income because of the specified welfare benefits reduction.

(2) The PHA is responsible for determining the amount of imputed welfare income that is included in the family's annual income as a result of a specified welfare benefits reduction as determined by the welfare agency, and specified in the notice by the welfare agency to the PHA. However, the PHA is not responsible for determining whether a reduction of welfare benefits by the welfare agency was correctly determined by the welfare agency in accordance with welfare program requirements and procedures, nor for providing the opportunity for review or hearing on such welfare agency determinations.

(3) Such welfare agency determinations are the responsibility of the welfare agency, and the family may seek appeal of such determinations through the welfare agency's normal due process procedures. The PHA shall be entitled to rely on the welfare agency notice to the PHA of the welfare agency's determination of a specified welfare benefits reduction.

Chapter 7

VERIFICATION UNDER HOTMA 102/104

[24 CFR 982.516, 24 CFR 982.551, 24 CFR 5.230, Notice PIH 2023-27]

INTRODUCTION

This chapter is applicable upon the PHA's HOTMA 102/104 compliance date. Prior to this date, the PHA will follow policies as outlined in Chapter 7.A. of the model policy.

The PHA must verify all information that is used to establish the family's eligibility and level of assistance and is required to obtain written authorization from the family in order to collect the information. Applicants and program participants must cooperate with the verification process as a condition of receiving assistance. The PHA must not pass on the cost of verification to the family.

The PHA must follow the verification guidance provided by HUD in Notice PIH 2023-27 and any subsequent guidance issued by HUD. This chapter summarizes those requirements and provides supplementary PHA policies.

Part I describes the general verification process. Part II provides more detailed requirements related to family information. Part III provides information on income and assets, and Part IV covers mandatory deductions.

Verification policies, rules and procedures will be modified as needed to accommodate persons with disabilities. All information obtained through the verification process will be handled in accordance with the records management policies of the PHA.

PART I: GENERAL VERIFICATION REQUIREMENTS

7-I.A. FAMILY CONSENT TO RELEASE OF INFORMATION [24 CFR 982.516; 24 CFR 982.551; 24 CFR 5.230; and Notice PIH 2023-27]

Consent Forms

The family must supply any information that the PHA or HUD determines is necessary to the administration of the program and must consent to PHA verification of that information [24 CFR 982.551]. All adult family members must sign consent forms as needed to collect information relevant to the family's eligibility and level of assistance. While PHAs must use form HUD-9886-A, this form does not release all the information necessary to the administration of the program. The PHA must also develop its own release forms to cover all other necessary information.

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Form HUD-9886-A [24 CFR 5.230(b)(1), (b)(2), (c)(4), and (c)(5); and Notice PIH 2023-27]

All adult applicants and participants sign form HUD-9886-A, Authorization for Release of Information. All adult family members (and the head and spouse/cohead, regardless of age) are required to sign the Form HUD-9886-A at admission. Participants, prior to January 1, 2024, signed and submitted Form HUD-9886 at each annual reexamination. HOTMA eliminated this requirement and instead required that the Form HUD-9886-A be signed only once. On or after January 1, 2024 (regardless of the PHA's HOTMA compliance date), current program participants must sign and submit a new Form HUD-9886-A at their next interim or annual reexamination. This form will only be signed once. Another Form HUD-9886-A will not be submitted to the PHA except under the following circumstances:

- When any person 18 years or older becomes a member of the family;
- When a current member of the family turns 18; or
- As required by HUD or the PHA in administrative instructions.

The PHA has the discretion to establish policies around when family members must sign consent forms when they turn 18. PHAs must establish these policies stating when family members will be required to sign consent forms at intervals other than at reexamination.

PHA Policy

Family members turning 18 years of age between annual recertifications will be notified in writing that they are required to sign the required Consent to the Release of Information Form HUD-9886-A within 10 business days of turning 18 years of age.

The purpose of form HUD-9886-A is to facilitate automated data collection and computer matching from specific sources and provides the family's consent only for the specific purposes listed on the form. HUD and the PHA may collect information from State Wage Information Collection Agencies (SWICAs) and current and former employers of adult family members. Only HUD is authorized to collect information directly from the Internal Revenue Service (IRS) and the Social Security Administration (SSA).

The PHA may obtain any financial record from any financial institution, as the terms financial record and financial institution are defined in the Right to Financial Privacy Act (12 U.S.C. 3401), whenever the PHA determines the record is needed to determine an applicant's or participant's eligibility for assistance or level of benefits [24 CFR 5.230(c)(4)].

The executed form will remain effective until the family is denied assistance, assistance is terminated, or the family provides written notification to the PHA to revoke consent.

Penalties for Failing to Consent [24 CFR 5.232]

If any family member who is required to sign a consent form fails to do so, the PHA must deny admission to applicants and terminate assistance of participants. The family may request an informal review (applicants) or informal hearing (participants) in accordance with PHA procedures.

However, this does not apply if the applicant, participant, or any member of their family, revokes their consent with respect to the ability of the PHA to access financial records from financial institutions, unless the PHA establishes a policy that revocation of consent to access financial records will result in denial of admission or termination of assistance [24 CFR 5.232(c)]. PHAs may not process interim or annual reexaminations of income without the family's executed consent forms.

PHA Policy

The PHA has established a policy that revocation of consent to access financial records will result in denial of admission or termination of assistance in accordance with PHA policy.

In order for a family to revoke their consent, the family must provide written notice to the PHA.

Within 10 business days of the date the family provides written notice, the PHA will send the family a notice acknowledging receipt of the request and explaining that revocation of consent will result in denial or termination of assistance, as applicable. At the same time, the PHA will notify their local HUD office.

7-I.B. USE OF OTHER PROGRAMS' INCOME DETERMINATIONS [24 CFR 5.609(c)(3) and Notice PIH 2023-27]

PHAs may, but are not required to, determine a family's annual income, including income from assets, prior to the application of any deductions, based on income determinations made within the previous 12-month period, using income determinations from means-tested federal public assistance programs. PHAs are not required to accept or use determinations of income from other federal means-tested forms of assistance. If the PHA adopts a policy to accept this type of verification, the PHA must establish in policy when they will accept Safe Harbor income determinations and from which programs. PHAs must also create policies that outline the course of action when families present multiple verifications from the same or different acceptable Safe Harbor programs.

Means-tested federal public assistance programs include:

- Temporary Assistance for Needy Families (TANF) (42 U.S.C. 601, et seq.);
- Medicaid (42 U.S.C. 1396 et seq.);
- Supplemental Nutrition Assistance Program (SNAP) (42 U.S.C. 2011 et seq.);
- Earned Income Tax Credit (EITC) (26 U.S.C. 32);
- Low-Income Housing Tax Credit (LIHTC) program (26 U.S.C. 42);
- Special Supplemental Nutrition Program for Woman, Infants, and Children (WIC) (42 U.S.C. 1786);
- Supplemental Security Income (SSI) (42 U.S.C. 1381 et seq.);
- Other programs administered by the HUD Secretary;
- Other means-tested forms of federal public assistance for which HUD has established a memorandum of understanding; and
- Other federal benefit determinations made in other forms of means-tested federal public assistance that the Secretary determines to have comparable reliability and announces through the *Federal Register*.

If the PHA elects to use the annual income determination from one of the above-listed forms of means-tested federal public assistance, then they must obtain the income information by means of a third-party verification. The third-party verification must state the family size, must be for the entire family, and must state the amount of the family's annual income. The annual income need not be broken down by family member or income type. Annual income includes income earned from assets, therefore when using Safe Harbor to verify a family's income, PHAs will neither further inquire about a family's net family assets, nor about the income earned from those assets, except with respect to whether or not the family owns assets that exceed the asset limitation in 24 CFR 5.618. The Safe Harbor documentation will be considered acceptable if any of the following dates fall into the 12-month period prior to the receipt of the documentation by the PHA:

- Income determination effective date;
- Program administrator's signature date;
- Family's signature date;
- Report effective date; or
- Other report-specific dates that verify the income determination date.

The only information that PHAs are permitted to use to determine income under this method is the total income determination made by the federal means-tested program administrator. Other federal programs may provide additional information about income inclusions and exclusions in their award letters; however, these determinations and any other information must not be considered by the PHA. PHAs are not permitted to mix and match Safe Harbor income determinations and other income verifications.

If the PHA is unable to obtain Safe Harbor documentation or if the family disputes the other program's income determination, the PHA must calculate the family's annual income using traditional methods as outlined in Notice PIH 2023-27 and this chapter.

If the PHA uses a Safe Harbor determination to determine the family's income, the family is obligated to report changes in income that meet the PHA's reporting requirement and occur after the effective date of the transaction.

The amounts of unreimbursed reasonable attendant care expenses and childcare expenses deducted from a family's annual income, except for when a family is approved for a childcare expense hardship exemption, must still be capped by the amount earned by any family member who is enabled to work as a result of the expense. PHAs are therefore required to obtain third-party verification of the applicable employment income and cap the respective expense deductions accordingly.

PHA Policy

When available and applicable, the PHA will accept other programs' Safe Harbor determinations of income at annual reexamination to determine the family's total annual income. The PHA will still require third-party verification of all deductions such as the health and medical care expense or childcare expense deductions. Further, if the family is eligible for and claims the disability assistance expense or childcare expense deductions, where applicable, the PHA will obtain third-party verification of the amount of employment income of the individual(s) enabled to work in order to cap the respective expenses as required.

Prior to using any Safe Harbor determination from another program, the PHA will ask the family if they agree with the income amounts listed. If the family disputes the income amounts on the Safe Harbor determination, the PHA will obtain third-party verification of all sources of income and assets (as applicable).

The PHA will not accept other programs' determinations of income for any new admission or interim reexamination.

With the exception of income determinations made under the Low-Income Housing Tax Credit (LIHTC) program, the PHA will accept Safe Harbor determinations from any of the programs listed above.

In order to be acceptable, the income determination must:

Be dated within 12 months of the dates listed above;

State the family size

Be for the entire family (i.e., the family members listed in the documentation must match the family's composition in the assisted unit, except for household members); and

Must state the amount of the family's annual income.

The determination need not list each source of income individually. If the PHA does not receive any acceptable income determination documentation or is unable to obtain documentation, then the PHA will revert to third-party verification of income for the family.

When families present multiple verifications from the same or different acceptable Safe Harbor programs, the PHA will use the most recent income determination, unless the family presents acceptable evidence that the PHA should consider an alternative verification from a different Safe Harbor source.

When the PHA uses a Safe Harbor income determination from another program, and the family's income subsequently changes, the family is required to report the change to the PHA. Depending on when the change occurred, the change may or may not impact the PHA's calculation of the family's total annual income. Changes that occur between the time the PHA receives the Safe Harbor documentation and the effective date of the family's annual reexamination will not be considered. If the family has a change in income that occurs after the annual reexamination effective date, the PHA will conduct an interim reexamination if the change meets the requirements for performing an interim reexamination as outlined in Chapter 11. In this case, the PHA will use third-party verification to verify the change.

7-I.C. STREAMLINED INCOME DETERMINATIONS [24 CFR 960.257(c); Notice PIH 2023-27]

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

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

Two streamlining options are available, depending upon the percentage of the family's income that is received from fixed sources.

When 90 percent or more of a family's unadjusted income is from fixed sources, the PHA may apply the inflationary adjustment factor to the family's fixed-income sources, provided that the family certifies both that 90 percent or more of their unadjusted income is fixed and that their sources of fixed income have not changed from the previous year. Sources of non-fixed income are not required to be adjusted and must not be adjusted by a COLA, but PHAs may choose to adjust sources of non-fixed income based on third-party verification. PHAs have the discretion to either adjust the non-fixed income or carry over the calculation of non-fixed income from the first year to years two and three.

When less than 90 percent of a family's unadjusted income consists of fixed income, PHAs may apply a COLA to each of the family's sources of fixed income. PHAs must determine all other income using standard verification requirements as outlined in Notice PIH 2023-27.

PHA Policy

When the PHA does not use a Safe Harbor income determination from a federal assistance program to determine the family's annual income as outlined above, then PHA will use a streamlined income determination where applicable.

Regardless of the percent of a family's unadjusted income from fixed income sources:

The PHA will streamline the annual reexamination process by applying the verified COLA/inflationary adjustment factor to fixed-income sources.

The family will be required to sign a self-certification stating that their sources of fixed income have not changed from the previous year.

The PHA will document in the file how the determination that a source of income was fixed was made.

If the family's sources of fixed income have changed from the previous year, the PHA will obtain third-party verification of any new sources of fixed income.

All other income will be verified using third-party verification as outlined in Notice PIH 2023-27 and Chapter 7 of this policy.

In the following circumstances, regardless of the percentage of income received from fixed sources, the PHA will obtain third-party verification as outlined in Notice PIH 2023-27 and Chapter 7 of this policy:

Of all assets when net family assets exceed the HUD-published threshold ($50,000 for 2024, and $51,600 for 2025);

Of all deductions and allowances from annual income;

If a family member with a fixed source of income is added;

If verification of the COLA or rate of interest is not available;

During the intake process and at least once every three years thereafter.

7-I.D. VERIFICATION HIERARCHY [Notice PIH 2023-27]

When the PHA does not use a streamlined determination of income or an income determination from a means-tested federal assistance program, HUD requires the PHA to obtain third-party verification of:

- Reported family annual income;
- The value of net family assets when the net value exceeds the HUD-published threshold, as listed in HUD's Inflation-Adjusted Values tables ($50,000 for 2024, and $51,600 for 2025);
- Expenses related to deductions from annual income; and
- Other factors that affect the determination of adjusted income.

HUD mandates the use of the EIV system and offers administrative guidance on the use of other methods to verify family information and specifies the circumstances in which each method will be used. In general HUD requires the PHA to use the most reliable form of verification that is available and to document the reasons when the PHA uses a lesser form of verification.

In order of priority, the forms of verification that the PHA will use are:

HUD developed a hierarchy that described verification documentation from most acceptable to least acceptable. The PHA must demonstrate efforts to obtain third party verification prior to accepting self-certification except instances when self-certification is explicitly allowed.

In order of priority, the hierarchy is:

- Highest: Level 6: Up-front Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system
- Highest: Level 5: Up-front Income Verification (UIV) using a non-EIV system
- High: Level 4:
    - Written third-party verification from the source, also known as "family-provided verification"
    - Or EIV plus self-certification
- Medium: Level 3: Written third-party verification form
- Medium: Level 2: Oral third-party verification
- Low: Level 1: Self-certification (not third-party verification)

Each of the verification methods is discussed in subsequent sections below.

File Documentation

The PHA must document in the file how the figures used in income and rent calculations were determined. All verification attempts, information obtained, and decisions reached during the verification process will be recorded in the family's file in sufficient detail to demonstrate that the PHA has followed all of the verification policies set forth in this plan. The record should be sufficient to enable a staff member or HUD reviewer to understand the process followed and conclusions reached.

7-I.E. LEVEL 5 AND 6 VERIFICATIONS: UP-FRONT INCOME VERIFICATION (UIV)

Up-front income verification (UIV) refers to the PHA's use of the verification tools available from independent sources that maintain computerized information about earnings and benefits for a number of individuals. PHAs may use UIV sources before or during a family reexamination.

UIV will be used to the extent that these systems are available to the PHA.

There may be legitimate differences between the information provided by the family and UIV-generated information. If the family disputes the accuracy of UIV data, no adverse action can be taken until the PHA has independently verified the UIV information and the family has been granted an opportunity to contest any adverse findings through the informal review/hearing process of the PHA.

HUD's Enterprise Income Verification (EIV) System (Mandatory)

PHAs must use HUD's EIV system in its entirety as a third-party source to verify tenant employment and income information during annual and streamlined reexaminations of family composition and income in accordance with 24 CFR 5.236 and Notice PIH 2023-27.

HUD's EIV system contains data showing earned income, unemployment benefits, social security benefits, and SSI benefits for participant families.

The income validation tool (IVT) in EIV provides projections of discrepant income for wages, unemployment compensation, and SSA benefits pursuant to HUD's data sharing agreements with other departments.

The following policies apply to the use of HUD's EIV system.

EIV Income Report

PHAs are required to obtain an EIV Income Report for each family any time the PHA conducts an annual reexamination. However, PHAs are not required to use the EIV Income Report:

- At annual reexamination if the PHA used Safe Harbor verification from another means-tested federal assistance program to determine the family's income; or
- During any interim reexaminations.

The EIV Income Report is also not available for program applicants at admission.

When required to use the EIV Income Report, in order for the report to be considered current, the PHA must pull the report within 120 days of the effective date of the annual reexamination.

The EIV Income Report may be used to verify and calculate income at annual reexamination if the family self-certifies that the amount is accurate and representative of current income. The family must be provided with the information in EIV.

PHA Policy

Except for when Safe Harbor verification from another means-tested federal assistance program is used to determine the family's annual income, the PHA will obtain an EIV Income Report for all annual reexaminations for all families on a monthly basis. The PHA will ensure that all EIV Income Reports are pulled within 120 days of the effective date of the annual reexamination.

Income reports will only be used for interim reexaminations as necessary. For example, EIV may be used to verify that families claiming zero income are not receiving income from any sources listed in EIV.

Income reports will be retained in participant files with the applicable annual documents or interim reexamination documents (if applicable) for the duration of the family's participation.

When the PHA determines through EIV reports and third-party verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies in Chapter 14, Program Integrity.

New Hires Report [Notice PIH 2023-27]

The New Hires Report identifies participant families who have new employment within the last six months. The report is updated monthly.

PHAs must review this information at annual reexamination except when the PHA uses Safe Harbor verification from another means-tested federal assistance program to determine the family's income.

PHAs that do not require families to undergo interim reexaminations for earned income increases after an interim decrease are not required to review this report between a family's annual reexamination. If the PHA requires an interim for increases in earned income after an interim decrease, then the PHA must review the report quarterly after the family's interim decrease.

PHA Policy

In accordance with PHA policies in Chapter 11, the PHA does not process interim reexaminations for families who have increases in earned income. Except for instances in which the PHA uses Safe Harbor income determinations to determine a family's annual income, the PHA will only review the New Hires Report at annual reexamination.

No Income Reported by HHS or SSA Report

This report is a tool for PHAs to identify participants who passed the SSA identity test, but no income information was reported by either HHS or SSA records. This scenario does not mean that the participant does not have any income. PHAs obtain written, third-party verification of any income reported by the participant. The PHA must identify in its policies and procedures when this report will be pulled [Notice PIH 2023-27].

PHA Policy

The PHA will generate the No Income Reported by HHS or SSA Report quarterly and will retain the report.

The PHA will re-verify the status of participants identified on the report quarterly. Based on the information provided by the family and in EIV, the PHA may require that family members provide verifications or sign release forms in order to obtain additional verification.

When the PHA determines through this report and third-party verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies in Chapter 14, Program Integrity

EIV Identity Verification Report

The EIV system verifies tenant identities against SSA records. These records are compared to HUD data for a match on social security number, name, and date of birth.

PHAs are required to use EIV's *Identity Verification Report* on a monthly basis to improve the availability of income information in EIV [Notice PIH 2023-27].

When identity verification for a participant fails, a message will be displayed within the EIV system and no income information will be displayed.

PHA Policy

The PHA will identify participants whose identity verification has failed by reviewing EIV's *Identity Verification Report* on a monthly basis.

The PHA will attempt to resolve discrepancies by obtaining appropriate documentation from the participant. When the PHA determines that discrepancies exist as a result of PHA errors such as spelling errors or incorrect birth dates, it will correct the errors promptly.

Deceased Tenants Reports [Notice PIH 2012-4 and Notice PIH 2023-27]

The Deceased Tenant Report identifies residents that have been reported by the SSA as deceased. The PHA is required to review the report at least quarterly.

PHA Policy

The PHA will review the Deceased Tenants Report on a monthly basis.

When the Deceased Tenants Report identifies an individual as being deceased, PHAs must immediately send a letter to the head of household or emergency contact person (if the head of household is deceased and there is no other adult household member) to confirm the death of the listed household member. The PHA must notify the owner in writing of the deceased head of household.

PHAs may list the EOP as the last day of the month in which the death occurred. The landlord is entitled to receive the full HAP amount for the month in which the tenant death occurred.

PHA Policy

The PHA will list the EOP as the last day of the month in which the death occurred. The landlord is entitled to receive the full HAP amount for the month in which the tenant death occurred.

When the only remaining household member is the live-in aide, the live-in aide is not entitled or eligible for any rental assistance or continued occupancy. The PHA may not designate the live-in aide as the new head of household or change the relation code on the Form HUD-50058.

Other EIV Reports [Notice PIH 2023-27]

The PHA is required to review the Multiple Subsidy Report at least quarterly and the Failed EIV Pre-Screening and Failed Verification (Failed SSA Identity Test) reports at least monthly.

Upfront Income Verification Using Non-HUD Systems

In addition to mandatory use of the EIV system, HUD encourages PHAs to utilize other upfront verification sources.

PHA Policy

The PHA will inform all applicants and participants of its use of the following UIV resources:

HUD's EIV system

The Work Number

7-I.F. LEVEL 4 VERIFICATION [Notice PIH 2023-27]

HUD identifies two types of Level 4 verification: written-third party verification from the source and EIV + self-certification.

EIV + Self-Certification

EIV may be used as written third-party verification and may be used to calculate income if the family agrees with the information in EIV and self-certifies that the amount is accurate and representative of current income. This practice is known as *EIV + self-certification*. When calculating income using this method, the PHA may use its discretion to determine which method of calculation is reasonable: the last four quarters combined or an average of any number of quarters. The family must be provided with the information from EIV.

PHA Policy

At annual reexamination, if the PHA is unable to use a determination of income from a means-tested federal assistance program and if there are no reported changes to an income source, the PHA will use EIV + self-certification as verification of employment income, provided the family agrees with the amounts listed in EIV.

The PHA will use an average of the last two quarters of income listed in EIV to determine income from employment. The PHA will provide the family with the information in EIV. The family will be required to sign a self-certification stating that the amount listed in EIV is accurate and representative of current income. If the family disagrees with using only the last two quarters of income listed in EIV, because of the seasonal or otherwise fluctuating nature of a particular family member's employment, the PHA will permit the family to sign a self-certification stating that the average of all four quarters of income listed in EIV is accurate and representative of current annual income and use that amount for calculating annual income. If the family disagrees and contends that the amount listed in EIV is not reflective of current income, or if less than two quarters are available in EIV, the PHA will use written third-party verification from the source as outlined below.

The PHA will not use this method of verification at new admission since EIV is not available for applicant families or at interim reexamination since the income information in EIV is not current.

Written Third-Party Verification from the Source

Written, third-party verification from the source is also known as "tenant-provided verification." In order to qualify as written-third party verification from the source, the documents must be original or authentic and (generally) dated within 120 days of the date received by the PHA. For fixed-income sources, a statement dated within the appropriate benefit year is acceptable documentation. The PHA may use the verification obtained during an interim reexamination for an annual reexamination if there have been no other changes to annual income since the interim reexamination. Documents may be supplied by the family or received from a third-party source.

Examples of acceptable tenant-provided documents include, but are not limited to pay stubs, payroll summary reports, employer notice or letters of hire and termination, SSA benefit verification letters, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices. Income tax returns with corresponding official tax forms and schedules attached and including third-party receipt of transmission for income tax return filed (i.e., tax preparer's transmittal receipt, summary of transmittal from online source, etc.) are an acceptable form of written, third-party verification.

The PHA is required to obtain, at minimum, two current and consecutive pay stubs when calculating income using third-party verification from the source. For new income sources or when two pay stubs are not available, the PHA should determine income based on the information from a traditional written, third-party verification form or the best available information.

When the family disputes EIV-reported employment income, the PHA uses written third-party verification.

When verification of assets is required, PHAs are required to obtain a minimum of one statement that reflects the current balance of banking/financial accounts.

PHA Policy

In general, the PHA will use third-party verification from the source in the following circumstances:

At annual reexamination when EIV + self-certification is not used;

For all new admissions; and

For all interim reexaminations.

The PHA will not use this method if the PHA is able to use an income determination from a means-tested federal assistance program or if the PHA uses EIV + self-certification as outlined above.

In general, third-party documents provided by the family or the source must be dated within 120 days of the date received by the PHA. However, for fixed-income sources, a statement dated within the appropriate benefit year is acceptable documentation.

The PHA may reject documentation provided by the family if the document is not an original, if the document appears to be forged, or if the document is altered, mutilated, or illegible. If the PHA determines that third-party documents provided by the family are not acceptable, the PHA will explain the reason to the family and request additional documentation from the family or will use a lower form of verification such as a written third-party verification form.

When verification of assets held by a banking or financial institution is required, the PHA will obtain one statement that reflects the current balance of the account.

When pay stubs are used, the PHA will require the family to provide the two most current, consecutive pay stubs. At the PHA's discretion, if additional paystubs are needed due to the family's circumstances (e.g., sporadic income, fluctuating schedule, etc.), the PHA may request additional paystubs or a payroll record.

7-I.G. LEVEL 3 VERIFICATION: WRITTEN, THIRD-PARTY FORM [Notice PIH 2023 -27]

This type of verification is a form developed by the PHA and used uniformly for all families when needed to collect information from a third-party source. This is known as "traditional third-party verification." PHAs send a PHA-developed form directly to the third-party source by mail, fax, or email and the source completes the form by hand (in writing or typeset).

The PHA may use this method when higher forms are unavailable or are rejected by the PHA or when the family is unable to provide acceptable verification. The PHA may skip this level of verification and may instead substitute oral third-party verification before moving to self-certification.

PHA Policy

Typically, the PHA will attempt to send written third-party verification forms to the verification source whenever higher forms of verification are unavailable.

However, on a case-by-case basis, the PHA may choose to obtain oral third-party verification without first attempting, and in lieu of, a written-third party verification form.

7.I.H. LEVEL 2: ORAL THIRD-PARTY VERIFICATION [Notice PIH 2023-27]

For third-party oral verification, PHAs contact sources, identified by UIV techniques or by the family, by telephone or in person.

Third-party oral verification may be used when requests for written third-party verification forms have not been returned within a reasonable time—e.g., 10 business days.

PHAs must document in the file the date and time of the telephone call or visit, the name of the person contacted, the telephone number, as well as the information confirmed.

The PHA may skip this level of verification if they attempted written third-party verification via a form and the source did not respond and move directly to self-certification.

PHA Policy

In general, the PHA will attempt to obtain written third-party verification via a form from the verification source. If written third-party verification forms are not returned within 10 business days, the PHA will accept self-certification from the family without attempting to obtain oral third-party verification.

However, if the PHA chooses to obtain oral third-party verification, the PHA will document in the file the date and time of the telephone call or visit, the name of the person contacted and the telephone number, as well as the information confirmed.

When Third-Party Verification is Not Required [Notice PIH 2023-27]

Third-party verification may not be available in all situations. HUD has acknowledged that it may not be cost-effective or reasonable to obtain third-party verification of income, assets, or expenses when these items would have a minimal impact on the family's total tenant payment.

PHA Policy

If the family cannot provide original documents, the PHA will pay the service charge required to obtain third-party verification, unless it is not cost effective in which case a self-certification will be acceptable as the only means of verification. The cost of verification will not be passed on to the family.

The cost of postage and envelopes to obtain third-party verification of income, assets, and expenses is not an unreasonable cost [VG, p. 18].

Primary Documents

Third-party verification is not required when legal documents are the primary source, such as a birth certificate or other legal documentation of birth.

7-I.I. LEVEL 1: NON-THIRD-PARTY VERIFICATION: SELF-CERTIFICATION [Notice PIH 2023-27]

Non-third-party verification consists of a signed statement of reported income and/or expenses. This verification method should be used as a last resort when the PHA has not been successful in obtaining information via all other required verification techniques.

Self-certification, however, is an acceptable form of verification when:

- A source of income is fully excluded
- Net family assets are less than or equal to the HUD-published threshold ($50,000 for 2024, and $51,600 for 2025) and the PHA has adopted a policy to accept self certification
- The family declares that they do not have any present ownership in any real property
- A family reports zero income;
- A family states that they have non-recurring income that will not be repeated in the coming year; and/or
- The PHA has adopted a policy to implement streamlined verification for fixed sources of income (See Chapter 11)

When the PHA was required to obtain third-party verification but instead relies on self-certification, the family's file must be documented to explain why third-party verification was not available.

HUD does not require that a self-certification be notarized; however, HUD recommends including language on any self-certification to ensure the certifier understands the consequences of knowingly providing false information.

PHA Policy

When information cannot be verified by a third party or by review of documents, family members will be required to submit self-certifications attesting to the accuracy of the information they have provided to the PHA.

The PHA may require a family to certify that a family member does not receive a particular type of income or benefit.

The self-certification must be made in a format acceptable to the PHA and must be signed by the family member whose information or status is being verified.

All self-certifications will include the following language:

"I/We, the undersigned, certify under penalty of perjury that the information provided here is true and correct, to the best of my knowledge and recollection. WARNING: Anyone who knowingly submits a false claim or knowingly makes a false statement is subject to criminal and/or civil penalties, including confinement for up to five years, fines, and civil and administrative penalties (18 U.S.C. 287, 1001, 1010, 1012; 31 U.S.C. 3279, 3802)."

PART II: VERIFYING FAMILY INFORMATION

7-II.A. VERIFICATION OF LEGAL IDENTITY

PHA Policy

The PHA will require families to furnish verification of legal identity for each household member.

Verification of Legal Identity for Adults	Verification of Legal Identity for Children
Certificate of birth, naturalization papers Church issued baptismal certificate Current, valid driver's license or Department of Motor Vehicles identification card U.S. military discharge (DD 214) Current U.S. passport Current government employer identification card with picture	Certificate of birth Adoption papers Custody agreement Health and Human Services ID Certified school records

If a document submitted by a family is illegible for any reason or otherwise questionable, more than one of these documents may be required.

If none of these documents can be provided and at the PHA's discretion, a third party who knows the person may attest to the person's identity. The certification must be provided in a format acceptable to the PHA and must be signed by the family member whose information or status is being verified.

Legal identity will be verified for all applicants at the time of eligibility determination and in cases where the PHA has reason to doubt the identity of a person representing themselves to be a participant.

7-II.B. SOCIAL SECURITY NUMBERS [24 CFR 5.216, Notice PIH 2023-27]

The family must provide documentation of a valid Social Security number (SSN) for each member of the household, with the exception of individuals who do not contend eligible immigration status. Exemptions also include existing program participants who were at least 62 years of age as of January 31, 2010, and had not previously disclosed an SSN.

Note that an individual who previously declared to have eligible immigration status may not change their declaration for the purpose of avoiding compliance with the SSN disclosure and documentation requirements or penalties associated with noncompliance with these requirements. Nor may the head of household opt to remove a household member from the family composition for this purpose.

The PHA must accept the following documentation as acceptable evidence of the social security number:

- An original SSN card issued by the Social Security Administration (SSA)
- An original SSA-issued document, which contains the name and SSN of the individual
- An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual

While PHAs must attempt to gather third-party verification of SSNs prior to admission as listed above, PHAs also have the option of accepting a self-certification and a third-party document (such as a bank statement, utility or cell phone bill, or benefit letter) with the applicant's name printed on it to satisfy the SSN disclosure requirement if the PHA has exhausted all other attempts to obtain the required documentation. If verifying an individual's SSN using this method, the PHA must document why the other SSN documentation was not available.

If the tenant's SSN becomes verified in EIV, then no further verification is required. If the tenant's SSN fails the SSA identity match, then the PHA must obtain a valid SSN card issued by the SSA or an original document issued by a federal or state government agency that contains the name of the individual and the SSN of the individual, along with other identifying information of the individual. The tenant's assistance must be terminated if they fail to provide the required documentation.

PHA Policy

The PHA will verify an individual's SSN in the situations described above using the method described above as a last resort when no other forms of verification of the individual's SSN are available.

The PHA may only reject documentation of an SSN provided by an applicant or participant if the document is not an original document or if the original document has been altered, mutilated, is illegible, or appears to be forged.

PHA Policy

The PHA will explain to the applicant or participant the reasons the document is not acceptable and request that the individual obtain and submit acceptable documentation of the SSN to the PHA within 90 days.

In the case of Moderate Rehabilitation Single Room Occupancy (SRO) individuals, the required documentation must be provided within 90 calendar days from the date of admission into the program. The PHA must grant one additional 90-day extension if it determines that the applicant's failure to comply was due to circumstances that were beyond the applicant's control and could not have been reasonably foreseen.

PHA Policy

The PHA will grant one additional 90-day extension if needed for reasons beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency. If the individual fails to comply with SSN disclosure and documentation requirements upon expiration of the provided time period, the PHA will terminate the individual's assistance.

If an applicant family includes a child under 6 years of age who joined the household within the 6 months prior to the date of voucher issuance, an otherwise eligible family may be admitted to the program and the family must provide documentation of the child's SSN within 90 days of the effective date of the initial HAP contract. A 90-day extension will be granted if the PHA determines that the participant's failure to comply was due to unforeseen circumstances and was outside of the participant's control.

PHA Policy

The PHA will grant one additional 90-day extension if needed for reasons beyond the applicant's control, such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

When a participant requests to add a new household member who is at least 6 years of age, or who is under the age of 6 and has an SSN, the participant must provide the complete and accurate SSN assigned to each new member at the time of reexamination or recertification, in addition to the documentation required to verify it. The PHA may not add the new household member until such documentation is provided.

When a participant requests to add a new household member who is under the age of 6 and has not been assigned an SSN, the participant must provide the SSN assigned to each new child and the required documentation within 90 calendar days of the child being added to the household. A 90-day extension will be granted if the PHA determines that the participant's failure to comply was due to unforeseen circumstances and was outside of the participant's control. During the period the PHA is awaiting documentation of the SSN, the child will be counted as part of the assisted household.

PHA Policy

The PHA will grant one additional 90-day extension if needed for reasons beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

Social security numbers must be verified only once during continuously assisted occupancy.

PHA Policy

The PHA will verify each disclosed SSN by:

Obtaining documentation from applicants and participants that is acceptable as evidence of social security numbers

Making a copy of the original documentation submitted, returning it to the individual, and retaining a copy in the file folder

Once the individual's verification status is classified as "verified," the PHA may, at its discretion, remove and destroy copies of documentation accepted as evidence of social security numbers. The retention of the EIV Summary Report or Income Report is adequate documentation of an individual's SSN.

PHA Policy

Once an individual's status is classified as "verified" in HUD's EIV system, the PHA will not remove and destroy copies of documentation accepted as evidence of social security numbers.

7-II.C. DOCUMENTATION OF AGE

A birth certificate or other official record of birth is the preferred form of age verification for all family members. For elderly family members an original document that provides evidence of the receipt of social security retirement benefits is acceptable.

PHA Policy

If an official record of birth or evidence of social security retirement benefits cannot be provided, the PHA will require the family to submit other documents that support the reported age of the family member (e.g., school records, driver's license if birth year is recorded) and to provide a self-certification.

Age must be verified only once during continuously assisted occupancy.

7-II.D. FAMILY RELATIONSHIPS

Applicants and program participants are required to identify the relationship of each household member to the head of household. Definitions of the primary household relationships are provided in the Eligibility chapter.

PHA Policy

Family relationships are verified only to the extent necessary to determine a family's eligibility and level of assistance. Certification by the head of household normally is sufficient verification of family relationships.

Marriage

PHA Policy

Certification by the head of household is normally sufficient verification. If the PHA has reasonable doubts about a marital relationship, the PHA will require the family to document the marriage.

A marriage certificate generally is required to verify that a couple is married.

In the case of a common law marriage, the couple must demonstrate that they hold themselves to be married (e.g., by telling the community they are married, calling each other husband and wife, using the same last name, filing joint income tax returns).

Separation or Divorce

PHA Policy

Certification by the head of household is normally sufficient verification. If the PHA has reasonable doubts about a separation or divorce, the PHA will require the family to provide documentation of the divorce or separation.

A certified copy of a divorce decree, signed by a court officer, is required to document that a couple is divorced.

A copy of a court-ordered maintenance or other court record is required to document a separation.

If no court document is available, documentation from a community-based agency will be accepted.

Absence of Adult Member

PHA Policy

If an adult member who was formerly a member of the household is reported to be permanently absent, the family must provide evidence to support that the person is no longer a member of the family (e.g., documentation of another address at which the person resides such as a lease or utility bill), if the PHA so requests.

Foster Children and Foster Adults

PHA Policy

Third-party verification from the state or local government agency responsible for the placement of the individual with the family is required.

7-II.E. VERIFICATION OF STUDENT STATUS

General Requirements

PHA Policy

The PHA requires families to provide information about the student status of all students who are 18 years of age or older. This information will be verified only if:

The family reports full-time student status for an adult other than the head, spouse, or cohead.

The family reports childcare expenses to enable a family member to further their education.

The family includes a student enrolled in an *institution of higher education.*

Restrictions on Assistance to Students Enrolled in Institutions of Higher Education

This section applies only to students who are seeking assistance on their own, separately from their parents. It does not apply to students residing with parents who are seeking or receiving HCV assistance.

PHA Policy

In accordance with the verification hierarchy described in section 7-I.B, the PHA will determine whether the student is exempt from the restrictions in 24 CFR 5.612 by verifying any one of the following exemption criteria:

The student is enrolled at an educational institution that does not meet the definition of *institution of higher education* in the Higher Education Act of 1965 (see section Exhibit 3-2).

The student is at least 24 years old.

The student is a veteran, as defined in section 3-II.E.

The student is married.

The student has at least one dependent child, as defined in section 3-II.E.

The student is a person with disabilities, as defined in section 3-II.E, and was receiving assistance prior to November 30, 2005.

If the PHA cannot verify at least one of these exemption criteria, the PHA will conclude that the student is subject to the restrictions on assistance at 24 CFR 5.612. In addition to verifying the student's income eligibility, the PHA will then proceed to verify either the student's parents' income eligibility (see section 7-III.M) or the student's independence from their parents (see below).

Independent Student

PHA Policy

The PHA will verify a student's independence from their parents to determine that the student's parents' income is not relevant for determining the student's eligibility by doing all of the following:

Either reviewing and verifying previous address information to determine whether the student has established a household separate from their parents for at least one year, or reviewing and verifying documentation relevant to determining whether the student meets the U.S. Department of Education's definition of *independent student* (see section 3-II.E)

Reviewing the student's prior year income tax returns to verify the student is independent or verifying the student meets the U.S. Department of Education's definition of *independent student* (see section 3-II.E)

Requesting and obtaining written certification directly from the student's parents identifying the amount of support they will be providing to the student, even if the amount of support is $0, except in cases in which the PHA determines that the student is a *vulnerable youth* (see section 3-II.E)

7-II.F. DOCUMENTATION OF DISABILITY

The PHA must verify the existence of a disability in order to allow certain income disallowances and deductions from income. The PHA is not permitted to inquire about the nature or extent of a person's disability [24 CFR 100.202(c)]. The PHA may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If the PHA receives a verification document that provides such information, the PHA will not place this information in the tenant file. Under no circumstances will the PHA request a participant's medical record(s). For more information on health care privacy laws, see the Department of Health and Human Services' website at http://www.hhs.gov/ocr/privacy/.

The above cited regulation does not prohibit the following inquiries, provided these inquiries are made of all applicants, whether or not they are persons with disabilities [VG, p. 24]:

Inquiry into an applicant's ability to meet the requirements of ownership or tenancy

Inquiry to determine whether an applicant is qualified for a dwelling available only to persons with disabilities or to persons with a particular type of disability

Inquiry to determine whether an applicant for a dwelling is qualified for a priority available to persons with disabilities or to persons with a particular type of disability

Inquiring whether an applicant for a dwelling is a current illegal abuser or addict of a controlled substance

Inquiring whether an applicant has been convicted of the illegal manufacture or distribution of a controlled substance

Family Members Receiving SSA Disability Benefits

Verification of the receipt of disability benefits from the Social Security Administration (SSA) is sufficient verification of disability for the purpose of qualifying for waiting list preferences (if applicable) or certain income disallowances and deductions [VG, p. 23].

PHA Policy

For family members claiming disability who receive disability benefits from the SSA, the PHA will attempt to obtain information about disability benefits through the HUD Enterprise Income Verification (EIV) system. If documentation from HUD's EIV System is not available, the PHA will request a current (dated within the appropriate benefit year) SSA benefit verification letter from each family member claiming disability status. If the family is unable to provide the document(s), the PHA will ask the family to request a benefit verification letter by either calling SSA at 1-800-772-1213, or by requesting it from www.ssa.gov. Once the applicant or participant receives the benefit verification letter they will be required to provide it to the PHA.

Family Members Not Receiving SSA Disability Benefits

Receipt of veteran's disability benefits, worker's compensation, or other non-SSA benefits based on the individual's claimed disability are not sufficient verification that the individual meets HUD's definition of disability in 24 CFR 5.403.

PHA Policy

For family members claiming disability who do not receive disability benefits from the SSA, a knowledgeable professional must provide third-party verification that the family member meets the HUD definition of disability. See the Eligibility chapter for the HUD definition of disability. The knowledgeable professional will verify whether the family member does or does not meet the HUD definition.

7-II.G. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS [24 CFR 5.508]

Overview

Housing assistance is not available to persons who are not citizens, nationals, or eligible immigrants. Prorated assistance is provided for "mixed families" containing both eligible and ineligible persons. A detailed discussion of eligibility requirements is in the Eligibility chapter. This verifications chapter discusses HUD and PHA verification requirements related to citizenship status.

The family must provide a certification that identifies each family member as a U.S. citizen, a U.S. national, an eligible noncitizen or an ineligible noncitizen and submit the documents discussed below for each family member. Once eligibility to receive assistance has been verified for an individual it need not be collected or verified again during continuously-assisted occupancy. [24 CFR 5.508(g)(5)]

U.S. Citizens and Nationals

HUD requires a declaration for each family member who claims to be a U.S. citizen or national. The declaration must be signed personally by any family member 18 or older and by a guardian for minors.

The PHA may request verification of the declaration by requiring presentation of a birth certificate, United States passport or other appropriate documentation.

PHA Policy

Family members who claim U.S. citizenship or national status will not be required to provide additional documentation unless the PHA receives information indicating that an individual’s declaration may not be accurate.

Eligible Immigrants

Documents Required

All family members claiming eligible immigration status must declare their status in the same manner as U.S. citizens and nationals.

The documentation required for eligible noncitizens varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, age, and the date on which the family began receiving HUD-funded assistance. Exhibit 7-1 at the end of this chapter summarizes documents family members must provide.

PHA Verification [HCV GB, pp. 5-3 and 5-7]

For family members age 62 or older who claim to be eligible immigrants, proof of age is required in the manner described in 7-II.C. of this plan. No further verification of eligible immigration status is required.

For family members under the age of 62 who claim to be eligible immigrants, the PHA must verify immigration status with the United States Citizenship and Immigration Services (USCIS).

The PHA will follow all USCIS protocols for verification of eligible immigration status.

7-II.H. VERIFICATION OF PREFERENCE STATUS

The PHA must verify any preferences claimed by an applicant that determined placement on the waiting list.

PHA Policy

The PHA will offer a preference to any family that has been terminated from its HCV program due to insufficient program funding. The PHA will verify this preference using the PHA's termination records.

The PHA also offers a preference for victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking, as described in Section 4-III.C. To verify that applicants qualify for the preference, the PHA will follow documentation requirements outlined in Section 16-IX.D.

PART III: VERIFYING INCOME AND ASSETS

Chapter 6 of this plan describes in detail the types of income that are included and excluded and how assets and income from assets are handled. Any income reported by the family must be verified. This part provides PHA policies that supplement the general verification procedures specified in Part I of this chapter.

PHA Policy

The following policies do not apply when the PHA uses a Safe Harbor income determination from a means-tested federal assistance program.

7-III.A. EARNED INCOME

Tips

PHA Policy

Unless tip income is included in a family member's W-2 by the employer or in UIV verification sources, persons who work in industries where tips are standard will be required to sign a certified estimate of tips received for the prior year or tips anticipated to be received in the coming year.

Wages

PHA Policy

When the PHA requires third-party verification of wages, for wages other than tips, the family must provide originals of the two most current, consecutive pay stubs.

7-III.B. BUSINESS AND SELF EMPLOYMENT INCOME

The PHA must obtain written, third-party verification when the income type is not available in EIV. This includes income from self-employment.

PHA Policy

Business owners and self-employed persons will be required to provide:

Income tax returns with corresponding official tax forms and schedules attached and including third-party receipt of transmission for income tax return filed (i.e., tax preparer's transmittal receipt, summary of transmittal from online source, etc.).

If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

For self-employed individuals who claim they do not have to file tax returns, The PHA will obtain a completed copy of IRS Form 4506-T to verify that no return has been filed.

For those employed in "gig employment" (i.e., those in formal agreements with on-demand companies such as Uber, Lyft, or DoorDash), the PHA will provide a format for the individual to declare their income and expenses. The PHA will also review the printed statement of monthly income from the applicable app for all hours worked and pay received as well as the Schedule C of the individual's tax return and the corresponding IRS Form 1099 or 1099k.

The PHA will provide a format for any person who is unable to provide such a statement to record income and expenses for the coming year. The business owner/self-employed person will be required to submit the information requested and to certify to its accuracy at all future reexaminations. At any reexamination the PHA may request documents that support submitted financial statements such as manifests, appointment books, cash books, or bank statements.

If a family member has been self-employed less than three (3) months, the PHA will accept the family member's certified estimate of income and schedule an interim reexamination in three (3) months. If the family member has been self-employed for three (3) to twelve (12) months the PHA will require the family to provide documentation of income and expenses for this period and use that information to project income.

7-III.C. PERIODIC PAYMENTS AND PAYMENTS IN LIEU OF EARNINGS

For policies governing streamlined income determinations for fixed sources of income, please see Chapter 11.

Social Security/SSI Benefits [Notice PIH 2023-27]

Verification requirements for Social Security (SS) and Supplemental Security Income (SSI) benefits differ for applicants and participants.

For applicants, since EIV does not contain SS or SSI benefit information, the PHA must ask applicants to provide a copy of their current SS and/or SSI benefit letter (dated within the appropriate benefit year) for each family member that receives SS and/or SSI benefits. If the family is unable to provide the document or documents, the PHA should help the applicant requests a benefit verification letter from SSA's website at www.ssa.gov or ask the family to request one by calling SSA at 1-800-772-1213. The PHA must obtain the original benefit letter from the applicant, make a photocopy of the document for the file, and return the original to the family.

For participants, the PHA must obtain information through the HUD EIV system and confirm with the participants that the current listed benefit amount is correct.

- If the participant agrees with the amount reported in EIV, the PHA must use the EIV-reported gross benefit amount to calculate annual income from Social Security. PHAs are required to use the EIV-reported SS and SSI benefit amounts when calculating income unless the tenant disputes the EIV-reported amount. For example, an SSA benefit letter may list the monthly benefit amount as $450.80 and EIV displays the amount as $450.00. The PHA must use the EIV-reported amount unless the participant disputes the amount.
- If the participant disputes the EIV-reported benefit amount, or if benefit information is not available in EIV, the PHA must request a current SSA benefit verification letter (dated within the appropriate benefit year) from each family member that receives SS and/or SSI benefits. If the family is unable to provide the document or documents, the PHA should help the participant requests a benefit verification letter from SSA's website at www.ssa.gov or ask the family to request one by calling SSA at 1-800-772-1213. The PHA must obtain the original benefit letter from the participant, make a photocopy of the document for the file, and return the original to the family.

Photocopies of social security checks or bank statements are not acceptable forms of verification for SS/SSI benefits.

7-III.D. ALIMONY OR CHILD SUPPORT [Notice PIH 2023-27]

Annual income includes “all amounts received,” not the amount that a family may be legally entitled to receive but which they do not receive. For example, a family’s child support or alimony income must be based on payments received, not the amounts to which the family is entitled by court or agency orders. A copy of a court order or other written payment agreement alone may not be sufficient verification of amounts received by a family.

PHA Policy

Verification will be obtained in the following order of priority:

Copies of the receipts and/or payment stubs for the 12 months prior to PHA request

Third-party verification form from the state or local child support enforcement agency

Third-party verification form from the person paying the support

Family's self-certification of amount received

Note: Families are not required to undertake independent enforcement action.

7-III.E. NONRECURRING INCOME [Notice PIH 2023-27]

Income that will not be repeated beyond the coming year (i.e., the 12 months following the effective date of the certification), based on information provided by the family, is considered nonrecurring income and is excluded from annual income. PHAs may accept a self-certification from the family stating that the income will not be repeated in the coming year.

PHA Policy

The PHA will accept self-certification from the family stating that income will not be repeated in the coming year. However, the PHA may choose, on a case-by-case basis, to require third-party verification that income sources will not be repeated in the coming year.

7-III.F. ASSETS AND INCOME FROM ASSETS

Net Family Assets [24 CFR 5.603]

At admission and reexam, for families with net assets less than or equal to the HUD-published threshold listed in HUD's current year Inflation-Adjusted Values tables ($50,000 for 2024, $51,600 for 2025), the PHA may, but is not required to, accept the family's self-certification that the family's assets do not exceed the HUD-published threshold without taking any additional steps to verify the accuracy of the declaration. The declaration must include the amount of income the family expects to receive from assets which must be included in the family's income. This includes declaring income from checking and savings accounts which, although excluded from the calculation of net family assets (because the combined value of non-necessary personal property does not exceed the HUD-published threshold), may generate asset income. PHAs must clarify during the self-certification process which assets are included/excluded from net family assets.

For PHAs that choose to accept self-certification, the PHA is required to obtain third-party verification of all assets, regardless of the amount, at least once every three years.

PHAs who choose not to accept self-certifications of assets must verify all families' assets on an annual basis.

When net family assets have a total value over the HUD-published threshold, the PHA may not rely on the family's self-certification. Third-party verification of assets is required when net family assets exceed the HUD-published threshold.

When verification of assets is required, PHAs are required to obtain a minimum of one statement that reflects the current balance of banking/financial accounts.

PHA Policy

For families with net assets less than or equal to the HUD-published threshold listed in the current year's Inflation-Adjusted Values tables, the PHA will accept the family's self-certification of the value of family assets and anticipated asset income. The family's declaration must show the total amount of income expected from all assets. All family members 18 years of age and older must sign the family's declaration. The PHA reserves the right to require additional verification in situations where the accuracy of the declaration is in question. Any income the family expects to receive from assets will be included in the family's annual income. The family will be required to provide third-party verification of net family assets every three years.

When verification is required, in determining the value of checking or savings accounts, the PHA will use the current balance.

In determining the anticipated income from an interest-bearing checking or savings account when verification is required and the rate of return is known, the PHA will multiply the current balance of the account by the current rate of interest paid on the account. If a checking account does not bear interest, the anticipated income from the account is zero.

Self-Certification of Real Property Ownership [24 CFR 5.618(b)(2); Notice PIH 2023-27]

The PHA must determine whether a family has present ownership in real property that is suitable for occupancy for purposes of determining whether the family is compliant with the asset limitation described in Chapters 3. The PHA may accept a self-certification from the family stating that the family does not have any present ownership in any real property. If the family certifies that they do not have any present ownership interest in real property, the PHA may take that as sufficient to determine the family is not out of compliance with the real property restriction. If the family declares they have present ownership in real property, the PHA must obtain third-party verification of the family's legal right to reside in the property, the effective legal authority to sell the property, and whether the property is suitable for occupancy by the family as a residence.

PHA Policy

The PHA will accept self-certification from the family stating that the family does not have any present ownership in any real property. The certification must be signed by all family members 18 years of age and older. The PHA reserves the right to require additional verification in situations where the accuracy of the declaration is in question.

If the family declares they have a present ownership in real property, the PHA will obtain third-party verification of the following factors: whether the family has the legal right to reside in the property; whether the family has effective legal authority to sell the property; and whether the property is suitable for occupancy by the family as a residence. However, in cases where a family member is a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking, the PHA will comply with confidentiality requirements under 24 CFR 5.2007 and will accept a self-certification.

7-III.G. NET INCOME FROM RENTAL PROPERTY

PHA Policy

The family must provide:

A current executed lease for the property that shows the rental amount or certification from the current tenant

A self-certification from the family members engaged in the rental of property providing an estimate of expenses for the coming year and the most recent IRS Form 1040 with Schedule E (Rental Income).

If schedule E was not prepared, the PHA will require the family members involved in the rental of property to provide a self-certification of income and expenses for the previous year and may request documentation to support the statement including: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

7-III.H. FEDERAL TAX REFUNDS OR REFUNDABLE TAX CREDITS [Notice PIH 2023-27]

PHAs are not required to verify the amount of the family's federal tax refund or refundable tax credit(s) if the family's net assets are less than or equal to the HUD-published threshold listed in HUD's current year Inflation-Adjusted Values tables ($50,000 for 2024, $51,600 for 2025), even in years when full verification of assets is required or if the PHA does not accept self-certification of assets. PHAs must verify the amount of the family's federal tax refund or refundable tax credits if the family's net assets are greater than the HUD-published threshold.

7-III.I. RETIREMENT ACCOUNTS

PHA Policy

The PHA will accept an original document from the entity holding the account dated no earlier than 12 months before that reflects any distributions of the account balance, any lump sums taken, and any regular payments.

7-III.J. INCOME FROM EXCLUDED SOURCES [Notice PIH 2023-27]

A detailed discussion of excluded income is provided in Chapter 6, Part I.

HUD guidance on verification of excluded income draws a distinction between income which is fully excluded and income which is only partially excluded.

For fully excluded income, the PHA is **not** required to follow the verification hierarchy, for fully excluded income, the PHA is **not** required to document why third-party verification is not available, or report the income on the 50058. *Fully excluded income* is defined as income where the entire amount qualifies to be excluded from the annual income determination in accordance with 24 CFR 5.609(b) and any *Federal Register* notice on mandatory exclusions issued by HUD (for example, food stamps, earned income of a minor, or foster care funds).

PHAs may accept a family's signed application or reexamination form as self-certification of fully excluded income. They do not have to require additional documentation. However, if there is any doubt that a source of income qualifies for full exclusion, PHAs have the option of requiring additional verification.

For partially excluded income, the PHA **is** required to follow the verification hierarchy and all applicable regulations, and to report the income on the 50058. Partially excluded income is defined as income where only a certain portion of what is reported by the family qualifies to be excluded and the remainder is included in annual income (for example, the income of an adult full-time student).

PHA Policy

The PHA will accept the family's self-certification as verification of fully excluded income. The PHA may request additional documentation if necessary to document the income source.

The PHA will verify the source and amount of partially excluded income as described in Part 1 of this chapter.

7-III.K. ZERO INCOME FAMILIES [Notice PIH 2023-27]

PHAs have discretion to establish reasonable procedures to manage the risk of unreported income, such as asking families to complete a zero-income worksheet at admission or periodically after admission to determine if they have any sources of unreported income or searching any UIV sources for unreported income.

In calculating annual income, PHAs must not assign monetary value to nonmonetary in-kind donations from a food bank or similar organization received by the family [24 CFR § 5.609(b)(24)(vi)].

PHAs may accept a self-certification of zero income from the family without taking any additional steps to verify zero reported income. HUD does not require such self-certifications be notarized.

PHAs that perform zero income reviews must update local discretionary policies, procedures, and forms. Families who begin receiving income which does not trigger an interim reexamination should no longer be considered zero income even though the family's income is not reflected on the Form HUD-50058.

PHA Policy

The PHA will check UIV sources and/or may request information from third-party sources to verify that certain forms of income such as unemployment benefits, TANF, SS, SSI, earned income, child support, etc., are not being received by families claiming to have zero annual income.

The PHA will also require that each family member who claims zero income status complete a zero-income form. If any sources of income are identified on the form, the PHA will verify the income in accordance with the policies in this chapter prior to including the income in the family's annual income.

The PHA will only conduct interims in accordance with PHA policy in Chapter 11.

7-III.L. STUDENT FINANCIAL ASSISTANCE [24 CFR 5.609(b)(9)]

The regulations under HOTMA distinguish between two categories of student financial assistance paid to both full-time and part-time students. Any other grant-in-aid, scholarship, or other assistance amounts an individual receives for the actual covered costs charged by the institute of higher education not otherwise excluded by the federally mandated income exclusions are included [24 CFR 5.609(b)(9)(ii)].

PHA Policy

The PHA will request written third-party verification of both the source and the amount of student financial assistance. Family-provided documents from the educational institution attended by the student will be requested, as well as documents generated by any other person or entity providing such assistance, as reported by the student.

In addition, unless the student's only source of assistance is assistance under Title IV of the HEA, the PHA will request written verification of the cost of the student's tuition, books, supplies, room and board, and other required fees and charges to the student from the educational institution.

If the PHA is unable to obtain third-party written verification of the requested information, the PHA will pursue other forms of verification following the verification hierarchy in section 7-I.B.

7-III.M. PARENTAL INCOME OF STUDENTS SUBJECT TO ELIGIBILITY RESTRICTIONS

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have a dependent child, and is not a person with disabilities receiving HCV assistance as of November 30, 2005, the income of the student's parents must be considered when determining income eligibility, unless the student is determined independent from their parents or a *vulnerable youth* in accordance with PHA policy [24 CFR 5.612, FR Notice 4/10/06, p. 18146, and FR Notice 9/21/16].

This provision does not apply to students residing with parents who are seeking or receiving HCV assistance. It is limited to students who are seeking or receiving assistance on their own, separately from their parents.

PHA Policy

If the PHA is required to determine the income eligibility of a student's parents, the PHA will request an income declaration and certification of income from the appropriate parent(s) (as determined in section 3-II.E). The PHA will send the request directly to the parents, who will be required to certify to their income under penalty of perjury. The parents will be required to submit the information directly to the PHA. The required information must be submitted (postmarked) within 10 business days of the date of the PHA's request or within any extended timeframe approved by the PHA.

The PHA reserves the right to request and review supporting documentation at any time if it questions the declaration or certification. Supporting documentation may include, but is not limited to, Internal Revenue Service (IRS) tax returns, consecutive and original pay stubs, bank statements, pension benefit statements, benefit award letters, and other official and authentic documents from a federal, state, or local agency.

PART IV: VERIFYING MANDATORY DEDUCTIONS

7-IV.A. DEPENDENT AND ELDERLY/DISABLED HOUSEHOLD DEDUCTIONS

The dependent and elderly/disabled family deductions require only that the PHA verify that the family members identified as dependents or elderly/disabled persons meet the statutory definitions. No further verifications are required.

Dependent Deduction

See Chapter 6 for a full discussion of this deduction. The PHA must verify that:

- Any person under the age of 18 for whom the dependent deduction is claimed is not the head, spouse, or cohead of the family and is not a foster child
- Any person age 18 or older for whom the dependent deduction is claimed is not a foster adult or live-in aide, and is a person with a disability or a full-time student

Elderly/Disabled Family Deduction

See Eligibility chapter for a definition of elderly and disabled families and Chapter 6 for a discussion of the deduction. The PHA must verify that the head, spouse, or cohead is 62 years of age or older or a person with disabilities.

7-IV.B. HEALTH AND MEDICAL CARE EXPENSE DEDUCTION

Policies related to medical expenses are found in Chapter 6. The amount of the deduction will be verified following the standard verification procedures described in Part I.

The PHA must comply with the Health Insurance Portability and Accountability Act (HIPAA) (Pub. L. 104-191, 110 Stat. 1936) and the Privacy Act of 1974 (Pub. L. 93-579, 88 Stat. 1896) when requesting documentation to determine unreimbursed health and medical care expenses. The PHA may not request documentation beyond what is sufficient to determine anticipated health and medical care costs. Before placing bills and documentation in the tenant file, the PHA must redact all personally identifiable information [FR Notice 2/14/23].

Amount of Expense

PHA Policy

Medical expenses will be verified through:

Written third-party documents provided by the family, such as pharmacy printouts or receipts.

When income is projected at new admission or interim, the PHA will make a best effort to determine what expenses from the past are likely to continue to occur in the future. The PHA will also accept evidence of monthly payments or total payments that will be due for medical expenses during the upcoming 12 months.

Written third-party verification forms if the family is unable to provide acceptable documentation.

When income is projected at new admission or interim, if third-party or document review is not possible, written family certification as to costs anticipated to be incurred during the upcoming 12 months.

Before placing bills and documentation in the tenant file, the PHA will redact all personally identifiable information.

If the PHA receives documentation from a verification source that contains the individual's specific diagnosis, information regarding the individual's treatment, and/or information regarding the nature or severity of the person's disability, the PHA will immediately dispose of this confidential information; this information will never be maintained in the individual's file. If the information needs to be disposed of, the PHA will note in the individual's file that verification was received, the date received, and the name and address of the person/organization that provided the verification. Under no circumstances will PHA include an applicant's or resident's medical records in the file [Notice PIH 2010-26].

In addition, the PHA must verify that:

- The household is eligible for the deduction.
- The costs to be deducted are qualified health and medical care expenses.
- The expenses are not paid for or reimbursed by any other source.
- Costs incurred in past years are counted only once.

Eligible Household

The health and medical care expense deduction is permitted only for households in which the head, spouse, or cohead is at least 62, or a person with disabilities. The PHA must verify that the family meets the definition of an elderly or disabled family provided in the Eligibility chapter and as described in Chapter 7 (7-IV.A.) of this plan.

Qualified Expenses

To be eligible for the health and medical care expense deduction, the costs must qualify as medical expenses. See Chapter 6 for the PHA's policy on what counts as a medical expense.

Unreimbursed Expenses

To be eligible for the health and medical care expense deduction, the costs must not be reimbursed by another source.

PHA Policy

The family will be required to certify that the medical expenses are not paid or reimbursed to the family from any source. If expenses are verified through a third party, the third party must certify that the expenses are not paid or reimbursed from any other source.

Expenses Incurred in Past Years

PHA Policy

At new admission and interim reexam, when anticipated costs are related to on-going payment of medical bills incurred in past years, the PHA will verify:

The anticipated repayment schedule

The amounts paid in the past, and

Whether the amounts to be repaid have been deducted from the family's annual income in past years

7-IV.C. DISABILITY ASSISTANCE EXPENSES

Policies related to disability assistance expenses are found in 6-II.E. The amount of the deduction will be verified following the standard verification procedures described in Part I.

The PHA must comply with the Health Insurance Portability and Accountability Act (HIPAA) (Pub. L. 104-191, 110 Stat. 1936) and the Privacy Act of 1974 (Pub. L. 93-579, 88 Stat. 1896) when requesting documentation to determine unreimbursed auxiliary apparatus or attendance care costs. The PHA may not request documentation beyond what is sufficient to determine anticipated reasonable attendant care and auxiliary apparatus costs. Before placing bills and documentation in the tenant file, the PHA must redact all personally identifiable information [FR Notice 2/14/23].

Amount of Expense

Attendant Care

PHA Policy

Expenses for attendant care will be verified through:

Written third-party documents provided by the family, such as receipts or cancelled checks.

Third-party verification form signed by the provider, if family-provided documents are not available.

When income is projected at new admission or interim, if third-party verification is not possible, written family certification as to costs anticipated to be incurred for the upcoming 12 months.

Before placing bills and documentation in the tenant file, the PHA will redact all personally identifiable information.

If the PHA receives documentation from a verification source that contains the individual's specific diagnosis, information regarding the individual's treatment, and/or information regarding the nature or severity of the person's disability, the PHA will immediately dispose of this confidential information; this information will never be maintained in the individual's file. If the information needs to disposed of, the PHA will note in the individual's file that verification was received, the date received, and the name and address of the person/organization that provided the verification. Under no circumstances will PHA include an applicant's or resident's medical records in the file [Notice PIH 2010-26].

Auxiliary Apparatus

PHA Policy

Expenses for auxiliary apparatus will be verified through:

Written third-party documents provided by the family, such as billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months.

Third-party verification form signed by the provider, if family-provided documents are not available.

If third-party verification is not possible, written family certification of estimated apparatus costs for the upcoming 12 months.

In addition, the PHA must verify that:

- The family member for whom the expense is incurred is a person with disabilities (as described in 7-II.F above).
- The expense permits a family member, or members, to work (as described in Chapter 6.).
- The expense is not reimbursed from another source (as described in Chapter 6.).

Family Member is a Person with Disabilities

To be eligible for the disability assistance expense deduction, the costs must be incurred for attendant care or auxiliary apparatus expense associated with a person with disabilities. The PHA will verify that the expense is incurred for a person with disabilities (See 7-II.F.).

Family Member(s) Permitted to Work

The PHA must verify that the expenses claimed actually enable a family member, or members, (including the person with disabilities) to work.

PHA Policy

The PHA will request third-party verification from a rehabilitation agency or knowledgeable medical professional indicating that the person with disabilities requires attendant care or an auxiliary apparatus to be employed, or that the attendant care or auxiliary apparatus enables another family member, or members, to work (See 6-II.E.). This documentation may be provided by the family.

If third-party verification has been attempted and is either unavailable or proves unsuccessful, the family must certify that the disability assistance expense frees a family member, or members (possibly including the family member receiving the assistance), to work.

Unreimbursed Expenses

To be eligible for the disability expenses deduction, the costs must not be reimbursed by another source.

PHA Policy

The family will be required to certify that attendant care or auxiliary apparatus expenses are not paid by or reimbursed to the family from any source.

7-IV.D. CHILDCARE EXPENSES

Policies related to childcare expenses are found in Chapter 6. The amount of the deduction will be verified following the standard verification procedures described in Part I of this chapter. In addition, the PHA must verify that:

- The child is eligible for care (12 or younger).
- The costs claimed are not reimbursed.
- The costs enable a family member to work, actively seek work, or further their education.
- The costs are for an allowable type of childcare.
- The costs are reasonable.

Eligible Child

To be eligible for the childcare deduction, the costs must be incurred for the care of a child under the age of 13. The PHA will verify that the child being cared for (including foster children) is under the age of 13 (See 7-II.C.).

Unreimbursed Expense

To be eligible for the childcare deduction, the costs must not be reimbursed by another source.

PHA Policy

The family (and the care provider) will be required to certify that the childcare expenses are not paid or reimbursed to the family from any source.

Pursuing an Eligible Activity

The PHA must verify that the family member(s) that the family has identified as being enabled to seek work, pursue education, or be gainfully employed, are actually pursuing those activities.

PHA Policy

Information to be Gathered

The PHA will verify information about how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the time required for study (for students), the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

Seeking Work

Whenever possible the PHA will use documentation from a state or local agency that monitors work-related requirements (e.g., welfare or unemployment). In such cases the PHA will request family-provided verification from the agency of the member's job seeking efforts to date, and require the family to submit to the PHA any reports provided to the other agency.

In the event third-party verification is not available, the PHA will provide the family with a form on which the family member must record job search efforts. The PHA will review this information at each subsequent reexamination for which this deduction is claimed.

Furthering Education

The PHA will request third-party documentation to verify that the person permitted to further their education by the childcare is enrolled and provide information about the timing of classes for which the person is registered. The documentation may be provided by the family.

Gainful Employment

The PHA will seek third-party verification of the work schedule of the person who is permitted to work by the childcare. In cases in which two or more family members could be permitted to work, the work schedules for all relevant family members may be verified. The documentation may be provided by the family.

Allowable Type of Childcare

The type of care to be provided is determined by the family, but must fall within certain guidelines, as discussed in Chapter 6.

PHA Policy

The PHA will verify that the type of childcare selected by the family is allowable, as described in Chapter 6.

The PHA will verify that the fees paid to the childcare provider cover only childcare costs (e.g., no housekeeping services or personal services) and are paid only for the care of an eligible child (e.g., prorate costs if some of the care is provided for ineligible family members).

The PHA will verify that the childcare provider is not an assisted family member. Verification will be made through the head of household's declaration of family members who are expected to reside in the unit.

Reasonableness of Expenses

Only reasonable childcare costs can be deducted.

PHA Policy

The actual costs the family incurs will be compared with the PHA's established standards of reasonableness for the type of care in the locality to ensure that the costs are reasonable.

If the family presents a justification for costs that exceed typical costs in the area, the PHA will request additional documentation, as required, to support a determination that the higher cost is appropriate.

EXHIBIT 7-1: SUMMARY OF DOCUMENTATION REQUIREMENTS FOR NONCITIZENS [HCV GB, pp. 5-9 and 5-10]

- **All** noncitizens claiming eligible status must sign a declaration of eligible immigrant status on a form acceptable to the PHA.
- Except for persons 62 or older, all noncitizens must sign a verification consent form
- Additional documents are required based upon the person's status.

Elderly Noncitizens

- A person 62 years of age or older who claims eligible immigration status also must provide proof of age such as birth certificate, passport, or documents showing receipt of SS old-age benefits.

All other Noncitizens

- Noncitizens that claim eligible immigration status also must present the applicable USCIS document. Acceptable USCIS documents are listed below.

• Form I-551 Alien Registration Receipt Card (for permanent resident aliens)
• Form I-94 Arrival-Departure Record annotated with one of the following:
  • "Admitted as a Refugee Pursuant to Section 207"
  • "Section 208" or "Asylum"
  • "Section 243(h)" or "Deportation stayed by Attorney General"
  • "Paroled Pursuant to Section 221 (d)(5) of the USCIS"
	• Form I-94 Arrival-Departure Record with no annotation accompanied by:
	  • A final court decision granting asylum (but only if no appeal is taken);
	  • A letter from a USCIS asylum officer granting asylum (if application is filed on or after 10/1/90) or from a USCIS district director granting asylum (application filed before 10/1/90);
	  • A court decision granting withholding of deportation; or
	  • A letter from an asylum officer granting withholding or deportation (if application filed on or after 10/1/90).

• Form I-688 Temporary Resident Card annotated "Section 245A" or Section 210".	Form I-688B Employment Authorization Card annotated "Provision of Law 274a. 12(11)" or "Provision of Law 274a.12".

- A receipt issued by the USCIS indicating that an application for issuance of a replacement document in one of the above listed categories has been made and the applicant's entitlement to the document has been verified; or
- Other acceptable evidence. If other documents are determined by the USCIS to constitute acceptable evidence of eligible immigration status, they will be announced by notice published in the *Federal Register*

Chapter 8

NATIONAL STANDARDS FOR THE PHYSICAL INSPECTION OF REAL ESTATE AND RENT REASONABLENESS DETERMINATIONS

[24 CFR 5 Subpart G and Notice PIH 2024-26]

INTRODUCTION

Owners must maintain all units occupied by families receiving Housing Choice Voucher (HCV) and Project Based Voucher (PBV) assistance in accordance with housing quality standards. Units assisted under the program must comply with HUD's National Standards for the Physical Inspection of Real Estate (NSPIRE) regulations and standards no later than October 1, 2025. The inspection performance standards and procedures for conducting NSPIRE inspections must be included in the administrative plan [Notice PIH 2024-26].

All units must pass an inspection prior to the approval of a lease (with some exceptions) and at least once every 24 months (or 36 months for small rural PHAs) during the term of the HAP contract, and at other times as needed, to determine that the unit meets housing quality standards. HUD also requires PHAs to determine that rents for units under the program are reasonable when compared to comparable unassisted units in the market area.

Provided they meet certain requirements, HUD permits PHAs to establish some additional local requirements in their administrative plans. The use of the term *NSPIRE standard*s in this plan refers to the combination of both HUD and PHA-established requirements. However, state and local codes, compliance is not part of the determination of whether a unit passes the NSPIRE standards.

This chapter explains HUD and PHA requirements related to physical inspections and rent reasonableness as follows:

> Part I. Physical Standards. This part discusses NSPIRE standards required of units occupied by HCV and PBV-assisted families. It also identifies affirmative habitability requirements for all units and life-threatening conditions that must be corrected in 24 hours.
>
> Part II. The Inspection Process. This part describes the types of inspections the PHA will make and the steps that will be taken when units do not meet NSPIRE standards.
>
> Part III. Rent Reasonableness Determinations. This part discusses the policies the PHA will use to make rent reasonableness determinations.

Special requirements for homeownership, manufactured homes, and other special housing types are discussed in Chapter 15 to the extent that they apply in this jurisdiction. Special requirements for the PBV and RAD PBV programs (if applicable) are discussed in Chapters 17 and 18, respectively.

NSPIRE and HQS

Even once the HQS inspection standard has sunset, the regulations at 24 CFR Part 982 and 983 governing the HCV and PBV programs will continue to use the terms *HQS* and *housing quality standards* rather than *NSPIRE*. This is because the definition of *housing quality standards (HQS)* at 24 CFR 982.4 means the minimum quality standards developed by HUD in accordance with 24 CFR 5.703 for the HCV program, including any variations approved by HUD for the PHA. As such, the model policy uses the term *housing quality standards* whenever applicable regulations use this term. Except in the chapter describing HQS, the acronym *HQS* is not used in the model policy in order to avoid confusion between the umbrella term meaning housing standards and the specific inspection protocol. The model policy only uses the term *NSPIRE* when referring to specific NSPIRE standards.

PART I: NSPIRE STANDARDS

NSPIRE standards are published on HUD's NSPIRE website as well as in the NSPIRE Final Rule [FR Notice 5/1//2023].

8-I.A. INSPECTABLE AREAS [24 CFR 5.703(a)(1) and 24 CFR 5.705(a)(2)]

NSPIRE defines the inspectable areas for inspection under the standards as inside, outside and unit. However, the inspection requirement for the HCV and PBV programs only applies to units occupied or to be occupied by HCV or PBV participants and common areas and exterior areas which either service or are associated with such units.

8-I.B. AFFIRMATIVE HABITABILITY REQUIREMENTS [24 CFR 5.703(b), (c), and (d)]

NSPIRE provides for minimum, or affirmative, habitability requirements for each area (unit, inside, outside). These areas must meet these requirements for habitability, which are listed in Exhibit 8-1.

The inside, outside and unit must be free of health and safety hazards that pose a danger to residents. Types of health and safety concerns include, but are not limited to carbon monoxide, electrical hazards, extreme temperature, flammable materials or other fire hazards, garbage and debris, handrail hazards, infestation, lead-based paint, mold, and structural soundness [24 CFR 5.703(e).

The NSPIRE Smoke Alarm Standard does not require that smoke alarms have a sealed battery; however, upon the effective date of the Public and Federally Assisted Housing Fire Safety Act of 2022 on December 29, 2024, sealed batteries *will* be required.

8-I.C. MODIFICATIONS TO PROVIDE ACCESSIBILITY [24 CFR 100.203; Notice 2003-31; and Notice PIH 2014-02]

Under the Fair Housing Act of 1988 an owner must make reasonable accommodations in rules, policies, practices, or services if necessary for a person with disabilities to use the housing and must not refuse the request of a family that contains a person with a disability to make necessary and reasonable modifications to the unit if such modification is necessary to afford the person with a disability full enjoyment of the premises. Such modifications are at the family's expense. The owner may, where it is reasonable to do so, require restoration of the unit to its original condition (reasonable wear and tear excepted) if the modification would interfere with the owner or next occupant's full enjoyment of the premises. The owner may not increase a customarily required security deposit. However, the landlord may negotiate a restoration agreement that requires the family to restore the unit and, if necessary to ensure the likelihood of restoration, may require the tenant to pay a reasonable amount into an interest- bearing escrow account over a reasonable period of time. The interest in any such account accrues to the benefit of the tenant. The owner may also require reasonable assurances that the quality of the work will be acceptable and that any required building permits will be obtained. [24 CFR 100.203; Notice 2003-31].

Modifications to units to provide access for a person with a disability must meet all applicable NSPIRE requirements and conform to the design, construction, or alteration of facilities contained in the UFAS and the ADA Accessibility Guidelines (ADAAG) [28 CFR 35.151(c) and Notice 2003-31] See Chapter 2 of this plan for additional information on reasonable accommodations for persons with disabilities.

PHA Policy

Any owner that intends to negotiate a restoration agreement or require an escrow account must submit the agreement(s) to the PHA for review.

8-I.D. ADDITIONAL LOCAL REQUIREMENTS [24 CFR 5.705(a)(3) and Notice PIH 2024-26]

The PHA may impose variations to the NSPIRE standards as long as the additional criteria are not likely to adversely affect the health or safety of participant families or severely restrict housing choices for families. HUD approval is required for variations to NSPIRE standards and approved variations must be added to the administrative plan.

HUD may approve inspection criteria variations if the variations apply standards in local housing codes or other codes adopted by the PHA or because of local climatic or geographic conditions. Acceptability criteria variations may only be approved by HUD if such variations either meet or exceed the performance requirements or significantly expand affordable housing opportunities for families assisted under the program.

PHA Policy

The PHA has not requested any HUD-approved variations to NSPIRE standards.

8-I.E. LIFE-THREATENING DEFICIENCIES [Notice PIH 2024-26]

HUD previously required the PHA to define life-threatening conditions in the administrative plan. The NSPIRE standards now describe those conditions which are considered life-threatening and must be corrected within 24 hours.

The following are a list of life-threatening deficiencies under NSPIRE:

Inspectable Item	Deficiency
Call-for-Aid System	System is blocked, or pull cord is higher than 6 inches off the floor.
	System does not function properly
Carbon Monoxide Alarm	Carbon monoxide alarm is missing, not installed, or not installed in a proper location.
	Carbon monoxide alarm is obstructed.
	Carbon monoxide alarm does not produce an audio or visual alarm when tested.
Chimney	A visually accessible chimney, flue, or firebox connected to a fireplace or wood-burning appliance is incomplete or damaged such that it may not safely contain fire and convey smoke and combustion gases to the exterior.
	Chimney exhibits signs of structural failure.
Clothes Dryer Exhaust Ventilation	Electric dryer transition duct is detached or missing.
	Gas dryer transition duct is detached or missing.
	Electric dryer exhaust ventilation system has restricted airflow.
	Dryer transition duct is constructed of unsuitable material.
	Gas dryer exhaust ventilation system has restricted airflow.
Door – Entry	Entry door is missing.
Door – Fire Labeled	Fire labeled door is missing.
Egress	Obstructed means of egress.
	Sleeping room is located on the third floor or below and has an obstructed rescue opening.
	Fire escape is obstructed.
Electrical – Conductor, Outlet, and Switch	Outlet or switch is damaged.
	Exposed electrical conductor.
	Water is currently in contact with an electrical conductor.
Electrical – Service Panel	The overcurrent protection device is damaged.
Exit Sign	Exit sign is damaged, missing, obstructed, or not adequately illuminated.

Inspectable Item	Deficiency
Fire Escape	Fire escape component is damaged or missing.
Fire Extinguisher	Fire extinguisher pressure gauge reads over or under-charged.
	Fire extinguisher service tag is missing, illegible, or expired.
	Fire extinguisher is damaged or missing.
Flammable and Combustible Items	Flammable or combustible item is on or within 3 feet of an appliance that provides heat for thermal comfort or a fuel-burning water heater; OR Improperly stored chemicals.
Guardrail	Guardrail is missing or not installed.
	Guardrail is not functionally adequate.
Heating, Ventilation, and Air Conditioning (HVAC)	The inspection date is on or between October 1 and March 31 and the permanently installed heating source is not working or the permanently installed heating source is working and the interior temperature is below 64 degrees Fahrenheit.
	Unvented space heater that burns gas, oil, or kerosene is present.
	Combustion chamber cover or gas shutoff valve is missing from a fuel burning heating appliance.
	Fuel burning heating system or device exhaust vent is misaligned, blocked, disconnected, improperly connected, damaged, or missing.
Leak – Gas or Oil	Natural gas, propane, or oil leak.
Mold-like Substance	Presence of mold-like substance at extremely high levels is observed visually.
Smoke Alarm	Smoke alarm is not installed where required.
	Smoke alarm is obstructed.
	Smoke alarm does not produce an audio or visual alarm when tested.
Sprinkler Assembly	Sprinkler head assembly is encased or obstructed by an item or object that is within 18 inches of the sprinkler head.
	Sprinkler assembly component is damaged, inoperable, or missing and it is detrimental to performance.
	Sprinkler assembly has evidence of corrosion.
	Sprinkler assembly has evidence of foreign material that is detrimental to performance.
Structural System	Structural system exhibits signs of serious failure.
Toilet	Only 1 toilet was installed, and it is missing.

Inspectable Item	Deficiency
Water Heater	Chimney or flue piping is blocked, misaligned, or missing.
	Gas shutoff valve is damaged, missing, or not installed.

However, PHAs may add additional deficiencies which the PHA considers life-threatening provided they are described in the administrative plan.

PHA Policy

In addition to those listed under the NSPIRE standards, the following are considered life-threatening conditions:

Utilities not in service, including no running hot water

8-I.F. OWNER AND FAMILY RESPONSIBILITIES [24 CFR 982.404]

The following is applicable to HAP contracts executed or renewed June 5, 2024, or earlier:

Family Responsibilities

The family is responsible for correcting the following deficiencies:

- Tenant-paid utilities not in service
- Failure to provide or maintain appliances owned by the family
- Damage to the unit or premises caused by a household member or guest beyond ordinary wear and tear.

If a family fails to correct a family-caused life-threatening condition as required by the PHA, the PHA will enforce the family obligations. See 8-II.H.

PHA Policy

Damages beyond ordinary wear and tear will be considered to be damages which could be assessed against the security deposit under state law or in court practice.

Owner Responsibilities

The owner must maintain the unit in accordance with housing quality standards. The owner is not responsible for a breach of housing quality standards that is not caused by the owner, and for which the family is responsible (as provided in 24 CFR 982.404(b) and 982.551(c)).

PHA Policy

The owner is responsible for all housing quality violations not listed as a family responsibility above, even if the violation is caused by the family's living habits (e.g., vermin infestation). However, if the family's actions constitute a serious or repeated lease violation, the owner may take legal action to evict the family.

The owner will be required to repair an inoperable smoke detector unless the PHA determines that the family has intentionally disconnected it (by removing batteries or other means). In this case, the family will be required to repair the smoke detector within 24 hours.

If an owner fails to correct life-threatening conditions as required by the PHA, the PHA will enforce the housing quality standards in accordance with HUD requirements. See 8-II-G.

The following is applicable to HAP contracts executed or renewed June 6, 2024, or later.

Owner Obligation

The owner must maintain the unit in accordance with housing quality standards. A unit is not in compliance with housing quality standards if the PHA or other inspector authorized by the state or local government determines that the unit has housing quality standards deficiencies based upon an inspection, notifies the owner in writing of the deficiencies, and the deficiencies are not remedied within the appropriate time frame.

In the case of a housing quality standards deficiency that the PHA determines is caused by the tenant, any member of the household, or any guest or other person under the tenant's control (other than damage resulting from ordinary use), the PHA may waive the owner's responsibility to remedy the violation. The HAP to the owner may not be withheld or abated if the owner responsibility has been waived. However, if the family's actions constitute a serious or repeated lease violation, the owner may take legal action to evict the family. In addition, the PHA may terminate the family's assistance because of a housing quality standards breach (beyond damage resulting from ordinary use) caused by any member of the household, guest, or other person under the tenant's control.

PHA Policy

The PHA will waive the owner's responsibility for housing quality standards deficiencies that have been determined to have been caused by the tenant, any member of the household, or any guest or other person under the tenant's control, to the extent the tenant can be held responsible for ensuring that the deficiencies are corrected: the tenant must take all necessary steps permissible under the lease and state and local law to remedy the deficiency. This may include paying the owner for the cost of the necessary repairs in accordance with the lease.

Family Responsibilities

The family may be held responsible for a breach of housing quality standards caused by any of the following:

- Tenant-paid utilities not in service;
- Failure to provide or maintain appliances owned by the family; and
- Damage to the dwelling unit or premises caused by a household member or guest beyond ordinary wear and tear.

  PHA Policy

  Damages beyond ordinary wear and tear will be considered to be damages which could be assessed against the security deposit under state law or in court practice.

If the PHA has waived the owner's responsibility to remedy the violation as outlined under the owner obligations above, the following applies:

- If the housing quality standards breach caused by the family is life-threatening, the family must take all steps permissible under the lease and state and local law to ensure the deficiency is corrected within 24 hours of notification.
- For other family-caused deficiencies, the family must take all steps permissible under the lease and state and local law to ensure the deficiency is corrected within 30 calendar days of notification (or any PHA-approved extension).

If the family has caused a breach of housing quality standards, the PHA must take prompt and vigorous action to enforce the family obligations. The PHA may terminate assistance for the family in accordance with 24 CFR 982.552.

8-I.G. LEAD-BASED PAINT

PHAs and owners must comply with the requirements and timelines in 24 CFR Part 35 Subpart M—Tenant-Based Rental Assistance and Subpart H—Project-Based Assistance. PHAs and owners are reminded that any deteriorated paint in target housing, or other lead-based paint hazard identified through a lead-based paint risk assessment or lead-based paint inspection is considered a violation of NSPIRE standards.

For the HCV program, Subpart M applies to units where a child under age six resides or is expected to reside, common areas that service that unit, and exterior painted surfaces associated with that unit or common areas. For project-based programs, Subpart H applies to assisted units and common areas of the property regardless of whether a child under age six resides or is expected to reside in the unit. NSPIRE does not alter any of the lead-based paint requirements in Part 35 for these programs.

Special Requirements for Children with Elevated Blood Lead Level [24 CFR 35.1225; FR Notice 1/13/17; Notice PIH 2017-13]

If a PHA is notified by a public health department or other medical health care provider, or verifies information from a source other than a public health department or medical health care provider, that a child of less than six years of age, living in an HCV-assisted unit has been identified as having an elevated blood lead level, the PHA must complete an environmental investigation of the dwelling unit within 15 calendar days after being notified by a public health department or other medical health care provider. The environmental investigation must be completed in accordance with program requirements, and the result of the environmental investigation must be immediately provided to the owner of the dwelling unit. In cases where the public health department has already completed an evaluation of the unit, this information must be provided to the owner.

Within 30 days after receiving the environmental investigation report from the PHA, or the evaluation from the public health department, the owner is required to complete the reduction of identified lead-based paint hazards in accordance with the lead-based paint regulations [24 CFR 35.1325 and 35.1330; 40 CFR 745.227]. If the owner does not complete the “hazard reduction” as required, the dwelling unit is in violation of NSPIRE and the PHA will take action in accordance with Section 8-II.G.

PHA reporting requirements, and data collection and record keeping responsibilities related to children with an elevated blood lead level are discussed in Chapter 16.

8-I.H. VIOLATION OF SPACE STANDARDS [24 CFR 5.703(d)(5)]

Units assisted under the HCV or PBV programs must have at least one bedroom or living/sleeping room for each two persons. A living room may be used as sleeping (bedroom) space, but no more than two persons may occupy the space [HCV GB p. 10-6]. Each habitable room must have two working outlets or one working outlet and a permanent light. HUD defines a *habitable room* as a room in a building for living, sleeping, eating, or cooking, but excluding bathrooms, toilet rooms, closets, hallways, storage or utility spaces, and similar areas [FR Notice 5/11/23].

A unit that does not meet these space standards is defined as *overcrowded*.

If the PHA determines that a unit is overcrowded because of an increase in family size or a change in family composition, the PHA must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, the PHA must terminate the HAP contract in accordance with its terms.

PART II: THE INSPECTION PROCESS

8-II.A. OVERVIEW [24 CFR 982.405]

Types of Inspections

The PHA conducts the following types of inspections as needed. Each type of inspection is discussed in the paragraphs that follow.

- *Initial Inspections*. The PHA conducts initial inspections in response to a request from the family to approve a unit for participation in the HCV program.
- *Periodic Inspections*. HUD requires the PHA to inspect each unit under lease at least annually or biennially (or triennially for small rural PHAs as defined in 24 CFR 982.305(b)(2)), depending on PHA policy, to confirm that the unit still meets housing quality standards.
- *Interim Inspections.* A special inspection may be requested by the owner, the family, or a third party as a result of problems identified with a unit between annual inspections.
- *Supervisory Control Inspections.* HUD requires that a sample of units be inspected by a supervisor or other qualified individual to evaluate the work of the inspector(s) and to ensure that inspections are performed in compliance with housing quality standards.

Inspection of PHA-Owned Units [24 CFR 982.352(b)]

The PHA must obtain the services of an independent entity to perform all inspections in cases where an HCV family is receiving assistance in a PHA-owned unit as defined in 24 CFR 982.4. The independent entity must communicate the results of each inspection to the family and the PHA. The independent agency must be approved by HUD and may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government). The PHA must inform the family, both orally and in writing, that the family has the right to select any eligible unit available for lease. PHA-owned unit is freely selected by the family, without PHA pressure or steering.

For information on the inspection of PHA-owned units in the PBV program, see Chapters 17 and 18.

Inspection Costs [Notice PIH 2016-05 and 24 CFR 5.705(h)]

The PHA may not charge the family for unit inspections or reinspections [24 CFR 982.405(g)].

In the case of inspections of PHA-owned units, the PHA may compensate the independent agency from ongoing administrative fees (including fees credited to the administrative fee reserve) for inspections performed. The PHA and the independent agency may not charge the family any fee or charge for the inspection [24 CFR.982.352(b)(1)(v)(B)].

The PHA may not charge the owner for the inspection of the unit prior to the initial term of the lease or for a first inspection during assisted occupancy of the unit. However, the PHA may charge a reasonable fee to owners for reinspections if an owner notifies the PHA that a repair has been made or the allotted time for repairs has elapsed and a reinspection reveals that any deficiency cited in the previous inspection that the owner is responsible for repairing, pursuant to 24 CFR 982.404(a), was not corrected. Fees may not be imposed for tenant-caused damages, for cases in which the inspector could not gain access to the unit, or for new deficiencies discovered during a reinspection.

The owner may not pass the cost of a reinspection fee to the family. Reinspection fees must be added to the PHA's administrative fee reserves and may only be used for activities related to the provision of tenant-based assistance.

PHA Policy

The PHA will not charge a fee for failed reinspections.

Remote Video Inspections (RVIs) [Notice PIH 2020-31]

As an alternative to some or all on-site inspections, the PHA may, but is not required to, perform NSPIRE inspections from a remote location using video streaming technology and a proxy at the inspection site. Since there may be some circumstances in which the application of technology provides insufficient information or evidence to allow the PHA to make appropriate determinations about whether a condition violates NSPIRE standards, Notice PIH 2020-31 requires that if a PHA chooses to implement RVIs, the PHA should have policies and procedures in place to address such limitations.

PHA Policy

The PHA will not conduct any inspection using RVI.

Notice and Scheduling

The family must allow the PHA to inspect the unit at reasonable times with reasonable notice [24 CFR 982.551(d)].

PHA Policy

Both the family and the owner will be given reasonable notice of all inspections. Except in the case of a life-threatening emergency, reasonable notice is considered to be not less than 48 hours. Inspections may be scheduled between 8:00 a.m. and 7:00 p.m. Generally, inspections will be conducted on business days only. In the case of a life-threatening emergency, the PHA will give as much notice as possible, given the nature of the emergency.

Owner and Family Inspection Attendance

HUD permits the PHA to set policy regarding family and owner presence at the time of inspection [HCV GB p. 10-27].

PHA Policy

When a family occupies the unit at the time of inspection an authorized adult must be present for the inspection. The presence of the owner or the owner's representative is encouraged but is not required.

At initial inspection of a vacant unit, the PHA will inspect the unit in the presence of the owner or owner's representative. The presence of a family representative is permitted but is not required.

8-II.B. INITIAL INSPECTION [24 CFR 982.405(a)]

HUD regulations require that units assisted under the HCV program be inspected to determine that the units meet housing quality standards before the PHA approves assisted tenancy. However, PHAs have two options for bringing units under HAP contract (or, in the case of PBV, approving occupancy and the execution of a lease) more quickly. The PHA may, but is not required to approve assisted tenancy and start HAP if the unit:

- Fails the initial inspection, but only if no life-threatening deficiencies are identified; and/or
- Passed an alternative inspection in the last 24 months.

If the PHA adopts the alternative inspection option in combination with the non-life-threatening deficiencies option, the PHA must follow family and owner notification requirements listed at 24 CFR 982.406(f). Otherwise, if neither of the above provisions are adopted, the PHA must determine that the unit the family selects meets NSPIRE standards prior to approving tenancy.

Approving Units with Non-Life-Threatening Deficiencies [FR Notice 1/18/17; Notice PIH 2017-20; FR Notice 5/7/24; and 24 CFR 982.405(j)]

The PHA may approve assisted tenancy, execute a HAP contract, and begin paying HAP if a unit fails an initial inspection, but only if the deficiencies identified are non-life threatening. This is known as the "NLT option." A PHA that implements the NLT option may apply the option to all of the PHA's initial inspections or may limit it to certain units. If the NLT option is adopted, the PHA must follow requirements listed at 24 CFR 982.405(j) for family and owner notification.

The PHA's administrative plan must specify the circumstances under which the PHA will exercise the NLT option, if any.

PHA Policy

The PHA will not use the NLT option. All units must pass the initial inspection on or before the effective date of the HAP contract.

Approving Units Using Alternative Inspections [FR Notice 1/18/17; Notice PIH 2017-20; FR Notice 5/7/24; and 24 CFR 982.406]

The PHA may approve assisted tenancy, execute a HAP contract, and begin paying HAP if a unit passed an alternative inspection (i.e., an inspection conducted for another housing program) conducted in the last 24 months provided the PHA is able to obtain the results of the alternative inspection, the property received a "pass" score (if applicable), and the inspection meets the requirements at 24 CFR 982.406(c) and (d). The PHA may implement the use of alternative inspections for both initial and periodic inspections or may limit the use of alternative inspections to either initial or periodic inspections. If alternative inspections are used, the PHA must follow requirements listed at 24 CFR 982.406(e)(2) for family and owner notification.

A PHA relying on an alternative inspections must identify the alternative inspection method being used in the PHA's administrative plan.

PHA Policy

The PHA will not rely on alternative inspections and will conduct an initial inspection for each unit prior to executing a HAP contract with the owner.

Timing of Initial Inspections [24 CFR 982.305(b)(2)(i)]

Unless the PHA relies on alternative inspections, HUD requires PHAs with fewer than 1,250 budgeted units to complete the initial inspection, determine whether the unit satisfies housing quality standards, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA). For PHAs with 1,250 or more budgeted units, to the extent practicable such inspection and determination must be completed within 15 days. The 15-day period is suspended for any period during which the unit is not available for inspection.

PHA Policy

The PHA will complete the initial inspection, determine whether the unit satisfies NSPIRE standards, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA).

Inspection Results and Reinspections

For new units proposed for the HCV program, life-threatening deficiencies must be resolved before the HAP contract is executed and the family moves into the unit.

PHA Policy

If any deficiencies are identified, the owner will be notified of the deficiencies and be given a time frame to correct them. If requested by the owner, the time frame for correcting the deficiencies may be extended by the PHA for good cause. The PHA will reinspect the unit within five business days of the date the owner notifies the PHA that the required corrections have been made.

If the time period for correcting the deficiencies (or any PHA-approved extension) has elapsed, or the unit fails at the time of the reinspection, the PHA will notify the owner and the family that the unit has been rejected and that the family must search for another unit. The PHA may agree to conduct a second reinspection, for good cause, at the request of the family and owner.

Following a failed reinspection, the family may submit a new Request for Tenancy Approval for the same unit after the owner has made repairs, if they are unable to locate another suitable unit.

Utilities

Generally, at initial lease-up the owner is responsible for demonstrating that all utilities are in working order including those utilities that the family will be responsible for paying.

PHA Policy

Utility service must be available for testing at the time of the initial inspection**.**

Appliances

PHA Policy

If the family is responsible for supplying the stove and/or refrigerator, the PHA will allow the stove and refrigerator to be placed in the unit after the unit has met all other NSPIRE requirements. The required appliances must be in place before the HAP contract is executed by the PHA. The PHA will execute the HAP contract based upon a certification from the family that the appliances have been installed and are working. A confirmatory inspection will be scheduled within 30 days of HAP contract approval.

8-II.C. PERIODIC INSPECTIONS [24 CFR 982.405(b) and Notice PIH 2016-05]

HUD requires the PHA to inspect each unit under HAP contract at least biennially (or triennially for small rural PHAs), to confirm that the unit still meets NSPIRE standards. The inspection may be conducted in conjunction with the family's annual reexamination but also may be conducted separately.

PHA Policy

Each unit under HAP contract must be inspected biennially within 24 months of the last full inspection. The PHA reserves the right to require annual inspections of any unit or owner at any time.

The PHA will not rely on alternative inspection standards.

Scheduling the Inspection

PHA Policy

If an adult cannot be present on the scheduled date, the family should request that the PHA reschedule the inspection. The PHA and family will agree on a new inspection date that generally should take place within five business days of the originally scheduled date. The PHA may schedule an inspection more than five business days after the original date for good cause.

If the family misses the first scheduled appointment without requesting a new inspection date, the PHA will automatically schedule a second inspection. If the family misses two scheduled inspections without PHA approval, the PHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with Chapter 12.

8-II.D. INTERIM INSPECTIONS [24 CFR 982.405(d)]

If a participant family or government official notifies the PHA of a potential deficiency, the following applies:

- If the reported deficiency is life-threatening, the PHA must, within 24 hours of notification, both inspect the housing unit and notify the owner if the life-threatening deficiency is confirmed. The owner must then make the repairs within 24 hours of PHA notification.
- If the reported deficiency is non-life-threatening, the PHA must, within 15 days of notification, both inspect the unit and notify the owner if the deficiency is confirmed. The owner must then make the repairs within 30 days of notification from the PHA or within any PHA-approved extension.

PHA Policy

During an interim inspection, the PHA generally will inspect only those deficiencies that were reported. However, the inspector will record any additional deficiencies that are observed and will require the responsible party to make the necessary repairs.

If the periodic inspection has been scheduled or is due within 90 days of the date the interim inspection is scheduled the PHA may elect to conduct a full inspection.

8-II.E. SUPERVISORY QUALITY CONTROL INSPECTIONS [24 CFR 982.405(b); 24 CFR 985.3(e); HCV GB, p. 10-32]

HUD requires a PHA supervisor or other qualified person to conduct quality control inspections of a sample of units to ensure that each inspector is conducting accurate and complete inspections and that there is consistency in the application of the NSPIRE standards.

The unit sample must include only units that have been inspected within the preceding three months. The selected sample should be drawn to represent a cross section of neighborhoods and the work of a cross section of inspectors.

8-II.F. INSPECTION RESULTS AND REINSPECTIONS FOR UNITS UNDER HAP CONTRACT

Correction Timeframes

Each deficiency is identified in the NSPIRE standards as either life-threatening, severe, moderate, or low.

For units under HAP contract, life-threatening deficiencies must be corrected within 24 hours after notice has been provided. All other non-life-threatening deficiencies (severe and moderate) must be corrected within 30 days (or a PHA-approved extension) after notice has been provided. If low deficiencies are present in a unit, these deficiencies result in a pass and would only be noted by the inspector for informational purposes.

The following is applicable to HAP contracts executed or renewed June 5, 2024, or earlier:

Notification of Corrective Actions

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies deficiencies, the PHA will determine (1) whether or not the failure is a life-threatening condition and (2) whether the family or owner is responsible.

PHA Policy

When life-threatening deficiencies are identified, the PHA will immediately notify both parties by telephone or email. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within 24 hours of the PHA's notice.

When failures that are severe or moderate are identified, the PHA will send the owner and the family a written notification of the inspection results within five business days of the inspection. The written notice will specify who is responsible for correcting the violation, and the time frame within which the failure must be corrected. Generally, not more than 30 days will be allowed for the correction. If low deficiencies are identified, these deficiencies will only be noted for informational purposes.

The notice of inspection results will inform the owner that if life-threatening conditions are not corrected within 24 hours, and non-life-threatening conditions are not corrected within the specified time frame (or any PHA-approved extension), the owner's HAP will be abated in accordance with PHA policy (see 8-II.G.).

Likewise, in the case of family caused deficiencies, the notice will inform the family that if corrections are not made within the specified time frame (or any PHA-approved extension, if applicable) the family's assistance will be terminated in accordance with PHA policy (see Chapter 12).

The following is applicable to HAP contracts executed or renewed June 6, 2024, or later:

Notification of Corrective Actions [24 CFR 982.404(d)(1)]

The owner must maintain the unit in accordance with housing quality standards. The unit is in noncompliance with housing quality standards if:

- The PHA or authorized inspector determines the unit has housing quality standards deficiencies based upon an inspection
- The PHA notified the owner in writing of the unit housing quality standards deficiencies; and
- The unit's housing quality standards deficiencies are not corrected within the required timeframes.

A PHA may withhold assistance payments for units that have deficiencies once the owner has been notified in writing of the deficiencies. The PHA's administrative plan must identify the conditions under which the PHA will withhold HAP. In this case, if the unit is brought into compliance during the applicable cure period, the PHA must resume assistance payments and provide payments to cover the time period for which the payments were withheld.

The PHA must abate the HAP, including amounts that had been withheld, if the owner fails to make the repairs within the applicable cure period. The PHA must notify the family and the owner that it is abating payments and, if the unit does not meet housing quality standards within 60 days (or a reasonable longer period established by the PHA), the PHA will terminate the HAP contract for the unit and the family will have to move to receive continued assistance.

PHA Policy

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies housing quality standards failures, the PHA will determine (1) whether or not the failure is a life-threatening condition and (2) whether the family or owner is responsible.

The PHA will not withhold assistance payments upon notification of the deficiencies to the owner.

When life-threatening conditions are identified, the PHA will immediately notify both parties by telephone or email. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within 24 hours of the PHA's notice.

When failures that are not life-threatening are identified, the PHA will send the owner and the family a written notification of the inspection results within five business days of the inspection. The written notice will specify who is responsible for correcting the violation, and the time frame within which the failure must be corrected. Generally, not more than 30 days will be allowed for the correction.

If the owner is responsible for correcting the deficiency, the notice of inspection results will inform the owner that if life-threatening conditions are not corrected within 24 hours, and non-life-threatening conditions are not corrected within the specified time frame (or any PHA-approved extension), the owner's HAP will be abated in accordance with PHA policy (see 8-II.G.).

Likewise, if the family is responsible for correcting the deficiency, the notice will inform the family that if corrections are not made within the specified time frame (or any PHA-approved extension, if applicable) the family's assistance will be terminated in accordance with PHA policy (see Chapter 12).

Extensions

For life-threatening deficiencies, the PHA cannot grant an extension to the 24-hour corrective action period. For conditions that are severe or moderate, the PHA may grant an exception to the required time frames for correcting the violation, if the PHA determines that an extension is appropriate.

PHA Policy

Extensions will be granted in cases where the PHA has determined that the owner has made a good faith effort to correct the deficiencies and is unable to for reasons beyond the owner's control. Reasons may include, but are not limited to:

A repair cannot be completed because required parts or services are not available.

A repair cannot be completed because of weather conditions.

A reasonable accommodation is needed because the family includes a person with disabilities.

The length of the extension will be determined on a case-by-case basis, but will not exceed 60 days, except in the case of delays caused by weather conditions. In the case of weather conditions, extensions may be continued until the weather has improved sufficiently to make repairs possible. The necessary repairs must be made within 15 calendar days, once the weather conditions have subsided.

Reinspections [24 CFR 982.405(i)]

When a PHA must verify correction of a deficiency, the PHA may use verification methods other than another on-site inspection.

PHA Policy

The PHA will conduct a reinspection immediately following the end of the corrective period, or any PHA approved extension.

The family and owner will be given reasonable notice of the reinspection appointment. If the deficiencies have not been corrected by the time of the reinspection, the PHA will send a notice of abatement to the owner, or in the case of family caused violations, a notice of termination to the family, in accordance with PHA policies. If the PHA is unable to gain entry to the unit in order to conduct the scheduled reinspection, the PHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with Chapter 12.

The PHA will not accept self-certification of repairs. Photos or other documentation of repairs will not be accepted in lieu of a reinspection.

8-II.G. ENFORCING OWNER COMPLIANCE

If the owner fails to maintain the dwelling unit in accordance with NSPIRE standards, the PHA must take prompt and vigorous action to enforce the owner obligations.

The following is applicable to HAP contracts executed or renewed June 5, 2024, or earlier:

HAP Abatement

If an owner fails to correct deficiencies by the time specified by the PHA, HUD requires the PHA to abate housing assistance payments no later than the first of the month following the specified correction period (including any approved extension) [24 CFR 985.3(f)]. No retroactive payments will be made to the owner for the period of time the rent was abated. Owner rents are not abated as a result of deficiencies that are the family's responsibility.

PHA Policy

The PHA will make all HAP abatements effective the first of the month following the expiration of the PHA specified correction period (including any extension).

The PHA will inspect abated units within five business days of the owner's notification that the work has been completed. Payment will resume effective on the day the unit passes inspection.

During any abatement period the family continues to be responsible for its share of the rent. The owner must not seek payment from the family for abated amounts and may not use the abatement as cause for eviction.

HAP Contract Termination

The PHA must decide how long any abatement period will continue before the HAP contract will be terminated. The PHA should not terminate the contract until the family finds another unit, provided the family does so in a reasonable time [HCV GB p. 10-29] and must give the owner reasonable notice of the termination. The PHA will issue a voucher to permit the family to move to another unit as described in Chapter 10.

PHA Policy

The maximum length of time that HAP may be abated is 90 days. However, if the owner completes corrections and notifies the PHA before the termination date of the HAP contract, the PHA may rescind the termination notice if (1) the family still resides in the unit and wishes to remain in the unit and (2) the unit passes inspection.

Reasonable notice of HAP contract termination by the PHA is 30 days.

The following is applicable to HAP contracts executed or renewed June 6, 2024, or later:

HAP Withholding [24 CFR 982.404(d)(1)]

A PHA may withhold assistance payments for units that have housing quality standards deficiencies once the PHA has notified the owner in writing of the deficiencies. The PHA's administrative plan must identify the conditions under which the PHA will withhold HAP. In this case, if the unit is brought into compliance during the applicable cure period, the PHA resumes assistance payments and provides assistance payments to cover the time period for which the payments were withheld.

PHA Policy

The PHA will not withhold assistance payments upon notification to the owner of the deficiencies.

HAP Abatement [24 CFR 982.404(d)(2)]

The PHA must abate the HAP, including amounts that had been withheld, if the owner fails to make the repairs within the applicable cure period. In this case, the PHA must notify the family and the owner that it is abating payments and, if the unit does not meet housing quality standards within 60 days (or a reasonable longer period established by the PHA), the PHA will terminate the HAP contract for the unit and the family will have to move to receive continued assistance.

The owner may not terminate the tenancy of any family due to the withholding or abatement of assistance.

PHA Policy

The PHA will make all HAP abatements effective the first of the month following the expiration of the PHA-specified correction period (including any extension).

The PHA will inspect abated units within five business days of the owner's notification that the work has been completed. Payment will resume effective on the day the unit passes inspection.

During any abatement period the family continues to be responsible for its share of the rent.

For PHA policies on family moves when units are in abatement and termination of the HAP contract when a family moves due to deficiencies, see Section 10-I.B.

HAP Contract Termination

The PHA must decide how long any abatement period will continue before the HAP contract will be terminated. If the unit does not meet housing quality standards within 60 days (or a reasonable longer period established by the PHA), the PHA will terminate the HAP contract for the unit and the family will have to move to receive continued assistance. In this case, the PHA must issue the family its voucher to move at least 30 days prior to the termination of the HAP contract.

PHA Policy

The maximum length of time that HAP may be abated is 60 days. However, if the owner completes corrections and notifies the PHA before the termination date of the HAP contract, the PHA may rescind the termination notice if (1) the family still resides in the unit and wishes to remain in the unit and (2) the unit passes inspection.

Reasonable notice of HAP contract termination by the PHA is 30 days. The PHA will issue a voucher to permit the family to move to another unit as described in Chapter 10.

8-II.H. ENFORCING FAMILY COMPLIANCE [24 CFR 982.404(b)]

The following is applicable to HAP contracts executed or renewed June 5, 2024, or earlier:

Families are responsible for correcting any deficiencies listed in paragraph 8-I.D. If the family fails to correct a violation within the period allowed by the PHA (and any extensions), the PHA will terminate the family's assistance, according to the policies described in Chapter 12.

If the owner carries out a repair for which the family is responsible under the lease, the owner may bill the family for the cost of the repair.

The following is applicable to HAP contracts executed or renewed June 6, 2024, or later:

If the PHA waived the landlord responsibility for housing quality standards deficiencies that have been determined to have been caused by the tenant, any member of the household, or any guest or other person under the tenant's control, (see section 8-I.D), the family is responsible for correcting any housing quality standards violations listed in paragraph 8.I.D. If the family fails to correct a violation within the period allowed by the PHA (and any extensions), the PHA will terminate the family's assistance, according to the policies described in Chapter 12.

If the owner carries out a repair for which the family is responsible under the lease, the owner may bill the family for the cost of the repair and may enter into a repayment agreement with the family.

PART III: RENT REASONABLENESS [24 CFR 982.507]

8-III.A. OVERVIEW

Except in the case of certain LIHTC- and HOME-assisted units, no HAP contract can be approved until the PHA has determined that the rent for the unit is reasonable. The purpose of the rent reasonableness test is to ensure that a fair rent is paid for each unit rented under the HCV program.

HUD regulations define a reasonable rent as one that does not exceed the rent charged for comparable, unassisted units in the same market area. HUD also requires that owners not charge more for assisted units than for comparable units on the premises. This part explains the method used to determine whether a unit's rent is reasonable.

PHA-Owned Units [24 CFR 982.352(b)]

In cases where an HCV family is receiving assistance in a PHA-owned unit, the PHA must obtain the services of an independent entity to determine rent reasonableness in accordance with program requirements, and to assist the family in negotiating the contract rent when the family requests assistance. A PHA-owned unit is defined as a unit that is owned by the PHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA). The independent agency must communicate the results of the rent reasonableness determination to the family and the PHA. The independent agency must be approved by HUD and may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government).

8-III.B. WHEN RENT REASONABLENESS DETERMINATIONS ARE REQUIRED

Owner-Initiated Rent Determinations

The PHA must make a rent reasonableness determination at initial occupancy and whenever the owner requests a rent adjustment.

The owner and family first negotiate the rent for a unit. The PHA (or independent agency in the case of PHA-owned units) will assist the family with the negotiations upon request. At initial occupancy the PHA must determine whether the proposed rent is reasonable before a HAP Contract is signed. The owner must not change the rent during the initial lease term. Subsequent requests for rent adjustments must be consistent with the lease between the owner and the family. Rent increases will not be approved unless any failed items identified by the most recent inspection have been corrected.

PHA Policy

After the initial occupancy period, the owner may request a rent adjustment in accordance with the owner's lease. For rent increase requests after initial lease-up, the PHA may request owners to provide information about the rents charged for other units on the premises, if the premises include more than 4 units. In evaluating the proposed rents in comparison to other units on the premises the PHA will consider unit size and length of tenancy in the other units.

The PHA will determine whether the requested increase is reasonable within 10 business days of receiving the request from the owner. The owner will be notified of the determination in writing.

All rents adjustments will be effective the first of the month following 60 days after the PHA's receipt of the owner's request or on the date specified by the owner, whichever is later.

PHA and HUD-Initiated Rent Reasonableness Determinations

HUD requires the PHA to make a determination of rent reasonableness (even if the owner has not requested a change) if there is a 10 percent decrease in the fair market rent that goes into effect at least 60 days before the contract anniversary date. HUD also may direct the PHA to make a determination at any other time. The PHA may decide that a new determination of rent reasonableness is needed at any time.

PHA Policy

In addition to the instances described above, the PHA will make a determination of rent reasonableness at any time after the initial occupancy period if: (1) the PHA determines that the initial rent reasonableness determination was in error or (2) the PHA determines that the information provided by the owner about the unit or other units on the same premises was incorrect.

LIHTC and HOME-Assisted Units [24 CFR 982.507(c)]

For units receiving low-income housing tax credits (LIHTCs) or units assisted under HUD's HOME Investment Partnerships (HOME) Program, a rent comparison with unassisted units is not required if the voucher rent does not exceed the rent for other LIHTC- or HOME-assisted units in the project that are not occupied by families with tenant-based assistance.

For LIHTCs, if the rent requested by the owner does exceed the LIHTC rents for non-voucher families, the PHA must perform a rent comparability study in accordance with program regulations. In such cases, the rent shall not exceed the lesser of: (1) the reasonable rent as determined from the rent comparability study; or (2) the payment standard established by the PHA for the unit size involved.

8-III.C. HOW COMPARABILITY IS ESTABLISHED

Factors to Consider

HUD requires PHAs to take into consideration the factors listed below when determining rent comparability. The PHA may use these factors to make upward or downward adjustments to the rents of comparison units when the units are not identical to the HCV-assisted unit.

- Location and age
- Unit size including the number of rooms and square footage of rooms
- The type of unit including construction type (e.g., single family, duplex, garden, low-rise, high-rise)
- The quality of the units including the quality of the original construction, maintenance and improvements made
- Amenities, services, and utilities included in the rent

Units that Must Not Be Used as Comparables

Comparable units must represent unrestricted market rents. Therefore, units that receive some form of federal, state, or local assistance that imposes rent restrictions cannot be considered comparable units. These include units assisted by HUD through any of the following programs: Section 8 project-based assistance, Section 236 and Section 221(d)(3) Below Market Interest Rate (BMIR) projects, HOME or Community Development Block Grant (CDBG) program-assisted units in which the rents are subsidized; units subsidized through federal, state, or local tax credits; units subsidized by the Department of Agriculture rural housing programs, and units that are rent-controlled by local ordinance [Notice PIH 2002-22, Notice PIH 2005-20, and Notice PIH 2020-19].

Note: Notice PIH 2020-19, issued August 21, 2020, provides further guidance on the issue of what constitutes an assisted unit.

Rents Charged for Other Units on the Premises

The Request for Tenancy Approval (HUD-52517) requires owners to provide information, on the form itself, about the rent charged for other unassisted comparable units on the premises if the premises include more than 4 units.

By accepting the PHA payment each month the owner certifies that the rent is not more than the rent charged for comparable unassisted units on the premises. If asked to do so, the owner must give the PHA information regarding rents charged for other units on the premises.

8-III.D. PHA RENT REASONABLENESS METHODOLOGY

How Market Data Is Collected

PHA Policy

The PHA will collect and maintain data on market rents in the PHA's jurisdiction. Information sources include newspapers, realtors, market surveys, inquiries of owners and other available sources. The data will be maintained by bedroom size and market areas. Market areas may be defined by zip codes, census tract, neighborhood, and identifiable natural or man-made boundaries. The data will be updated on an ongoing basis and rent information that is more than 12 months old will be eliminated from the database.

How Rents Are Determined

PHA Policy

The PHA utilizes a rent reasonableness system via a third party vendor, which includes and defines the HUD factors listed above. The system has a total point count, which is divided into rating categories.

Information is gathered on rental units in the Hawthorne market area, and each unit is rated, using the PHA's rent reasonableness system. Using an automated method, the average rents are identified for units of like size and type within the same market area. Each defined factor of the items listed above on the unit to be assisted will be compared, using a point adjustment system, to those factors of comparable unassisted units in the database. The average will be adjusted up or down based on the dollar value of all HUD required comparable items in comparison with the total database.

Should the PHA choose to no longer contract with a third party vendor the following process will be used:

The rent for a unit proposed for HCV assistance will be compared to the rent charged for comparable units in the same market area. The PHA will develop a range of prices for comparable units by bedroom size within defined market areas. Units proposed for HCV assistance will be compared to the units within this rent range. Because units may be similar, but not exactly like the unit proposed for HCV assistance, the PHA may make adjustments to the range of prices to account for these differences.

The adjustment must reflect the local market. Not all differences in units require adjustments (e.g., the presence or absence of a garbage disposal may not affect the rent in some market areas).

Adjustments may vary by unit type (e.g., a second bathroom may be more valuable in a three-bedroom unit than in a two-bedroom).

The adjustment must reflect the rental value of the difference—not its construction costs (e.g., it might cost $20,000 to put on a new roof, but the new roof might not make any difference in what a tenant would be willing to pay because rental units are presumed to have functioning roofs).

When a comparable project offers rent concessions (e.g., first month rent-free, or reduced rent) reported monthly rents will be adjusted accordingly. For example, if a comparable project reports rents of $500/month but new tenants receive the first month's rent free, the actual rent for the unit would be calculated as follows: $500 x 11 months = 5500/12 months = actual monthly rent of $488.

The PHA will notify the owner of the rent the PHA can approve based upon its analysis of rents for comparable units. The owner may submit information about other comparable units in the market area. The PHA will confirm the accuracy of the information provided and consider this additional information when making rent determinations. The owner must submit any additional information within five business days of the PHA’s request for information or the owner’s request to submit information.

EXHIBIT 8-1: AFFIRMATIVE HABITABILITY REQUIREMENTS

Affirmative Habitability Requirements: Inside
Must include at least 1 battery-operated or hard-wired smoke detector, in proper working condition, on each level of the property.
Must meet or exceed the carbon monoxide detection standards set by the Secretary through *Federal Register* notification.
Any outlet installed within 6 feet of a water source must be GFCI protected.
Must have a guardrail when there is an elevated walking surface with a drop off of 30 inches or greater measured vertically.
Must have permanently mounted light fixtures in any kitchens and each bathroom.
May not contain unvented space heaters that burn gas, oil or kerosene.

Affirmative Habitability Requirements: Outside
Any outlet installed within 6 feet of a water source must be GFCI-protected.
Must have a guardrail when there is an elevated walking surface with a drop off of 30 inches or greater measured vertically.

Affirmative Habitability Requirements: Unit
Must have hot and cold running water in the bathroom and kitchen, including an adequate source of safe drinking water in the bathroom and kitchen.
Must include its own bathroom or sanitary facility that is in proper operating condition and usable in privacy. It must contain a sink, a bathtub or shower, and an interior flushable toilet.
Must have at least one battery-operated or hard-wired smoke detector, in proper working condition, in the following locations: • On each level of the unit AND • Inside each bedroom or sleeping area AND • With 21 feet of any door toa bedroom measured along a path of travel AND • Where a smoke detector is installed outside a bedroom is separated from an adjacent living area by a door, a smoke detector must also be installed in the living area side of the door.
If the unit is occupied by a hearing-impaired person, the smoke detectors must have an alarm system designed for hearing-impaired persons.
Must have a living room and a kitchen area with a sink, cooking appliance, refrigerator, food preparation area and food storage area.
Must have two working outlets or one working outlet and one permanent light fixture within all habitable rooms.
Must have a permanently mounted light fixture in each bathroom and in the kitchen.
Outlets within 6 feet of water source must be GFCI-protected.
Must have permanently installed heating source.
No units may contain unvented space heaters that burn gas, oil or kerosene.
Must have a guard rail when there is an elevated walking surface with a drop off of 30 inches or greater measured vertically.
Must have at least one bedroom or living/sleeping room for each two persons.

Chapter 9

GENERAL LEASING POLICIES

INTRODUCTION

Chapter 9 covers the lease-up process from the family's submission of a Request for Tenancy Approval to execution of the HAP contract.

In order for the PHA to assist a family in a particular dwelling unit, or execute a Housing Assistance Payments (HAP) contract with the owner of a dwelling unit, the PHA must determine that all the following program requirements are met:

- The unit itself must qualify as an eligible unit [24 CFR 982.305(a)]
- The unit must be inspected by the PHA and pass applicable housing quality standards [24 CFR 982.305(a)]
- The lease offered by the owner must be approvable and must include the required Tenancy Addendum [24 CFR 982.305(a)]
- The rent to be charged by the owner for the unit must be reasonable [24 CFR 982.305(a)]
- The owner must be an eligible owner, approvable by the PHA, with no conflicts of interest [24 CFR 982.306]
- For families initially leasing a unit only: Where the gross rent of the unit exceeds the applicable payment standard for the family, the share of rent to be paid by the family cannot exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)]

9-I.A. TENANT SCREENING

The PHA has no liability or responsibility to the owner or other persons for the family's behavior or suitability for tenancy [24 CFR 982.307(a)(1)].

The PHA may elect to screen applicants for family behavior or suitability for tenancy. See Chapter 3 for a discussion of the PHA's policies with regard to screening applicant families for program eligibility [24 CFR 982.307(a)(1)].

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before PHA approval of the tenancy, the PHA must inform the owner that screening and selection for tenancy is the responsibility of the owner [24 CFR 982.307(a)(2)]. The PHA must also inform the owner or manager or their rights and obligations under the Violence against Women Act (VAWA) [24 CFR 5.2005(a)(2)].

The PHA must provide the owner with the family's current and prior address (as shown in the PHA records) and the name and address (if known to the PHA) of the landlord at the family's current and prior address [24 CFR 982.307(b)(1)].

The PHA is permitted, but not required, to offer the owner other information in the PHA's possession about the tenancy history or drug trafficking of family members [24 CFR 982.307(b)(2)].

The PHA's policy on providing information to the owner must be included in the family's briefing packet [24 CFR 982.307(b)(3)].

The PHA may not disclose to the owner any confidential information provided by the family in response to a PHA request for documentation of domestic violence, dating violence, sexual assault, stalking, or human trafficking, except at the written request or with the written consent of the individual providing the documentation [see 24 CFR 5.2007(b)(4)].

PHA Policy

The PHA will not screen applicants for family behavior or suitability for tenancy.

The PHA will not provide additional screening information to the owner.

The family will be allowed to remove an adult household member one time and then will be allowed to have the same adult individual return to the household. However, if the same adult member later moves out of the household for a second time, then that individual will not be allowed to return to the household. The Housing Authority is required to maintain program integrity and to avoid any pattern of unreported income or unauthorized individuals residing in the unit.

The family will be required to provide a notarized letter from the member who will be permanently absent from the unit stating that they will no longer reside in the unit. In addition, the absent member will provide a history of mail or a combination of different sources of mail to proof the new residence. A change of address card from the DMV, personal letters, and magazines will not be sufficient to proof a new residence.

9-I.B. REQUESTING TENANCY APPROVAL [Form HUD-52517] and 24 CFR 982.302

After the family is issued a voucher, the family must locate an eligible unit, with an owner or landlord willing to participate in the voucher program. Once a family finds a suitable unit and the owner is willing to lease the unit under the program, the owner and the family must request the PHA to approve the assisted tenancy in the selected unit.

The owner and the family must submit two documents to the PHA:

- Completed Request for Tenancy Approval (RTA) – Form HUD-52517
- Copy of the proposed lease, including the HUD-prescribed Tenancy Addendum – Form HUD-52641-A

The RTA contains important information about the rental unit selected by the family, including the unit address, number of bedrooms, structure type, year constructed, utilities included in the rent, and the requested beginning date of the lease, necessary for the PHA to determine whether to approve the assisted tenancy in this unit.

Owners must certify to the most recent amount of rent charged for the unit and provide an explanation for any difference between the prior rent and the proposed rent.

Owners must certify that they are not the parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the PHA has granted a request for reasonable accommodation for a person with disabilities who is a member of the tenant household.

For units constructed prior to 1978, owners must either 1) certify that the unit, common areas, and exterior have been found to be free of lead-based paint by a certified inspector; or 2) attach a lead-based paint disclosure statement.

Both the RTA and the proposed lease must be submitted no later than the expiration date stated on the voucher. [HCV GB p.8-15].

The PHA must identify in the administrative plan whether the family will be permitted to submit more than one RTA at a time [24 CFR 982.54(d)(25)].

PHA Policy

The RTA must be signed by both the family and the owner.

The family is responsible for ensuring the RTA is submitted before voucher expiration.

The owner may submit the RTA on behalf of the family.

Completed RTA (including the proposed dwelling lease) must be submitted as hard copies, in-person, by mail, or by email.

The family may not submit, and the PHA will not process, more than one RTA at a time.

When the family submits the RTA the PHA will review the RTA for completeness.

If the RTA is incomplete (including lack of signature by family, owner, or both), or if the dwelling lease is not submitted with the RTA, the PHA will notify the family and the owner of the deficiencies.

Missing information and/or missing documents will only be accepted as hard copies, in-person, by mail, or by email. The PHA will not accept missing information over the phone.

When the family submits the RTA and proposed lease, the PHA will also review the terms of the RTA for consistency with the terms of the proposed lease.

If the terms of the RTA are not consistent with the terms of the proposed lease, the PHA will notify the family and the owner of the discrepancies.

Corrections to the terms of the RTA and/or the proposed lease will only be accepted as hard copies, in-person, by mail, or by email. The PHA will not accept corrections by phone.

Because of the time sensitive nature of the tenancy approval process, the PHA will attempt to communicate with the owner and family by phone or email. The PHA will use mail when the parties cannot be reached by phone or email.

9-I.C. OWNER PARTICIPATION

The PHA does not formally approve an owner to participate in the HCV program. However, there are a number of criteria where the PHA may deny approval of an assisted tenancy based on past owner behavior, conflict of interest, or other owner-related issues. There are also criteria for which the PHA must disapprove an owner. No owner has a right to participate in the HCV program [24 CFR 982.306(e)]

See Chapter 13 for a full discussion of owner qualification to participate in the HCV program.

9-I.D. ELIGIBLE UNITS

There are a number of criteria that a dwelling unit must meet in order to be eligible for assistance under the voucher program. Generally, a voucher-holder family may choose any available rental dwelling unit on the market in the PHA's jurisdiction. This includes the dwelling unit they are currently occupying.

Ineligible Units [24 CFR 982.352(a)]

The PHA may not assist a unit under the voucher program if the unit is a public housing or Indian housing unit; a unit receiving project-based assistance under section 8 of the 1937 Act (42 U.S.C. 1437f); nursing homes, board and care homes, or facilities providing continual psychiatric, medical, or nursing services; college or other school dormitories; units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions; a unit occupied by its owner or by a person with any interest in the unit.

PHA-Owned Units [24 CFR 982.352(b)]

PHA-owned units as defined in 24 CFR 982.4 may also be leased in the voucher program. In order for a PHA-owned unit to be leased under the voucher program, the unit must not be ineligible housing and the PHA must inform the family, both orally and in writing, that the family has the right to select any eligible unit available for lease and that the family is free to select a PHA-owned unit without any pressure or steering by the PHA. The PHA must obtain the services of an independent entity to perform certain functions as described in 24 CFR 982.352(b)(v)(A).

PHA Policy

The PHA does not have any eligible PHA-owned units available for leasing under the voucher program.

Special Housing Types [24 CFR 982 Subpart M]

HUD regulations permit, but do not generally require, the PHA to permit families to use voucher assistance in a number of special housing types in accordance with the specific requirements applicable to those programs. These special housing types include single room occupancy (SRO) housing, congregate housing, group home, shared housing, manufactured home space (where the family owns the manufactured home and leases only the space), cooperative housing and homeownership option. See Chapter 15 for specific information and policies on any of these housing types that the PHA has chosen to allow.

The regulations do require the PHA to permit use of any special housing type if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Duplicative Assistance [24 CFR 982.352(c)]

A family may not receive the benefit of HCV tenant-based assistance while receiving the benefit of any of the following forms of other housing subsidy, for the same unit or for a different unit:

- Public or Indian housing assistance;
- Other Section 8 assistance (including other tenant-based assistance);
- Assistance under former Section 23 of the United States Housing Act of 1937 (before amendment by the Housing and Community Development Act of 1974);
- Section 101 rent supplements;
- Section 236 rental assistance payments;
- Tenant-based assistance under the HOME Program;
- Rental assistance payments under Section 521 of the Housing Act of 1949 (a program of the Rural Development Administration);
- Any local or State rent subsidy;
- Section 202 supportive housing for the elderly;
- Section 811 supportive housing for persons with disabilities; (11) Section 202 projects for non-elderly persons with disabilities (Section 162 assistance); or
- Any other duplicative federal, State, or local housing subsidy, as determined by HUD. For this purpose, 'housing subsidy' does not include the housing component of a welfare payment, a social security payment received by the family, or a rent reduction because of a tax credit.

Initial Inspection

In order to be eligible, the dwelling unit must be in safe and habitable condition and pass applicable housing quality standards. See Chapter 8 for a full discussion of inspection standards, as well as the process for inspection at initial lease-up.

Unit Size

In order to be eligible, the dwelling unit must be appropriate for the number of persons in the household. A family must be allowed to lease an otherwise acceptable dwelling unit with fewer bedrooms than the number of bedrooms stated on the voucher issued to the family, provided the unit meets the applicable space requirements [24 CFR 5.703(d)(5)]. The family must be allowed to lease an otherwise acceptable dwelling unit with more bedrooms than the number of bedrooms stated on the voucher issued to the family. See Chapter 5 for a full discussion of subsidy standards.

Rent Reasonableness [24 CFR 982.305 and 24 CFR 982.507]

In order to be eligible, the dwelling unit must have a reasonable rent. The rent must be reasonable in relation to comparable unassisted units in the area and must not be in excess of rents charged by the owner for comparable, unassisted units on the premises. See Chapter 8 for a full discussion of rent reasonableness and the rent reasonableness determination process.

Rent Burden [24 CFR 982.508]

Where a family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the family share cannot exceed 40 percent of the family's adjusted monthly income. The term "family share" refers to the amount the family pays toward rent and utilities. The gross rent for the unit minus the total housing assistance payment (HAP) for the unit equals the family share. See Chapter 6 for a discussion of calculation of gross rent, the use of payment standards, and calculation of family income, family share of rent and HAP.

9-I.E. LEASE AND TENANCY ADDENDUM

The family and the owner must execute a written dwelling lease agreement for the assisted unit. This written lease is a contract between the tenant family and the owner; the PHA is not a party to this contract.

The tenant must have legal capacity to enter a lease under State and local law. 'Legal capacity' means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner [24 CFR 982.308(a)]

Lease Form and Tenancy Addendum [24 CFR 982.308]

If the owner uses a standard lease form for rental to unassisted tenants in the locality or the premises, the lease must be in such standard form. If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease. The HAP contract prescribed by HUD contains the owner's certification that if the owner uses a standard lease form for rental to unassisted tenants, the lease for the assisted tenants is in such standard form.

All provisions in the HUD-required Tenancy Addendum must be added word-for-word to the owner's standard lease form. The Tenancy Addendum includes the HUD requirements for the tenancy. Because it is a part of the lease, the tenant shall have the right to enforce the Tenancy Addendum against the owner. If there is a conflict between the owner's lease and the Tenancy Addendum, the terms of the Tenancy Addendum shall prevail over any other provisions of the lease.

PHA Policy

The PHA does not provide a model or standard dwelling lease for owners to use in the HCV program.

Lease Information [24 CFR 982.308(d)]

The assisted dwelling lease must contain all of the required information as listed below:

- The names of the owner and the tenant:
- The unit rented (address, apartment number, and any other information needed to identify the contract unit)
- The term of the lease (initial term and any provisions for renewal)
- The amount of the monthly rent to owner
- A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family

Term of Assisted Tenancy

The initial term of the assisted dwelling lease must be for at least one year [24 CFR 982.309]. The initial lease term is also stated in the HAP contract.

The HUD program regulations permit the PHA to approve a shorter initial lease term if certain conditions are met.

PHA Policy

The PHA will not approve an initial lease term of less than one (1) year. The lease may only start after the unit has passed inspection, the file has been approved by Housing supervision and the rent has been negotiated. The lease must be signed 24 hours before the tenant takes possession of the unit.

During the initial term of the lease, the owner may not raise the rent to owner [24 CFR 982.309].

Any provisions for renewal of the dwelling lease will be stated in the dwelling lease [HCV Guidebook, pg. 8-22]. There are no HUD requirements regarding any renewal extension terms, except that they must be stated in the dwelling lease if they exist.

The PHA may execute the HAP contract even if there is less than one year remaining from the beginning of the initial lease term to the end of the last expiring funding increment under the consolidated ACC. [24 CFR 982.309(b)].

Security Deposit [24 CFR 982.313 (a) and (b)]

The owner may collect a security deposit from the tenant. The PHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants. However, if the PHA chooses to do so, language to this effect must be added to Part A of the HAP contract [Form HUD-52641].

PHA Policy

The PHA will allow the owner to collect a security deposit amount that is consistent with federal, state, and local laws. Therefore, no modifications to the HAP contract will be necessary.

Separate Non-Lease Agreements between Owner and Tenant

Owners may not demand or accept any rent payment from the family in excess of the rent to the owner as approved by the PHA minus the PHA's housing assistance payments to the owner [24 CFR 982.451(b)(4)].

The owner may not charge the tenant extra amounts for items customarily included in rent in the locality, or provided at no additional cost to unsubsidized tenants in the premises [24 CFR 982.510(c)].

PHA Policy

The PHA permits owners and families to execute separate, non-lease agreements for services, appliances (other than refrigerator) and other items that are not included in the lease.

Any items, appliances, or other services that are customarily provided to unassisted families as part of the dwelling lease with those families, or are permanently installed in the dwelling unit must be included in the dwelling lease for the assisted family. These items, appliances or services cannot be placed under a separate non-lease agreement between the owner and family. Side payments for additional rent, or for items, appliances or services customarily provided to unassisted families as part of the dwelling lease for those families, **are prohibited**.

Any items, appliances, or other services that are not customarily provided to unassisted families as part of the dwelling lease with those families, are not permanently installed in the dwelling unit and where the family has the sole option of not utilizing the item, appliance or service, may be included in a separate non-lease agreement between the owner and the family.

The family is not liable and cannot be held responsible under the terms of the assisted dwelling lease for any charges pursuant to a separate non-lease agreement between the owner and the family. Non-payment of any charges pursuant to a separate non-lease agreement between the owner and the family cannot be a cause for eviction or termination of tenancy under the terms of the assisted dwelling lease.

Separate non-lease agreements that involve additional items, appliances or other services may be considered amenities offered by the owner and may be taken into consideration when determining the reasonableness of the rent for the property.

PHA Review of Lease

The PHA will review the dwelling lease for compliance with all applicable requirements.

PHA Policy

If the dwelling lease is incomplete or incorrect, the PHA will notify the family and the owner of the deficiencies. Missing and corrected lease information will only be accepted as hard copies, in-person, by mail, or by email. The PHA will not accept missing and corrected information over the phone.

Because the initial leasing process is time-sensitive, the PHA will attempt to communicate with the owner and family by phone or email. The PHA will use mail when the parties can't be reached by phone or email.

The PHA is permitted, but is not required, to review the lease to determine if the lease complies with State and local law and is permitted to decline to approve the tenancy if the PHA determines that the lease does not comply with State or local law [24 CFR 982.308(c)]

PHA Policy

The PHA will not review the owner's lease for compliance with state/local law.

9-I.F. TENANCY APPROVAL [24 CFR 982.305]

After receiving the family's Request for Tenancy Approval, with proposed dwelling lease, the PHA must promptly notify the family and owner whether the assisted tenancy is approved.

Prior to approving the assisted tenancy and execution of a HAP contract, the PHA must ensure that all required actions and determinations, discussed in Part I of this chapter have been completed.

These actions include ensuring that the unit is eligible; the unit has been inspected by the PHA and meets housing quality standards; the lease offered by the owner is approvable and includes the required Tenancy Addendum; the rent to be charged by the owner for the unit must is reasonable; where the family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the share of rent to be paid by the family does not exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)]; the owner is an eligible owner, not disapproved by the PHA, with no conflicts of interest [24 CFR 982.306]; the family and the owner have executed the lease, including the Tenancy Addendum, and the lead-based paint disclosure information [24 CFR 982.305(b)].

PHA Policy

The PHA will complete its determination within 10 business days of receiving all required information.

If the terms of the RTA/proposed lease are changed for any reason, including but not limited to negotiation with the PHA, the PHA will obtain corrected copies of the RTA and proposed lease, signed by the family and the owner.

Corrections to the RTA/proposed lease will only be accepted as hard copies, in-person, by mail, or by email. The PHA will not accept corrections over the phone.

If the PHA determines that the tenancy cannot be approved for any reason, the owner and the family will be notified in writing and given the opportunity to address any reasons for disapproval. The PHA will instruct the owner and family of the steps that are necessary to obtain approval of the tenancy.

Where the tenancy is not approvable because the unit is not approvable, the family must continue to search for eligible housing within the timeframe of the issued voucher.

If the tenancy is not approvable due to rent affordability or rent reasonableness, the PHA will attempt to negotiate the rent with the owner. If a new, approvable rent is negotiated, the tenancy will be approved. If the owner is not willing to negotiate an approvable rent, the family must continue to search for eligible housing within the timeframe of the issued voucher.

9-I.G. HAP CONTRACT EXECUTION [24 CFR 982.305]

The HAP contract is a written agreement between the PHA and the owner of the dwelling unit. Under the HAP contract, the PHA agrees to make housing assistance payments to the owner on behalf of the family, and the owner agrees to comply with all program requirements as stated in the HAP contract.

The HAP contract form is prescribed by HUD.

If the PHA has given approval for the family of the assisted tenancy, the owner and the PHA must execute the HAP contract.

The term of the HAP contract must be the same as the term of the lease [24 CFR 982.451(a)(2)].

The PHA is permitted to execute a HAP contract even if the funding currently available does not extend for the full term of the HAP contract.

The PHA must make a best effort to ensure that the HAP contract is executed before the beginning of the lease term. Regardless, the HAP contract must be executed no later than 60 calendar days from the beginning of the lease term. Any HAP contract executed after the 60-day period is void, and the PHA may not pay any housing assistance payment to the owner, unless there are extenuating circumstances that prevent or prevented the PHA from meeting the 60-day deadline—then the PHA may submit to the HUD field office a request for an extension no later than two weeks after the 60-day deadline.

The PHA may not pay any housing assistance payment to the owner until the HAP contract has been executed. If the HAP contract is executed during the period of 60 calendar days from the beginning of the lease term, the PHA will pay housing assistance payments after execution of the HAP contract (in accordance with the terms of the HAP contract), to cover the portion of the lease term before execution of the HAP contract (a maximum of 60 days).

Any HAP contract executed after the 60-day period is void, and the PHA may not pay any housing assistance payment to the owner.

PHA Policy

Owners who have not previously participated in the HCV program must attend a meeting with the PHA in which the terms of the Tenancy Addendum and the HAP contract will be explained. The PHA may waive this requirement on a case-by-case basis, if it determines that the owner is sufficiently familiar with the requirements and responsibilities under the HCV program.

The owner and the assisted family will execute the dwelling lease and the owner must provide a copy to the PHA. The PHA will ensure that both the owner and the assisted family receive copies of the dwelling lease.

The owner and the PHA will execute the HAP contract. The PHA will not execute the HAP contract until the owner has submitted proof of identity and property ownership, IRS form W-9, and Electronic Funds Transfer Authorization. The PHA will ensure that the owner receives a copy of the executed HAP contract.

As required under VAWA, once the HAP contract and lease have been executed and the family has been admitted to the program, the PHA will notify families of their rights under VAWA by providing all families with a copy of the domestic violence certification form (HUD-5382) as well as the VAWA notice of occupancy rights (form HUD-5380).

See Chapter 13 for a discussion of the HAP contract and contract provisions.

9-I.H. CHANGES IN LEASE OR RENT [24 CFR 982.308]

If the tenant and the owner agree to any changes in the lease, such changes must be in writing, and the owner must immediately give the PHA a copy of such changes. The lease, including any changes, must remain in accordance with the requirements of this chapter.

Generally, PHA approval of tenancy and execution of a new HAP contract are not required for changes in the lease. However, under certain circumstances, the execution of a new lease and HAP contract are required. These circumstances include:

- Changes in lease requirements governing tenant or owner responsibilities for utilities or appliances
- Changes in lease provisions governing the term of the lease
- The family moves to a new unit, even if the unit is in the same building or complex

In these cases, if the HCV assistance is to continue, the family must submit a new Request for Tenancy Approval (RTA) along with a new dwelling lease containing the proposed changes. A new tenancy must then be approved in accordance with this chapter.

Where the owner is changing the amount of the rent to owner, the owner must notify the PHA at least 60 days before any such changes go into effect [24 CFR 982.308(g)(4)]. The PHA will agree to such an increase only if the amount of the rent to owner is considered reasonable according to the rent reasonableness standards discussed in Chapter 8. If the requested rent is not found to be reasonable, the owner must either reduce the requested rent increase, or terminate the tenancy in accordance with the terms of the lease.

No rent increase is permitted during the initial term of the lease [24 CFR 982.309(a)(3)].

PHA Policy

Where the owner is requesting a rent increase, the PHA will determine whether the requested increase is reasonable within 10 business days of receiving the request from the owner. The owner will be notified of the determination in writing.

All rent increases require 60 days' notice to both the tenant and the Housing Authority. Notices not received within the 60-day time frame will be denied. It is the owner's responsibility to submit rent increases in a timely manner. The PHA will only approve a rent increase if 12 months has elapsed since the last rent increase was approved.

Rent increases will go into effect on the first of the month following the 60-day period after the owner notifies the PHA of the rent change or on the date specified by the owner, whichever is later.

Chapter 10

MOVING WITH CONTINUED ASSISTANCE AND PORTABILITY

INTRODUCTION

Freedom of housing choice is a hallmark of the housing choice voucher (HCV) program. In general, HUD regulations impose few restrictions on where families may live or move with HCV assistance. This chapter sets forth HUD regulations and PHA policies governing moves within or outside the PHA's jurisdiction in two parts:

Part I: Moving with Continued Assistance. This part covers the general rules that apply to all moves by a family assisted under the PHA's HCV program, whether the family moves to another unit within the PHA's jurisdiction or to a unit outside the PHA's jurisdiction under portability.

Part II: Portability. This part covers the special rules that apply to moves by a family under portability, whether the family moves out of or into the PHA's jurisdiction. This part also covers the special responsibilities that the PHA has under portability regulations and procedures.

PART I: MOVING WITH CONTINUED ASSISTANCE

10-I.A. ALLOWABLE MOVES

HUD lists six regulatory conditions under which an assisted family is allowed to move to a new unit with continued assistance. Permission to move is subject to the restrictions set forth in section 10-I.B.

- The family has a right to terminate the lease on notice to the owner (for the owner's breach or otherwise) and has given a notice of termination to the owner in accordance with the lease [24 CFR 982.354(b)(3)]. If the family terminates the lease on notice to the owner, the family must give the PHA a copy of the notice at the same time [24 CFR 982.354(d)(1)].
- The lease for the family's unit has been terminated by mutual agreement of the owner and the family [24 CFR 982.354(b)(1)(ii)].

  PHA Policy

  If the family and the owner mutually agree to terminate the lease for the family's unit, the family must give the PHA a copy of the termination agreement.

- The owner has given the family a notice to vacate, has commenced an action to evict the family, or has obtained a court judgment or other process allowing the owner to evict the family [24 CFR 982.354(b)(2)]. The family must give the PHA a copy of any owner eviction notice [24 CFR 982.551(g)].
- The family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking, and the move is needed to protect the health or safety of the family or family member [see 24 CFR 982.354(b)(4)]. This condition applies even when the family has moved out of its unit in violation of the lease, with or without prior notification to the PHA, if the family or family member who is the victim reasonably believed that they were imminently threatened by harm from further violence if they remained in the unit [24 CFR 982.354(b)(4), 24 CFR 982.353(b)]. The PHA must adopt an emergency transfer plan as required by regulations at 24 CFR 5.2007(e).

  PHA Policy

  If a family requests permission to move with continued assistance or for an external transfer to another covered housing program operated by the PHA based on a claim that the move is necessary to protect the health or safety of a family member who is or has been the victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking, the PHA will request that the resident request the emergency transfer using form HUD-5383, and the PHA will request documentation in accordance with section 16-IX.D of this plan.

  The PHA reserves the right to waive the documentation requirement if it determines that a statement or other corroborating evidence from the family or family member will suffice. In such cases the PHA will document the waiver in the family's file.

  The PHA may choose to provide a voucher to facilitate an emergency transfer of the victim without first terminating the assistance of the perpetrator.

  Before granting an emergency transfer, the PHA will ensure the victim is eligible to receive continued assistance based on the citizenship or immigration status of the victim.

  The PHA has adopted an emergency transfer plan, which is included as Exhibit 16-3 to this plan and discusses external transfers to other covered housing programs.
- The PHA has terminated the HAP contract for the family's unit for the owner's breach [24 CFR 982.354(b)(1)(i)].
- The PHA determines that the family's current unit does not meet space standards because of an increase in family size or a change in family composition. In such cases, the PHA must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for the family, the PHA must terminate the HAP contract for the family's old unit in accordance with the HAP contract terms and must notify both the family and the owner of the termination. The HAP contract terminates at the end of the calendar month that follows the calendar month in which the PHA gives notice to the owner. [24 CFR 982.403(a) and (c)]

10-I.B. FAMILY MOVES DUE TO UNIT DEFICIENCIES

Units in Abatement [24 CFR 982.404(d)(3)]

An owner may not terminate the tenancy of a family due to the PHA withholding or abating HAP for housing quality standards deficiencies that are not repaired timely. During the period that assistance is abated, the family may terminate tenancy by notifying the owner and the PHA. If the family chooses to terminate tenancy, the HAP contract will automatically terminate on the effective date of tenancy termination or the date the family vacates the unit, whichever is earlier. The PHA must promptly issue the family its voucher to move.

PHA Policy

Upon receipt of a family's written notification that it wishes to move, the PHA will issue a voucher within 10 business days of the PHA's written approval to move. No briefing is required for these families. The PHA will follow the policies set forth in Chapter 5 on voucher term, extension, and expiration.

Termination of HAP Contract and Family Moves [24 CFR 982.404(e)]

For HAP contracts executed or renewed on or after June 6, 2024, if an owner fails to make required repairs within 60 days (or a reasonable longer period established by the PHA) of the notice of abatement, the PHA must terminate the HAP contract. In this case, the PHA must issue the family its voucher at least 30 days prior to the termination of the HAP contract. The family must be provided at least 90 days following the termination of the HAP contract to lease a new unit, although the PHA may provide a longer period as the PHA determines is reasonably necessary.

PHA Policy

The PHA will issue a family whose HAP contract is being terminated due to an owner failing to make required repairs within the required time frame a voucher no later than 30 days prior to the termination of the HAP contract. The initial term of the voucher will be 120 calendar days. No briefing is required for these families.

To continue under the tenant-based HCV program, the family must submit a Request for Tenancy Approval and proposed lease within the 120-day period unless the PHA grants an extension. The PHA will follow the policies set forth in Chapter 5 on voucher extension and expiration.

Offer of Public Housing [24 CFR 982.404(e)(2)]

If the family is unable to lease a new unit within the term of the voucher. and the PHA owns or operates public housing, the PHA must offer, and if accepted, provide the family a selection preference for an appropriate-sized public housing unit that first becomes available for occupancy after the time period expires.

PHA Policy

The PHA does operate a public housing program and will provide a preference for HCV families whose HAP contract is being terminated due to an owner failing to make required repairs within the required time frame, and who were unable to lease a new unit within the term of the voucher.

Thirty days prior to the expiration date of the voucher, the PHA will provide written notice to the family stating that the PHA does provide such a preference and providing an estimation of availability for the appropriate-sized public housing unit.

Relocation Assistance [24 CFR 982.404(e)(3)]

PHAs may assist families relocating due to the HAP contract being terminated as a result of the owner failing to make required repairs within the required time frame in finding a new unit, including using up to two months of the withheld and abated assistance payments for costs directly associated with relocating to a new unit, such as security deposits, temporary housing costs, or other reasonable moving costs as determined by the PHA based on their locality.

The PHA must assist families with disabilities with locating available accessible units in accordance with 24 CFR 8.28(a)(3).

PHA Policy

The PHA will assist families with disabilities with locating available accessible units in accordance with program requirements.

The PHA will use up to two months of withheld and abated payment to assist with any required security deposit at the new unit. Funds will not be used for any other relocation assistance.

If the family receives a refund of a security deposit for the new unit, the PHA will not require any amount to be remitted to the PHA.

10-I.C. RESTRICTIONS ON MOVES

A family's right to move is generally contingent upon the family's compliance with program requirements [24 CFR 982.1(b)(2)]. HUD specifies two conditions under which a PHA may deny a family permission to move and two ways in which a PHA may restrict moves by a family.

Denial of Moves

HUD regulations permit the PHA to deny a family permission to move under the following conditions:

Insufficient Funding

The PHA may deny a family permission to move either within or outside the PHA's jurisdiction if the PHA does not have sufficient funding for continued assistance [24 CFR 982.354(e)(1)]. However, Notice PIH 2016-09 significantly restricts the ability of PHAs to deny permission to move due to insufficient funding and places further requirements on PHAs regarding moves denied due to lack of funding. The requirements found in this notice are mandatory.

PHA Policy

The PHA will deny a family permission to move on grounds that the PHA does not have sufficient funding for continued assistance if (a) the move is initiated by the family, not the owner or the PHA; (b) the PHA can demonstrate that the move will, in fact, result in higher subsidy costs (c) the PHA can demonstrate, in accordance with the policies in Part VIII of Chapter 16, that it does not have sufficient funding in its annual budget to accommodate the higher subsidy costs; and (d) for portability moves, the receiving PHA is not absorbing the voucher.

If the PHA does not have sufficient funding for continued assistance, but the family must move from their unit (e.g., the unit failed inspection), the family may move to a higher cost unit if the move is within the PHA's jurisdiction. The PHA, however, will not allow the family to move under portability in this situation if the family wishes to move to a higher cost area.

For both moves within the PHA's jurisdiction and outside under portability, the PHA will not deny a move due to insufficient funding if the PHA previously approved the move and subsequently experienced a funding shortfall if the family cannot remain in their current unit. The PHA will rescind the voucher in this situation if the family will be allowed to remain in their current unit.

The PHA will create a list of families whose moves have been denied due to insufficient funding. The PHA will keep the family's request open indefinitely, and when funds become available, the families on this list will take precedence over families on the waiting list. The PHA will use the same procedures for notifying families with open requests to move when funds become available as it uses for notifying families on the waiting list (see section 4-III.D).

The PHA will inform the family of its policy regarding moves denied due to insufficient funding in a letter to the family at the time the move is denied.

Grounds for Denial or Termination of Assistance

The PHA may deny a family permission to move if it has grounds for denying or terminating the family's assistance [24 CFR 982.354(e)(2)].

PHA Policy

If the PHA has grounds for denying or terminating a family's assistance, the PHA will act on those grounds in accordance with the regulations and policies set forth in Chapters 3 and 12, respectively. In general, it will not deny a family permission to move for this reason; however, it retains the discretion to do so under special circumstances.

Restrictions on Elective Moves [24 CFR 982.354(c)]

HUD regulations permit the PHA to prohibit any elective move by a participant family during the family's initial lease term. They also permit the PHA to prohibit more than one elective move by a participant family during any 12-month period. However, such prohibitions, if adopted, do not apply when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking, and the move is needed to protect the health or safety of the family or family member. (For the policy on documentation of abuse, see section 10-I.A.) In addition, the PHA may not establish a policy permitting moves only at reexamination [Notice PIH 2016-09].

PHA Policy

The PHA will not permit families to exercise portability:

- If the family is in violation of a family obligation
- If the family owes money to the PHA
- If the family has moved out of its assisted unit in violation of the lease
- The family has failed a NSIPRE Inspection

The PHA will deny a family permission to make an elective move during the family's initial lease term. This policy applies to moves within the PHA's jurisdiction or outside it under portability.

The PHA will also deny a family permission to make more than one elective move during any 12-month period. This policy applies to all assisted families residing in the PHA's jurisdiction.

The PHA will consider exceptions to these policies for the following reasons: to protect the health or safety of a family member (e.g., lead-based paint hazards, domestic violence, witness protection programs), to accommodate a change in family circumstances (e.g., new employment, school attendance in a distant area), or to address an emergency situation over which a family has no control.

In addition, the PHA will allow exceptions to these policies for purposes of reasonable accommodation of a family member who is a person with disabilities (see Chapter 2).

10-I.D. MOVING PROCESS

Notification

If a family wishes to move to a new unit, the family must notify the PHA and the owner before moving out of the old unit or terminating the lease on notice to the owner [24 CFR 982.354(d)(2)]. If the family wishes to move to a unit outside the PHA's jurisdiction under portability, the notice to the PHA must specify the area where the family wishes to move [24 CFR 982.354(d)(2)]. The notices must be in writing [24 CFR 982.5].

Approval

PHA Policy

Upon receipt of a family's notification that it wishes to move, the PHA will determine whether the move is approvable in accordance with the regulations and policies set forth in sections 10-I.A and 10-I.B. The PHA will notify the family in writing of its determination within 10 business days following receipt of the family's notification.

The family shall submit a completed Voucher Request Form executed by the head of household and the owner. The Voucher Request Form certifies that:

- The owner was given a minimum of 30 days written notice of intent to vacate the housing. A copy of the notice must be attached.
- The family's portion of the rent has been paid in full and no unpaid rent is owed the owner.
- The apartment is free of tenant caused damages.

Unless the family must move because of owner action, a Voucher will not be provided without the completed form.

The tenant may cancel the voucher request at any time so long as the owner has stated in writing that they are accepting the tenant's 30-day notice cancellation as well.

Reexamination of Family Income and Composition

PHA Policy

For families approved to move to a new unit within the PHA's jurisdiction, the PHA will perform a new annual reexamination in accordance with the policies set forth in Chapter 11 of this plan.

For families moving into or families approved to move out of the PHA's jurisdiction under portability, the PHA will follow the policies set forth in Part II of this chapter.

Voucher Issuance and Briefing

PHA Policy

For families approved to move to a new unit within the PHA's jurisdiction, the PHA will issue a new voucher within 10 business days of the PHA's written approval to move. No briefing is required for these families. The PHA will follow the policies set forth in

Chapter 5 on voucher term, extension, and expiration. If a family does not locate a new unit within the term of the voucher and any extensions, the family may remain in its current unit with continued voucher assistance if the owner agrees and the PHA approves. Otherwise, the family will lose its assistance.

For families moving into or families approved to move out of the PHA's jurisdiction under portability, the PHA will follow the policies set forth in Part II of this chapter.

For families moving due an owner failing to make required repairs timely, resulting in the PHA terminating the HAP contract, the PHA will follow the policies set forth earlier in this section and in Chapter 8, Part II.

Housing Assistance Payments [24 CFR 982.311(d)]

When a family moves out of an assisted unit, the PHA may not make any housing assistance payment to the owner for any month **after** the month the family moves out. The owner may keep the housing assistance payment for the month when the family moves out of the unit.

If a participant family moves from an assisted unit with continued tenant-based assistance, the term of the assisted lease for the new assisted unit may begin during the month the family moves out of the first assisted unit. Overlap of the last housing assistance payment (for the month when the family moves out of the old unit) and the first assistance payment for the new unit, is not considered to constitute a duplicative housing subsidy.

Zero HAP Families Who Wish to Move [24 CFR 982.455]

A participant who is not receiving any subsidy, but whose HAP contract is still in force, may request a voucher to move to a different unit. The PHA must issue a voucher to move unless it has grounds to deny assistance under the program regulations. However, if the PHA determines no subsidy would be paid at the new unit, the PHA may refuse to enter into a HAP contract on behalf of the family.

PHA Policy

If a zero HAP family requests to move to a new unit, the family may request a voucher to move. However, if no subsidy will be paid at the unit to which the family requests to move, the PHA will not enter into a HAP contract on behalf of the family for the new unit.

PART II: PORTABILITY

10-II.A. OVERVIEW

Within the limitations of the regulations and this plan, a participant family or an applicant family that has been issued a voucher has the right to use tenant-based voucher assistance to lease a unit anywhere in the United States providing that the unit is located within the jurisdiction of a PHA administering a tenant-based voucher program [24 CFR 982.353(b)]. The process by which a family obtains a voucher from one PHA and uses it to lease a unit in the jurisdiction of another PHA is known as portability. The PHA that issues the voucher is called the **initial PHA.** The PHA that has jurisdiction in the area to which the family wants to move is called the **receiving PHA.**

The receiving PHA has the option of administering the family's voucher for the initial PHA or absorbing the family into its own program. Under the first option, the receiving PHA provides all housing services for the family and bills the initial PHA for the family's housing assistance payments and the fees for administering the family's voucher. Under the second option, the receiving PHA pays for the family's assistance with its own program funds, and the initial PHA has no further relationship with the family. The initial PHA must contact the receiving PHA via email or other confirmed delivery method to determine whether the receiving PHA will administer or absorb the initial PHA's voucher. Based on the receiving PHA's response, the initial PHA must determine whether they will approve or deny the portability request [Notice PIH 2016-09].

PHAs commonly act as both the initial and receiving PHA because families may move into or out of their jurisdiction under portability. Each role involves different responsibilities. The PHA will follow the rules and policies in section 10-II.B when it is acting as the initial PHA for a family. It will follow the rules and policies in section 10-II.C when it is acting as the receiving PHA for a family.

In administering portability, the initial PHA and the receiving PHA must comply with financial procedures required by HUD, including the use of HUD-required forms [24 CFR 982.355(e)(5)].

PHAs must also comply with billing and payment deadlines. HUD may reduce an administrative fee to an initial or receiving PHA if the PHA does not comply with HUD portability requirements [24 CFR 982.355(e)(7)].

10-II.B. INITIAL PHA ROLE

Allowable Moves under Portability

A family may move with voucher assistance only to an area where there is at least one PHA administering a voucher program [24 CFR 982.353(b)]. If there is more than one PHA in the area, the initial PHA provides the family with the contact information for the receiving PHAs that serve the area, and the family selects the receiving PHA. The family must inform the initial PHA which receiving PHA it has selected. If the family prefers not to select the receiving PHA, the initial PHA will select the receiving PHA on behalf of the family [24 CFR 982.255(b)].

Applicant families that have been issued vouchers as well as participant families may qualify to lease a unit outside the PHA's jurisdiction under portability. HUD regulations and PHA policy determine whether a family qualifies.

Applicant Families

Under HUD regulations, most applicant families qualify to lease a unit outside the PHA's jurisdiction under portability. However, HUD gives the PHA discretion to deny a portability move by an applicant family for the same two reasons that it may deny any move by a participant family: insufficient funding and grounds for denial or termination of assistance. If a PHA intends to deny a family permission to move under portability due to insufficient funding, the PHA must notify HUD within 10 business days of the determination to deny the move [24 CFR 982.355(e)].

PHA Policy

In determining whether or not to deny an applicant family permission to move under portability because the PHA lacks sufficient funding or has grounds for denying assistance to the family, the initial PHA will follow the policies established in section 10-I.B of this chapter. If the PHA does deny the move due to insufficient funding, the PHA will notify HUD in writing within 10 business days of the PHA's determination to deny the move.

In addition, the initial PHA may establish a policy denying the right to portability to nonresident applicants during the first 12 months after they are admitted to the program [24 CFR 982.353(c)].

PHA Policy

If neither the head of household nor the spouse/cohead of an applicant family had a domicile (legal residence) in the initial PHA's jurisdiction at the time that the family's initial application for assistance was submitted, the family must lease a unit within the initial PHA's jurisdiction for at least 12 months before requesting portability.

The PHA will consider exceptions to this policy for purposes of reasonable accommodation (see Chapter 2) or reasons related to domestic violence, dating violence, sexual assault, stalking, or human trafficking.

Participant Families

The initial PHA must not provide portable assistance for a participant if a family has moved out of its assisted unit in violation of the lease [24 CFR 982.353(b)]. The Violence against Women Act (VAWA) creates an exception to this prohibition for families who are otherwise in compliance with program obligations but have moved to protect the health or safety of a family member who is or has been a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking, and who reasonably believed they were imminently threatened by harm from further violence if they remained in the unit [see 24 CFR 982.353(b)].

PHA Policy

The PHA will determine whether a participant family may move out of the PHA's jurisdiction with continued assistance in accordance with the regulations and policies set forth here and in sections 10-I.A and 10-I.B of this chapter. The PHA will notify the family of its determination in accordance with the approval policy set forth in section 10-I.C of this chapter.

Determining Income Eligibility

Applicant Families

An applicant family may lease a unit in a particular area under portability only if the family is income eligible for admission to the voucher program in that area [24 CFR 982.353(d)(1)]. The family must specify the area to which the family wishes to move [24 CFR 982.355(c)(1)].

The initial PHA is responsible for determining whether the family is income eligible in the area to which the family wishes to move [24 CFR 982.353(d)(1), 24 CFR 982.355(9)]. If the applicant family is not income eligible in that area, the PHA must inform the family that it may not move there and receive voucher assistance [Notice PIH 2016-09].

Participant Families

The income eligibility of a participant family is not redetermined if the family moves to a new jurisdiction under portability [24 CFR 982.353(d)(2)].

Reexamination of Family Income and Composition

No new reexamination of family income and composition is required for an applicant family.

PHA Policy

For a participant family approved to move out of its jurisdiction under portability, the PHA generally will conduct a reexamination of family income and composition only if the family's annual reexamination must be completed on or before the initial billing deadline specified on form HUD-52665, Family Portability Information.

The PHA will make any exceptions to this policy necessary to remain in compliance with HUD regulations.

Briefing

The regulations and policies on briefings set forth in Chapter 5 of this plan require the PHA to provide information on portability to all applicant families that qualify to lease a unit outside the PHA's jurisdiction under the portability procedures. Therefore, no special briefing is required for these families.

PHA Policy

No formal briefing will be required for a participant family wishing to move outside the PHA's jurisdiction under portability. However, the PHA will provide the family with the same oral and written explanation of portability that it provides to applicant families selected for admission to the program (see Chapter 5).

The PHA will provide the name, address, and phone of the contact for the PHAs in the jurisdiction to which they wish to move. If there is more than one PHA with jurisdiction over the area to which the family wishes to move, the PHA will advise the family that the family selects the receiving PHA and notify the initial PHA of which receiving PHA was selected. The PHA will provide the family with contact information for all of the receiving PHAs that serve the area. The PHA will not provide any additional information about receiving PHAs in the area. The PHA will further inform the family that if the family prefers not to select the receiving PHA, the initial PHA will select the receiving PHA on behalf of the family. In this case, the PHA will not provide the family with information for all receiving PHAs in the area.

The PHA will advise the family that they will be under the receiving PHA's policies and procedures, including screening, subsidy standards, voucher extension policies, and payment standards.

Voucher Issuance and Term

An applicant family has no right to portability until after the family has been issued a voucher [24 CFR 982.353(b)]. In issuing vouchers to applicant families, the PHA will follow the regulations and procedures set forth in Chapter 5.

PHA Policy

For participating families approved to move under portability, the PHA will issue a new voucher within 10 business days of the PHA's written approval to move.

The initial term of the voucher will be 60 days.

However, if the move is due to the HAP contract being terminated due to an owner failing to make required repairs within the required time frame, the PHA will issue the family a voucher no later than 30 days prior to the termination of the HAP contract. The initial term of the voucher will be 120 calendar days.

Voucher Extensions and Expiration

PHA Policy

The initial PHA will approve **no** extensions to a voucher issued to an applicant or participant family porting out of the PHA's jurisdiction except under the following circumstances: (a) the initial term of the voucher will expire before the portable family will be issued a voucher by the receiving PHA, (b) the family decides to return to the initial PHA's jurisdiction and search for a unit there, or (c) the family decides to search for a unit in a third PHA's jurisdiction. In such cases, the policies on voucher extensions set forth in Chapter 5, section 5-II.E, of this plan will apply, including the requirement that the family apply for an extension in writing prior to the expiration of the initial voucher term.

Preapproval Contact with the Receiving PHA

Prior to approving a family's request to move under portability, the initial PHA must contact the receiving PHA via email or other confirmed delivery method to determine whether the receiving PHA will administer or absorb the family's voucher. Based on the receiving PHA's response, the initial PHA must determine whether it will approve or deny the move [24 CFR 982.355(c)(3)].

PHA Policy

The PHA will use email, when possible, to contact the receiving PHA regarding whether the receiving PHA will administer or absorb the family's voucher.

Initial Notification to the Receiving PHA

After approving a family's request to move under portability, the initial PHA must promptly notify the receiving PHA via email or other confirmed delivery method to expect the family [24 CFR 982.355(c)(3); 24 CFR 982.355(c)(7)]. The initial PHA must also advise the family how to contact and request assistance from the receiving PHA [24 CFR 982.355(c)(6)].

PHA Policy

Because the portability process is time-sensitive, the PHA will notify the receiving PHA by phone or email to expect the family. The initial PHA will also ask the receiving PHA to provide any information the family may need upon arrival, including the name, email address, and telephone number of the staff person responsible for business with incoming portable families and procedures related to appointments for voucher issuance. The PHA will pass this information along to the family. The PHA will also ask for the name, address, telephone number, and email of the person responsible for processing the billing information.

Sending Documentation to the Receiving PHA

The initial PHA is required to send the receiving PHA the following documents:

- Form HUD-52665, Family Portability Information, with Part I filled out [Notice PIH 2016-09]
- A copy of the family's voucher [Notice PIH 2016-09]
- A copy of the family's most recent form HUD-50058, Family Report, or, if necessary in the case of an applicant family, family and income information in a format similar to that of form HUD-50058 [24 CFR 982.355(c)(7), Notice PIH 2016-09]
- Copies of the income verifications backing up the form HUD-50058, including a copy of the family's current EIV data [24 CFR 982.355(c)(7), Notice PIH 2016-09]

PHA Policy

In addition to these documents, the PHA will provide the following information, if available, to the receiving PHA:

Social security numbers (SSNs)

Documentation of SSNs for all nonexempt household members whose SSNs have not been verified through the EIV system

Documentation of legal identity

Documentation of citizenship or eligible immigration status

Documentation of participation in the earned income disallowance (EID) benefit

Documentation of participation in a family self-sufficiency (FSS) program

If applicable, information related to the family's health and medical care and disability assistance expense phased-in hardship exemption, including what stage the family is in and how many months remain in that phase-in stage

The PHA will notify the family in writing regarding any information provided to the receiving PHA [HCV GB, p. 13-3].

Initial Billing Deadline [Notice PIH 2016-09]

The deadline for submission of initial billing is 90 days following the expiration date of the voucher issued to the family by the initial PHA. In cases where suspension of the voucher delays the initial billing submission, the receiving PHA must notify the initial PHA of delayed billing before the billing deadline and document the delay is due to the suspension. In this case, the initial PHA must extend the billing deadline by 30 days.

If the initial PHA does not receive a billing notice by the deadline and does not intend to honor a late billing submission, it must notify the receiving PHA in writing. The initial PHA may report to HUD the receiving PHA's failure to comply with the deadline.

If the initial PHA will honor the late billing, no action is required.

PHA Policy

The initial PHA's decision as to whether to accept late billing will be based on internal PHA factors, including the initial PHA's leasing or funding status. If the PHA has not received an initial billing notice from the receiving PHA within the billing deadline and does not intend to honor the late billing, it will contact the receiving PHA to inform them that it will not honor a late billing submission and will return any subsequent billings that it receives on behalf of the family. In this case, the PHA will send the receiving PHA a written confirmation of its decision by mail.

Among other considerations as to whether to accept late billing will be if the family includes a person with disabilities and the late billing is a result of a reasonable accommodation granted to the family by the receiving PHA.

Monthly Billing Payments [24 CFR 982.355(e), Notice PIH 2016-09]

If the receiving PHA is administering the family's voucher, the receiving PHA bills the initial PHA for housing assistance payments and administrative fees. When reimbursing for administrative fees, the initial PHA must promptly reimburse the receiving PHA for the lesser of 80 percent of the initial PHA ongoing administrative fee or 100 percent of the receiving PHA's ongoing administrative fee for each program unit under contract on the first day of the month for which the receiving PHA is billing the initial PHA under portability. If the administrative fees are prorated for the HCV program, the proration will apply to the amount of the administrative fee for which the receiving PHA may bill [24 CFR 982.355(e)(2)].

The initial PHA is responsible for making billing payments in a timely manner. The first billing amount is due within 30 calendar days after the initial PHA receives Part II of form HUD-52665 from the receiving PHA. Subsequent payments must be **received** by the receiving PHA no later than the fifth business day of each month. The payments must be provided in a form and manner that the receiving PHA is able and willing to accept.

The initial PHA may not terminate or delay making payments under existing portability billing arrangements as a result of overleasing or funding shortfalls. The PHA must manage its tenant-based program in a manner that ensures that it has the financial ability to provide assistance for families that move out of its jurisdiction under portability and are not absorbed by receiving PHAs as well as for families that remain within its jurisdiction.

PHA Policy

The initial PHA will utilize direct deposit to ensure that the payment is received by the deadline unless the receiving PHA notifies the initial PHA that direct deposit is not acceptable to them. If the initial PHA extends the term of the voucher, the receiving PHA's voucher will expire 30 calendar days from the new expiration date of the initial PHA's voucher.

Annual Updates of Form HUD-50058

If the initial PHA is being billed on behalf of a portable family, it should receive an updated form HUD-50058 each year from the receiving PHA. If the initial PHA fails to receive an updated 50058 by the family's annual reexamination date, the initial PHA should contact the receiving PHA to verify the status of the family. The initial PHA must continue paying the receiving PHA based on the last form HUD-50058 received, unless instructed otherwise by HUD. The initial PHA may seek absorption of the vouchers by following steps outlined in Notice PIH 2016-09.

Denial or Termination of Assistance [24 CFR 982.355(c)(17)]

At any time, either the initial PHA or the receiving PHA may make a determination to deny or terminate assistance with the family in accordance with 24 CFR 982.552 and 24 CFR 982.553. (For PHA policies on denial and termination, see Chapters 3 and 12, respectively.)

10-II.C. RECEIVING PHA ROLE

If a family has a right to lease a unit in the receiving PHA's jurisdiction under portability, the receiving PHA must provide assistance for the family [24 CFR 982.355(10)]. HUD may determine in certain instances that a PHA is not required to accept incoming portable families, such as a PHA in a declared disaster area. However, the PHA must have approval in writing from HUD before refusing any incoming portable families [24 CFR 982.355(b)].

Administration of the voucher must be in accordance with the receiving PHA's policies. This requirement also applies to policies of Moving to Work agencies. The receiving PHA procedures and preferences for selection among eligible applicants do not apply to the family, and the receiving PHA waiting list is not used [24 CFR 982.355(c)(10)]. The family's unit, or voucher, size is determined in accordance with the subsidy standards of the receiving PHA [24 CFR 982.355(c)(12)], and the receiving PHA's policies on extensions of the voucher term apply [24 CFR 982.355(c)(14)].

Responding to Initial PHA's Request [24 CFR 982.355(c)]

The receiving PHA must respond via email or other confirmed delivery method to the initial PHA's inquiry to determine whether the family's voucher will be billed or absorbed [24 CFR 982.355(c)(3)]. If the receiving PHA informs the initial PHA that it will be absorbing the voucher, the receiving PHA cannot reverse its decision at a later date without consent of the initial PHA (24 CFR 982.355(c)(4).

PHA Policy

The PHA will use email, when possible, to notify the initial PHA whether it will administer or absorb the family's voucher.

Initial Contact with Family

When a family moves into the PHA's jurisdiction under portability, the family is responsible for promptly contacting the PHA and complying with the PHA's procedures for incoming portable families. The family's failure to comply may result in denial or termination of the receiving PHA's voucher [24 CFR 982.355(c)(8)].

If the voucher issued to the family by the initial PHA has expired, the receiving PHA must contact the initial PHA to determine if it will extend the voucher [24 CFR 982.355(c)(13)]. An informal hearing is not required when a voucher has expired without the family leasing a unit.

If for any reason the receiving PHA refuses to process or provide assistance to a family under the portability procedures, the family must be given the opportunity for an informal review or hearing [Notice PIH 2016-09]. (For more on this topic, see later under "Denial or Termination of Assistance.")

Briefing

HUD allows the receiving PHA to require a briefing for an incoming portable family as long as the requirement does not unduly delay the family's search [Notice PIH 2016-09].

PHA Policy

The PHA will not require the family to attend a briefing. The PHA will provide the family with a briefing packet (as described in Chapter 5) and, in an individual briefing, will orally inform the family about the PHA's payment and subsidy standards, procedures for requesting approval of a unit, the unit inspection process, and the leasing process. The PHA will suggest that the family attend a full briefing at a later date.

Income Eligibility and Reexamination

The receiving PHA does not redetermine eligibility for a portable family that was already receiving assistance in the initial PHA's voucher program [24 CFR 982.355(c)(9)]. If the receiving PHA opts to conduct a new reexamination for a current participant family, the receiving PHA may not delay issuing the family a voucher or otherwise delay approval of a unit [24 CFR 982.355(c)(11)].

PHA Policy

For any family moving into its jurisdiction under portability, the PHA will conduct a new reexamination of family income and composition. However, the PHA will not delay issuing the family a voucher for this reason. Nor will the PHA delay approving a unit for the family until the reexamination process is complete unless the family is an applicant and the PHA cannot otherwise confirm that the family is income eligible for admission to the program in the area where the unit is located.

In conducting its own reexamination, the PHA will rely upon any verifications provided by the initial PHA to the extent that they (a) accurately reflect the family's current circumstances and (b) were obtained within the last 120 days. Any new information may be verified by documents provided by the family and adjusted, if necessary, when third party verification is received.

Voucher Issuance

When a family moves into its jurisdiction under portability, the receiving PHA is required to issue the family a voucher [24 CFR 982.355(c)(13)]. The family must submit a request for tenancy approval to the receiving PHA during the term of the receiving PHA's voucher [24 CFR 982.355(c)(15)].

Timing of Voucher Issuance

HUD expects the receiving PHA to issue the voucher within two weeks after receiving the family's paperwork from the initial PHA if the information is in order, the family has contacted the receiving PHA, and the family complies with the receiving PHA's procedures [Notice PIH 2016-09].

PHA Policy

When a family ports into its jurisdiction, the PHA will issue the family a voucher based on the paperwork provided by the initial PHA unless the family's paperwork from the initial PHA is incomplete, the family's voucher from the initial PHA has expired or the family does not comply with the PHA's procedures. The PHA will update the family's information when verification has been completed.

Voucher Term

The term of the receiving PHA's voucher may not expire before 30 calendar days from the expiration of the initial PHA's voucher [24 CFR 982.355(c)(13)]. If the initial PHA extends the term of the voucher, the receiving PHA's voucher may not expire before 30 days from the new expiration date of the initial PHA's voucher [Notice PIH 2016-09].

PHA Policy

The receiving PHA's voucher will expire 30 calendars days from the expiration date of the initial PHA's voucher. If the initial PHA extends the term of the voucher, the receiving PHA's voucher will expire 30 calendar days from the new expiration date of the initial PHA's voucher.

Voucher Extensions [24 CFR 982.355(c)(14), Notice 2016-09]

Once the receiving PHA issues the portable family a voucher, the receiving PHA's policies on extensions of the voucher term apply. The receiving PHA must inform the initial PHA of any extension granted to the term of the voucher. It must also bear in mind the billing deadline provided by the initial PHA. Unless willing and able to absorb the family, the receiving PHA should ensure that any voucher expiration date would leave sufficient time to process a request for tenancy approval, execute a HAP contract, and deliver the initial billing to the initial PHA.

PHA Policy

The PHA generally will not extend the term of the voucher that it issues to an incoming portable family unless the PHA plans to absorb the family into its own program, in which case it will follow the policies on voucher extension set forth in section 5-II.E.

The PHA will consider an exception to this policy as a reasonable accommodation to a person with disabilities (see Chapter 2).

Voucher Suspensions [24 CFR 982.303, 24 CFR 982.355(c)(15)]

If the family submits a request for tenancy approval during the term of the receiving PHA's voucher, the PHA must suspend the term of that voucher. The term of the voucher stops from the date that the family submits a request for PHA approval of the tenancy until the date the PHA notifies the family in writing whether the request has been approved or denied [24 CFR 982.4(b)] (see Section 5-II.E).

Notifying the Initial PHA

The receiving PHA must promptly notify the initial PHA if the family has leased an eligible unit under the program or if the family fails to submit a request for tenancy approval for an eligible unit within the term of the receiving PHA's voucher [24 CFR 982.355(c)(16)]. The receiving PHA is required to use Part II of form HUD-52665, Family Portability Information, for this purpose [Notice PIH 2016-09]. (For more on this topic and the deadline for notification, see below under "Administering a Portable Family's Voucher.")

If an incoming portable family ultimately decides not to lease in the jurisdiction of the receiving PHA but instead wishes to return to the initial PHA's jurisdiction or to search in another jurisdiction, the receiving PHA must refer the family back to the initial PHA. In such a case the voucher of record for the family is once again the voucher originally issued by the initial PHA. Any extension of search time provided by the receiving PHA's voucher is only valid for the family's search in the receiving PHA's jurisdiction [Notice PIH 2016-09].

Administering a Portable Family's Voucher

Portability Billing [24 CFR 982.355(e)]

To cover assistance for a portable family that was not absorbed, the receiving PHA bills the initial PHA for housing assistance payments and administrative fees. The amount of the housing assistance payment for a portable family in the receiving PHA's program is determined in the same manner as for other families in the receiving PHA's program.

The receiving PHA may bill the initial PHA for the lesser of 80 percent of the initial PHA's ongoing administrative fee or 100 percent of the receiving PHA's ongoing administrative fee for each program unit under contract on the first day of the month for which the receiving PHA is billing the initial PHA under portability. If the administrative fees are prorated for the HCV program, the proration will apply to the amount of the administrative fee for which the receiving PHA may bill (i.e., the receiving PHA may bill for the lesser of 80 percent of the initial PHA's prorated ongoing administrative fee or 100 percent of the receiving PHA's ongoing administrative fee).

If both PHAs agree, the PHAs may negotiate a different amount of reimbursement.

PHA Policy

Unless the PHA negotiates a different amount of reimbursement with the initial PHA, the PHA will bill the initial PHA the maximum amount of administrative fees allowed, ensuring any administrative fee proration has been properly applied.

Initial Billing Deadline

If a portable family's search for a unit is successful and the receiving PHA intends to administer the family's voucher, the receiving PHA must submit its initial billing notice (Part II of form HUD-52665) in time that the notice will be **received** no later than 90 days following the expiration date of the family's voucher issued by the initial PHA [Notice PIH 2016-09]. This deadline may be extended for 30 additional days if the delay is due to suspension of the voucher's term (see Initial Billing Section). A copy of the family's form HUD-50058, Family Report, completed by the receiving PHA must be attached to the initial billing notice. The receiving PHA may send these documents by mail or email.

PHA Policy

The PHA will send its initial billing notice by email, if necessary, to meet the billing deadline but will also send the notice by regular mail.

If the receiving PHA fails to send the initial billing by the deadline, it is required to absorb the family into its own program unless (a) the initial PHA is willing to accept the late submission or (b) HUD requires the initial PHA to honor the late submission (e.g., because the receiving PHA is overleased) [Notice PIH 2016-09].

Ongoing Notification Responsibilities [Notice PIH 2016-09, HUD-52665]

Annual Reexamination. The receiving PHA must send the initial PHA a copy of a portable family's updated form HUD-50058 after each annual reexamination for the duration of time the receiving PHA is billing the initial PHA on behalf of the family, regardless of whether there is a change in the billing amount.

PHA Policy

The PHA will send a copy of the updated HUD-50058 by regular mail no later than 10 business days after the effective date of the reexamination.

Change in Billing Amount. The receiving PHA is required to notify the initial PHA, using form HUD-52665, of any change in the billing amount for the family as a result of:

- A change in the HAP amount (because of a reexamination, a change in the applicable payment standard, a move to another unit, etc.)
- An abatement or subsequent resumption of the HAP payments
- Termination of the HAP contract
- Payment of a damage/vacancy loss claim for the family
- Termination of the family from the program

The timing of the notice of the change in the billing amount should correspond with the notification to the owner and the family in order to provide the initial PHA with advance notice of the change. Under no circumstances should the notification be later than 10 business days following the effective date of the change in the billing amount. If the receiving PHA fails to send Form HUD-52665 within 10 days of effective date of billing changes, the initial PHA is not responsible for any increase prior to notification. If the change resulted in a decrease in the monthly billing amount, the initial PHA will offset future monthly payments until the difference is reconciled.

Late Payments [Notice PIH 2016-09]

If the initial PHA fails to make a monthly payment for a portable family by the fifth business day of the month, the receiving PHA must promptly notify the initial PHA in writing of the deficiency. The notice must identify the family, the amount of the billing payment, the date the billing payment was due, and the date the billing payment was received (if it arrived late). The receiving PHA must send a copy of the notification to the Office of Public Housing (OPH) in the HUD area office with jurisdiction over the receiving PHA. If the initial PHA fails to correct the problem by the second month following the notification, the receiving PHA may request by memorandum to the director of the OPH with jurisdiction over the receiving PHA that HUD transfer the unit in question. A copy of the initial notification and any subsequent correspondence between the PHAs on the matter must be attached. The receiving PHA must send a copy of the memorandum to the initial PHA. If the OPH decides to grant the transfer, the billing arrangement on behalf of the family ceases with the transfer, but the initial PHA is still responsible for any outstanding payments due to the receiving PHA.

Overpayments [Notice PIH 2016-09]

In all cases where the receiving PHA has received billing payments for billing arrangements no longer in effect, the receiving PHA is responsible for returning the full amount of the overpayment (including the portion provided for administrative fees) to the initial PHA.

In the event that HUD determines billing payments have continued for at least three months because the receiving PHA failed to notify the initial PHA that the billing arrangement was terminated, the receiving PHA must take the following steps:

- Return the full amount of the overpayment, including the portion provided for administrative fees, to the initial PHA.
- Once full payment has been returned, notify the Office of Public Housing in the HUD area office with jurisdiction over the receiving PHA of the date and the amount of reimbursement to the initial PHA.

At HUD's discretion, the receiving PHA will be subject to the sanctions spelled out in Notice PIH 2016-09.

Denial or Termination of Assistance

At any time, the receiving PHA may make a determination to deny or terminate assistance to a portable family for family action or inaction [24 CFR 982.355(c)(17)].

In the case of a termination, the PHA should provide adequate notice of the effective date to the initial PHA to avoid having to return a payment. In no event should the receiving PHA fail to notify the initial PHA later than 10 business days following the effective date of the termination of the billing arrangement [HUD-52665; Notice PIH 2016-09].

PHA Policy

If the PHA elects to deny or terminate assistance for a portable family, the PHA will notify the initial PHA within 10 business days after the informal review or hearing if the denial or termination is upheld. The PHA will base its denial or termination decision on the policies set forth in Chapter 3 or Chapter 12, respectively. The informal review or hearing will be held in accordance with the policies in Chapter 16. The receiving PHA will furnish the initial PHA with a copy of the review or hearing decision.

Absorbing a Portable Family

The receiving PHA may absorb an incoming portable family into its own program when the PHA executes a HAP contract on behalf of the family or at any time thereafter providing that the PHA has funding available under its annual contributions contract (ACC) [24 CFR 982.355(d)(1), Notice PIH 2016-09].

If the receiving PHA absorbs a family from the point of admission, the admission will be counted against the income targeting obligation of the receiving PHA [24 CFR 982.201(b)(2)(vii)].

If the receiving PHA absorbs a family after providing assistance for the family under a billing arrangement with the initial PHA, the receiving PHA must send an updated form HUD-52665 to the initial PHA no later than 10 business days following the effective date of the termination of the billing arrangement [Notice PIH 2016-09].

PHA Policy

If the PHA decides to absorb a portable family upon the execution of a HAP contract on behalf of the family, the PHA will notify the initial PHA by the initial billing deadline specified on form HUD-52665. The effective date of the HAP contract will be the effective date of the absorption.

If the PHA decides to absorb a family after that, it will provide the initial PHA with 30 days' advance notice, but no later than 10 business days following the effective date of the termination of the billing arrangement.

Following the absorption of an incoming portable family, the family is assisted with funds available under the consolidated ACC for the receiving PHA's voucher program [24 CFR 982.355(d)], and the receiving PHA becomes the initial PHA in any subsequent moves by the family under portability [24 CFR 982.355(e)(4)].

Chapter 11

REEXAMINATIONS UNDER HOTMA 102/104

INTRODUCTION

This chapter is applicable upon the PHA's HOTMA 102/104 compliance date. Prior to this date, the PHA will follow policies as outlined in Chapter 11.A. of the model policy.

The PHA 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 PHA 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.
>
> Part IV: Non-Interim Reexamination Transaction. This part describes transactions that do not entail changes to the family's adjusted income.

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

PART I: ANNUAL REEXAMINATIONS [24 CFR 982.516]

11-I.A. OVERVIEW

The PHA 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.

Unlike when performing an interim reexamination or at intake, at annual reexamination, the PHA must determine the income of the family for the previous 12-month period, except where the PHA uses a streamlined income determination. Income from assets, however, is always anticipated, irrespective of the income examination type [Notice PIH 2023-27]. PHAs also have the option of using a Safe Harbor income verification from another federal means-tested program to verify gross annual income. Chapter 7 contains the PHA's policies related to streamlined income determinations and the use of Safe Harbor income verifications.

11-I.B. SCHEDULING ANNUAL REEXAMINATIONS

The PHA must establish a policy to ensure that the annual reexamination for each family is completed *within* a 12-month period and may require reexaminations more frequently [HCV GB p. 12-1].

PHA Policy

The PHA will begin the annual reexamination process 60 days in advance of its scheduled effective date. Generally, the PHA 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 PHA will perform a new annual reexamination.

The PHA 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 PHA is required to obtain the information needed to conduct annual reexaminations. How that information will be collected is left to the discretion of the PHA. However, PHAs should give tenants who were not provided the opportunity the option to complete Form HUD-92006 at this time [Notice PIH 2009-36].

PHA Policy

All families are to complete their Annual Review process online through the Assistance Connect Portal. Special exceptions may be made on a case-by-case basis with the Directors approval.

If the portal is down, families are required to participate in an annual reexamination interview, which must be attended by the head of household, spouse, or cohead. If participation in an in-person interview poses a hardship because of a family member's disability, the family should contact the PHA to request a reasonable accommodation (see Chapter 2).

Notification of annual reexamination interviews will be sent by Assistance Connect or first-class mail (if no Assistance Connect account is established) and will contain the date, time, and location of the interview. In addition, it will inform the family of the information and documentation that must be brought to the interview.

If the family is unable to attend a scheduled interview, the family should contact the PHA in advance of the interview to schedule a new appointment. If a family does not attend the scheduled interview, the PHA will send a second notification with a new interview date and appointment time.

If a family fails to attend two scheduled interviews without PHA 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 PHA must execute a certification attesting to the role and the assistance provided by 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 PHA regarding the family's income, expenses, and composition [24 CFR 982.551(b)].

PHA Policy

Families will be asked to upload or bring all required information (as described in the reexamination notice) to the reexamination appointment. The required information will include a PHA-designated reexamination form as well as supporting documents or forms 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 period (plus any extensions), the family will be sent a notice of termination (See Chapter 12).

Additionally, HUD recommends that at annual reexaminations PHAs ask whether the tenant, or any member of the tenant's household, is subject to a lifetime sex offender registration requirement in any state [Notice PIH 2012-28].

PHA Policy

At the annual reexamination, the PHA will ask whether the tenant, or any member of the tenant's household, is subject to a lifetime sex offender registration requirement in any state. The PHA will use the Dru Sjodin National Sex Offender database to verify the information provided by the tenant.

If the PHA proposes to terminate assistance based on lifetime sex offender registration information, the PHA must notify the household of the proposed action and must provide the subject of the record and the tenant a copy of the record and an opportunity to dispute the accuracy and relevance of the information prior to termination. [24 CFR 5.903(f) and 5.905(d)]. (See Chapter 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 PHA 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 space standards (see Chapter 8), the PHA must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, the PHA 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 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, 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 their parents or is considered a *vulnerable youth* in accordance with PHA 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.

PHA Policy

During the annual reexamination process, the PHA 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 their parents or is considered a *vulnerable youth* 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 their own income or the income of their 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 their own income and the income of their parents (if applicable), the PHA will process a reexamination in accordance with the policies in this chapter.

11-I.E. CALCULATING ANNUAL INCOME AT ANNUAL REEXAMINATION [24 CFR 5.609(c)(2) and Notice PIH 2023-27]

The PHA must determine the income of the family for the previous 12-month period and use this amount as the family income for annual reexaminations, except where the PHA uses a streamlined income determination as indicated in Chapter 7 of this policy. The PHA may also use Safe Harbor income determinations dated within the last 12 months from a means-tested federal public assistance program at annual reexamination as outlined in Chapter 7 of this policy.

Except when using streamlined or Safe Harbor income determinations, in determining the income of the family for the previous 12-month period, any change of income since the family's last annual reexamination, including those that did not meet the threshold to process an interim reexamination in accordance with PHA policies and 24 CFR 5.657(c) or 960.257(b) must be considered.

Income from assets is always anticipated, irrespective of the income examination type.

A change in income may be a loss of income or the addition of a new source of income. Changing to a different employer in the prior year does not necessarily constitute a change if the income earned from either employer is substantially the same. The PHA should look at the entirety of the family's unearned income and earned income from the prior year in which earned income may have been one constant job or many different jobs that start and stop.

Cost of Living Adjustments (COLA) to Social Security income and Social Security disability income are always considered changes to income because the COLA is an adjustment that automatically occurs annually by law. See Chapter 6 for PHA policies on when the COLA is applied and Chapter 7 on streamlined determination of income for inflationary adjustments.

Notice PIH 2023-27 lists the following steps to calculate both earned and unearned income at annual reexamination.

Step 1: The PHA determines annual income for the previous 12-month period by reviewing the following information:

- The EIV Income Report pulled within 120 days of the effective date of the annual reexamination;
- The income reported on the most recent HUD–50058; and
- The amount of prior-year income reported by the family on the PHA's annual reexamination paperwork.

Step 2: The PHA takes into consideration any interim reexamination of family income completed since the last annual reexamination.

- If there was an interim reexamination performed within the last reexamination cycle and there are no additional changes, the PHA must use the annual income from the interim to determine the family's total annual income. The PHA may use verification obtained from the interim for this step.
- If the PHA did not perform an interim or there have been changes since the last reexamination, the PHA moves to Step 3.

Step 3: If there were changes in annual income not processed by the PHA since the last reexamination, the PHA must use current income. The family will be required to report their income for the prior year and whether there have been permanent changes.

If there are no reported changes to an income source, the PHA may use documentation of prior-year income to calculate the annual income. For example, the PHA may use the following documentation:

- EIV + self-certification (wages, Supplemental Security Income (SSI), Social Security, and unemployment)
- Current written third-party verification from the source verifying prior-year income that is dated within 120 days of receipt by the PHA, for example:
  - Year-end statements
  - Paystub with year-to-date amounts
  - Tax forms (Form 1040, W2, 1099, etc.)

If there are reported changes by the family or the PHA notes discrepancies between EIV and what the family reports, the PHA must follow the verification hierarchy (described in Chapter 7) to document and verify income. Exhibit 11-1 provides detailed examples of how the PHA calculates income from different sources at annual reexamination using the above method.

PHA Policy

When income is calculated using a streamlined income determination or Safe Harbor determination from a means-tested federal public assistance program in accordance with PHA policies in Chapter 7, the above is not applicable. However, where the family disagrees with the PHA or other agency's determination of income or the PHA has other reason to use third-party verification in these circumstances, then the above will apply.

11-I.F. EFFECTIVE DATES

The PHA must establish policies concerning the effective date of changes that result from an annual reexamination [24 CFR 982.516].

PHA 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 PHA chooses to schedule an annual reexamination for completion prior to the family's anniversary date for administrative purposes, the effective date will be determined by the PHA, but will always allow for the 30-day notice period.

If the family causes a delay in processing the annual reexamination, *increases* in the 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 PHA chooses to schedule an annual reexamination for completion prior to the family's anniversary date for administrative purposes, the effective date will be determined by the PHA.

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

PART II: INTERIM REEXAMINATIONS [24 CFR 982.516; Notice PIH 2023-27]

11-II.A. OVERVIEW

Family circumstances may change between annual reexaminations. HUD and PHA policies dictate what kinds of information about changes in family circumstances must be reported, and under what circumstances the PHA must process interim reexaminations to reflect those changes.

A family may request an interim determination of family income or composition because of any changes since the last determination. The PHA must conduct any interim reexamination within a reasonable period of time after the family request or when the PHA becomes aware of a change in the family's adjusted income that must be processed in accordance with HUD regulations. What qualifies as a "reasonable time" may vary based on the amount of time it takes to verify information, but the PHA generally should conduct the interim reexamination not longer than 30 days after the PHA becomes aware of changes in income.

Notice PIH 2023-27 changes the conditions under which interim reexaminations must be conducted, codifies when interim reexaminations should be processed and made effective, and requires related changes for annual reexaminations and streamlined income determinations. When the PHA determines that an interim reexamination of income is necessary, they must ask the family to report changes in all aspects of adjusted income.

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

Reporting

PHAs must require families to report household composition changes; however, PHAs determine the timeframe in which reporting happens [Notice PIH 2023-27]. The PHA must adopt policies prescribing when and under what conditions the family must report changes in income and family composition [24 CFR 960.257(b)(5)].

PHA Policy

All families must report all changes in family and household composition that occur between annual reexaminations within 10 business days of the change.

New Family Members Not Requiring PHA Approval

The addition of a family member as a result of birth, adoption, or court-awarded custody does not require PHA approval. However, the family is required to promptly notify the PHA of the addition [24 CFR 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 PHA 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)].

Although the PHA must verify aspects of program eligibility when any new family member is added, the Streamlining Final Rule removed the requirement that PHAs conduct a reexamination of income whenever a new family member is added. The PHA may state in policy that an income reexamination will be conducted.

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

PHA Policy

Families must request PHA approval to add a new family member (other than due to birth, adoption, or court-awarded custody), 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 12-month period and therefore no longer qualifies as a "guest." Requests must be made in writing and approved by the PHA and landlord prior to the individual moving into the unit.

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

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

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

If the PHA determines that an individual does not meet the PHA's eligibility criteria or documentation requirements, the PHA will notify the family in writing of its decision to deny approval of the new family or household member and the reasons for the denial.

The PHA will make its determination within 10 business days of receiving all information required to verify the individual's eligibility.

Departure of a Family or Household Member

Families must promptly notify the PHA if any household member no longer lives in the unit [24 CFR 982.551(h)(3)]. Because household members are considered when determining the family unit (voucher) size [24 CFR 982.402], the PHA also needs to know when any live-in aide, foster child, or foster adult ceases to reside in the unit. The PHA must process an interim for all decreases in adjusted income when a family member permanently moves out of the unit.

PHA Policy

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

Changes in Family Unit Size (Voucher Size) [24 CFR 982.505(c)(6)]

Changes effective 12/2/24 and earlier: Irrespective of any increase or decrease in the payment standard, if the family unit size increases or decreases during the HAP contract term, the new family unit size must be used to determine the payment standard for the family beginning at the family's first regular reexamination following the change in family unit size.

Changes effective 12/3/24 and later: Irrespective of any increase or decrease in the payment standard, if the family unit size increases or decreases during the HAP contract term, the new family unit size may be used to determine the payment standard immediately or at the family's first regular reexamination following the change in family unit size.

PHA Policy

If the family unit size (voucher size) changes during the term of a HAP contract, the new family unit size will be used to determine the payment standard at the family's first regular reexamination following the change in family unit size.

11-II.C. CHANGES AFFECTING INCOME OR EXPENSES

Overview

Interim reexaminations for changes in income or expenses may be scheduled either because the PHA has reason to believe that changes in income or expenses may have occurred, or because the family reports a change.

The PHA must estimate the income of the family for the upcoming 12-month period to determine family income for an interim reexamination [24 CFR 5.609(c)(1)]. Policies for projecting income are found in Chapter 6.

Interim Decreases [24 CFR 982.516(c)(2) and Notice PIH 2023-27]

A family may request an interim determination of family income for any change since the last determination. However, the PHA may decline to conduct an interim reexamination if the PHA estimates the family's adjusted income will decrease by an amount that is less than 10 percent of the family's adjusted income. The PHA may set a lower threshold in PHA policy such as performing an interim for any decreases in adjusted income, although HUD prohibits the PHA from setting a dollar-figure threshold.

However, while the PHA has some discretion, HUD requires that the PHA perform an interim reexamination for a decrease in adjusted income of any amount in two circumstances:

- When there is a decrease in family size attributed to the death of a family member; or
- When a family member permanently moves out of the assisted unit during the period since the family's last reexamination.

In the above circumstances, the PHA must perform an interim reexamination for any decrease in adjusted income.

If the net effect of the changes in adjusted income due to a decrease in family size results in no change or an increase in annual adjusted income, then PHA must process the removal of the household member(s) as a non-interim reexamination transaction without making changes to the family's annual adjusted income.

PHA Policy

The PHA will conduct an interim reexamination any time the family's adjusted income has decreased by any amount.

Interim Increases [24 CFR 982.516(c)(3) and Notice PIH 2023-27]

Increases Less than 10 Percent

PHAs must not process interim reexaminations for income increases that result in less than a 10 percent increase in annual adjusted income.

Increases 10 Percent or Greater

PHAs must conduct an interim reexamination of family income when the PHA becomes aware that the family's adjusted income has changed by an amount that the PHA estimates will result in an increase of 10 percent or more in adjusted income, with the following exceptions:

- PHAs may not consider any increases in earned income when estimating or calculating whether the family's adjusted income has increased, unless the family has previously received an interim reduction during the same reexamination cycle; and
- PHAs may choose not to conduct an interim reexamination during the last three months of a certification period if a family reports an increase in income within three months of the next annual reexamination effective date.

When the family previously received an interim reexamination for a decrease to adjusted income during the same annual reexamination cycle, a PHA has the discretion whether to consider a subsequent increase in earned income.

PHA Policy

The PHA will process an interim reexamination for any increases in earned and unearned income of 10 percent or more in adjusted income.

The PHA will not perform an interim reexamination when a family reports an increase in income (whether earned or unearned income) within three months of their annual reexamination effective date. However, families who delay reporting income increases until the last three months of their certification period may be subject to retroactive rent increases in accordance with the PHA policies in Chapter 14.

Concurrent Increases in Earned and Unearned Income [Notice PIH 2023-27]

When the family reports an increase in both earned and unearned income at the same time, the PHA must look at the earned and unearned income changes independently of each other to determine if an interim reexamination is performed. The PHA will only conduct an interim reexamination when the increase independently meets the 10 percent threshold and all other requirements for performing interim reexaminations. For example, if a family reported increases in both earned and unearned income that overall resulted in a 12 percent increase in their adjusted income, but the change in earned income represented a 7 percent increase and the change in unearned income represented a 5 percent increase, the PHA may not perform an interim for either change since neither change meets the 10 percent threshold amount independently. If the change in unearned income met the 10 percent threshold in this case, the PHA would be required to perform an interim. If the change in earned income met the 10 percent threshold in this case, the PHA would refer to PHA policy to determine whether an interim was required.

Cumulative Increases [Notice PIH 2023-27]

A series of smaller reported increases in adjusted income may cumulatively meet or exceed the 10-percent increase threshold, at which point the PHA must conduct an interim reexamination in accordance with PHA policy.

Family Reporting

The PHA must adopt policies consistent with HUD regulations prescribing when and under what conditions the family must report a change in family income or composition [24 CFR 982.516(d)].

PHA policy may require families to report only changes that the family estimates meet the threshold for an interim reexamination or the PHA may establish policies requiring that families report all changes in income and household composition, and the PHA will subsequently determine if the change requires an interim reexamination [Notice PIH 2023-27].

When the PHA determines that an interim reexamination of income is necessary, they must ask the family to report changes in all aspects of adjusted income. For example, if the family is reporting a decrease in adjusted income that is more than 10 percent, but the family also had a change in assets that would result in a change in income, the change in assets must also be reviewed [Notice PIH 2023-27].

PHA Policy

The family will be required to report all changes in income regardless of the amount of the change, whether the change is to earned or unearned income, or if the change occurred during the last three months of the certification period. Families must report changes in income within 10 business days of the date the change takes effect. The family may notify the PHA of changes either orally or in writing, including email. If the family provides oral notice, the PHA may also require the family to submit the changes in writing, including email.

Within 10 business days of the family reporting the change, the PHA will determine whether the change will require an interim reexamination.

If the change will not result in an interim reexamination, the PHA will note the information in the tenant file but will not conduct an interim reexamination. The PHA will send the family written notification (which may be emailed) within 10 business days of making this determination informing the family that the PHA will not conduct an interim reexamination.

If the change will result in an interim reexamination, the PHA will determine the documentation the family will be required to submit based on the type of change reported and PHA policies in Chapter 7. The PHA will ask the family to report changes in all aspects of adjusted income at this time. The family must submit any required information or documents within 10 business days of receiving a request from the PHA. This time frame may be extended for good cause with PHA approval. The PHA will accept required documentation by mail, email, or in person. The PHA will conduct the interim within a reasonable time period based on the amount of time it takes to verify the information.

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

11-II.D. EFFECTIVE DATES [24 CFR 982.516(e) and Notice 2023-27]

Changes Reported Timely [Notice PIH 2023-27]

If the family reports a change in family income or composition timely in accordance with PHA policies:

- For rent increases, the PHA must provide the family with 30 days advance written notice. The rent increase is effective the first of the month after the end of that 30-day notice period.
- Rent decreases are effective on the first of the month after the date of the actual change leading to the interim reexamination of family income. This means the decrease will be applied retroactively.

Changes Not Reported Timely [Notice PIH 2023-27]

If the family failed to report a change in family income or composition timely in accordance with PHA policies:

- For rent increases, the PHA must implement any resulting rent increases retroactively to the first of the month following the date of the change leading to the interim reexamination of family income.
- For rent decreases, the PHA must implement the change no later than the first rent period following completion of the interim reexamination.

However, the PHA may choose to adopt a policy that would make the effective date of the rent decrease retroactive to the first of the month following completion of the reexamination. PHAs may choose to establish conditions or requirements for when such a retroactive application would apply. PHAs that choose to adopt such policies must ensure the earliest date that the retroactive decrease is applied is the later of:

- The first of the month following the date of the change that led to the interim reexamination; or
- The first of the month following the most recent previous income examination.

In applying a retroactive change in rent as the result of an interim reexamination, the PHA must clearly communicate the effect of the retroactive adjustment to the family so that there is no confusion over the amount of the rent that is the family's responsibility.

PHA Policy

In general, when the family fails to report a change in income or family composition timely, and the change would lead to a rent decrease, the PHA will apply the decrease the first of the month following completion of the interim reexamination.

However, the PHA will apply the results of the interim reexamination retroactively where a family's ability to report a change in income promptly may have been hampered due to extenuating circumstances such as a natural disaster or disruptions to PHA management operations. The PHA will decide to apply decreases retroactively on a case-by-case basis.

When the PHA applies the results of interim increases retroactively, the PHA will clearly communicate the effect of the retroactive adjustment to the family and may enter into a repayment agreement in accordance with PHA policies.

The PHA will also clearly communicate the effect of the retroactive adjustment to the owner.

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 PHA 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 PHA's calculations.

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

Payment Standards [24 CFR 982.505 and FR Notice 5/7/24]

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 PHA changes its payment standard or when there is a change in family composition.

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 PHA's subsidy standards (see Chapter 5), the new family unit size must be used to determine the payment standard amount for the family immediately or 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 PHA'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 PHA must use the utility allowances in effect at the time the new lease and HAP contract are executed.

At reexamination, the PHA must use the PHA current utility allowance schedule [HCV GB, p. 18-8].

PHA 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 PHA 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 PHA'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).

PHA Policy

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.

The notice will state the family has the right to request an explanation of how the assistance was calculated and if the family disagrees, they have the right to informal hearing. The notice will include the procedures for requesting an informal hearing.

11-III.D. DISCREPANCIES

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

PART IV: NON-INTERIM REEXAMINATION TRANSACTIONS [Notice PIH 2023-27]

Families may experience changes within the household that do not trigger an interim reexamination under PHA policy and HUD regulations, but which HUD still requires the PHA to report to HUD via Form HUD-50058. These are known as *non-interim reexamination transactions*. In these cases, PHAs will submit a separate, new action code on Form HUD-50058. The following is a list of non-interim reexamination transactions:

- Adding or removing a hardship exemption for the childcare expense deduction;
- Updating or removing the phased-in hardship relief for the health and medical care expense deduction and/or reasonable attendant care and auxiliary apparatus expense deduction (families will begin receiving a 24-month phased-in relief at their next annual or interim reexamination, whichever occurs first);
- Adding or removing general hardship relief for the health and medical care expense deduction and/or reasonable attendant care and auxiliary apparatus expense deduction;
- Adding or removing a minimum rent hardship;
- Adding or removing a non-family member (i.e., live-in aide, foster child, foster adult);
- Ending a family's EID or excluding 50 percent (decreased from 100 percent) of a family member's increase in employment income at the start of the second 12- month EID period.
- Adding a family member and the increase in adjusted income does not trigger an interim reexamination under the final rule;
- Removing a family member and the increase in adjusted income does not trigger an interim reexamination under the final rule;
- Adding/updating a family or household member's Social Security number;
- Updating a family member's citizenship status from eligible to ineligible or vice versa, resulting in a change to the family's rent and/or utility reimbursement, if applicable (i.e., family begins receiving prorated assistance or previously prorated assistance becomes full assistance), or updating the prorated rent calculation due to the addition or removal of family members in household with an ineligible noncitizen(s); and
- Rent increases

PHAs must make all other changes to assets, income, and deductions at the next annual or interim reexamination of income, whichever is sooner.

EXHIBIT 11-1: CALCULATING INCOME AT ANNUAL REEXAMINATION

Example 1: Calculating Annual Income at Annual Reexamination Using EIV

Staff are processing the 3/1/2024 annual reexamination for Ruby Myers and her minor daughter, Georgia. No interim reexaminations have been processed, and Ruby has not reported any changes to annual income to the PHA since the 3/1/2023 annual reexamination. The SSA published 2024 COLA is 7 percent.
Last reexamination – 3/1/2023 Annual Reexamination
Ruby: Georgia:
Wages: $30,000 SSI: $10,980 ($915 monthly)

The EIV report pulled on 12/15/2023

Ruby:	Georgia:
Wages Total: $33,651	SSI Total: $10,980
Quarter 3 of 2023: $8,859 (City Public School)	2023 benefit $915 monthly
Quarter 2 of 2023: $8,616 (City Public School)	
Quarter 1 of 2023: $8,823 (City Public School)	
Quarter 4 of 2022: $7,353 (City Public School)	

Income Reported on Reexamination Application	
Ruby: Wages at City Public School: $32,000 (switched jobs but no permanent change to amount)	Georgia: SSI benefits: $10,980 (no changes)
Calculating Ruby's wages: Step 1: Determine prior annual income from EIV (i.e., Q4 2022 through Q3 of 2023: $33,651). Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination (in this case, there have been no interim reexaminations processed since the last annual reexamination). Step 3: Ruby certifies that the $33,651 of wages in EIV is accurate and reflects her current annual income, so the PHA will use $33,651 for annual wages for the 3/1/2024 annual reexamination given there have been no additional changes to annual income.	Calculating Georgia's SSI benefit: Step 1: Determine the prior annual income from EIV (i.e., $915 x 12 months: $10,980). Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination (in this case, there have been no interim reexaminations processed since the last annual reexamination). Step 3: Ruby certifies the SSI income in EIV is accurate and reflects Georgia's current annual income. The PHA must adjust the prior-year income (2023 SSI benefit) by the 7- percent COLA and will use this amount to calculate annual SSI income for the 3/1/2024 annual reexamination: COLA: $64.05 ($915 x 0.07) New gross SSI benefit: $11,748.60 ($979.05 x 12 months)
If Ruby did not agree with the annual wages reported in EIV, the PHA/MFH Owner would be required to verify her current income in accordance with HUD's verification hierarchy.	
Summary of Annual Income (as reported on the HUD-50058)	
Ruby (Head of Household): Other Wage: $33,651 Myers Family Total Annual Income: $45,399	Georgia (Other Youth Under 18): SSI: $11,748

Example 2: Calculating Annual Income at Annual Reexamination Using EIV: Family Disagrees with EIV

Staff are processing Paul Hewson's 5/1/2024 annual reexamination. Since the last annual reexamination, Paul reported a decrease in annual income that exceeded 10 percent. Last year, Paul reported a decrease in earned income because he transferred from a full-time job at Sasha's Sweets to a part-time job at Viking Bakery. Following HUD's EIV verification hierarchy, staff confirmed Paul was no longer employed at Sasha's Sweets and decreased his anticipated annual income from $28,000 to $7,500 resulting from his new part-time employment at Viking Bakery; an interim reexamination was processed effective 7/1/2023. After the 7/1/2023 interim, Paul worked briefly at two different jobs, but he says he is no longer working and is not planning to work.
5/1/2023 Annual Reexamination
Wages: $28,000

The EIV report pulled on 1/15/2024

Wages Total: $18,271

Quarter 3 of 2023: $2,500 (Viking Bakery)

Quarter 3 of 2023: $796 (Sweet Tooth Candy Bar)

Quarter 2 of 2023: $1,300 (Sasha's Sweets)

Quarter 2 of 2023: $584 (Larry's Concessions)

Quarter 2 of 2023: $2,401 (Viking Bakery)

Quarter 1 of 2023: $6,500 (Sasha's Sweets)

Quarter 4 of 2022: $600 (Sasha's Sweets)

SS/SSI: No history of benefits

Income Reported on Reexamination Application
Wages: $0 (permanent change; no longer receiving) Social Security: $14,400 ($1,200 monthly) Paul certified on the PHA's annual reexamination paperwork that he does not agree with the annual wages of $18,271 reported in EIV and it is not reflective of his current anticipated annual income. He reported he is currently unemployed, and provided a copy of an award letter from the Social Security Administration to document that he will begin receiving a monthly disability benefit of $1,200 effective 3/1/2024.
Calculating Wages and SS Benefit
Step 1: Determine prior annual income taking into consideration the 7/1/2023 interim reexamination (i.e., EIV wages reflected Q4 2022 through Q3 2023: $18,271) Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination. In this case, there was a 7/1/2023 interim that reduced wages to $7,500. Step 3: Obtain documentation to verify current income and confirm Paul is no longer employed at Viking Bakery or The Sweet Tooth Candy Bar (the employers reported in the most recent quarter of EIV). This step is necessary, because Paul did not agree with the EIV income report or income reported on the last interim reexamination. Paul reported that he is no longer working at all. Process the annual reexamination effective 5/1/2024 using annual SS income of $14,400 and $0 wages.
Summary of Annual Income (as reported on the HUD-50058)
Paul (Head of Household): $14,400 (SS) Hewson Family Total Annual Income: $14,400

Example 3: Calculating Annual Income at Annual Reexamination

Staff are processing the 11/1/2024 annual reexamination for Samantha and Fergus Pool, head of household and spouse. On 2/14/2024 Samantha reported her monthly child support payment was reduced from $200 to $100 per month, but an interim reexamination was not processed because the reduction in child support income for Samantha's daughter, Hailey, did not result in a decrease of 10 percent or more in annual adjusted income, and the PHA did not establish a lower threshold. Samantha did not report any additional changes to the PHA.

Last reexamination – 11/1/2023 Annual Reexamination

Samantha:	Fergus:
Business income: $28,000	Wages: $8,250
VA disability pension: $12,000	Other non-wage income: $3,000 (Go Fund Me online fundraiser)
Child support: $2,400	

The EIV report pulled on 9/16/2024

Samantha:	Fergus:
Wages Total: $0 (no wage data reported since Q1 2023)	Wages Total: $8,600
	Quarter 1 of 2024: $2,100 (Ian's Fish 'n' Chips)
	Quarter 1 of 2024: $500 (Claire's Healthcare Supplies)
	Quarter 4 of 2023: $1,000 (Claire's Healthcare Supplies)
	Quarter 3 of 2023: $1,800 (The Onion Garden Shop)
	Quarter 2 of 2023: $3,200 (Ivar's Fish Haus)

Current Family Circumstances: Income Reported on Reexamination Application

Samantha and Fergus reported how much income was earned/received in the previous 12-month period and noted permanent changes, where applicable, for each source of their income on PHA's annual reexamination form. However, no information was reported by the family concerning other non-wage income. Fergus reported only wages and his current employment at Ian's Fish 'n' Chips for the annual reexamination. The family supplied the supporting documentation noted below to the PHA for the 11/1/2024 annual reexamination.

Samantha:	Fergus:
Business income: $28,750 (last year); has decreased to $18,000 (permanent change)	Wages: $6,000
VA disability benefit: $12,000 (last year); has increased to $12,300 (permanent change)	
Child support: $2,400 (last year); has decreased to $1,200 (permanent change)	

Calculating Samantha's Net Business Income

Step 1: Determine prior annual net business income (i.e., $28,000 on last HUD–50058).

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination. In this case, there have been no interim reexaminations processed since the last annual reexamination.

Step 3: Adjust to reflect current net business income. Samantha reported on the annual reexamination application that business income permanently decreased to $18,000. The PHA must obtain supporting documentation from Samantha that demonstrates current net business income. Samantha provided documentation that supported the current annual net business income is $18,000. Process the annual reexamination effective 11/1/2024 using annual net business income determined in Step 3.

Calculating Samantha's VA Pension Income

Step 1: Determine prior annual VA pension income (i.e., $12,000 supported by a VA award letter Samantha supplied that documents the prior year monthly VA pension was $1,000).

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination. In this case, there have been no interim reexaminations processed since the last annual reexamination.

Step 3: The PHA needs to adjust to reflect current VA pension income. Samantha supplies a VA award letter showing a monthly pension of $1,025, or $12,300 annually. Process the annual reexamination effective 11/1/2024 using annual VA pension income determined in Step 3 ($12,300 in this example).

Calculating Samantha's Child Support Income

Step 1: Determine prior annual child support income (i.e., $2,400 on the last HUD–50058).

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination. In this case, there have been no interim reexaminations processed since the last annual reexamination. The family reported a decrease from $200 to $100 monthly, but the change was not processed because it did not meet the threshold.

Step 3: The family reported changes, so the PHA must adjust to reflect current child support income. In this example, the family submitted a child support history report from the local child support office that documents regular $100 monthly child supports payments beginning 3/1/2024 through the current month. Process the annual reexamination effective 11/1/2024 using current annual child support income determined in Step 3 ($1,200 in this example).

Calculating Fergus' Wages

Step 1: Determine prior annual income from wages in EIV (i.e., Q2 2023 through Q1 of 2024: $8,600).

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination. In this case, there have been no interim reexaminations processed since the last annual reexamination.

Step 3: There is a discrepancy between what the family reported and EIV, so the PHA must verify and adjust to reflect current annual income from wages. Fergus reported $6,000 in annual income from wages on the annual reexamination from a single employer, Ian's Fish 'n' Chips. The PHA projected annual income of $7,800 based on the two paystubs for this employer, and EIV shows $8,600 earned in the most recent four quarters in EIV. To complete Step 3, the PHA must do the following:

- Resolve the discrepancy between EIV wages, the $6,000 annual income Fergus reported, and the $7,800 projected based on the paystubs he provided, and
- Verify he is no longer employed at Claire's Healthcare Supplies in accordance with HUD's verification hierarchy and local policies.

The PHA determined that Fergus reported his net vs. gross annual income from wages, which he corrected on the annual reexamination form to reflect his current gross annual income of $9,000. The PHA verified Fergus was no longer employed at Claire's Healthcare Supplies and obtained two additional paystubs. Based on four current and consecutive paystubs, Fergus is now projected to earn $9,360 annually. Process the annual reexamination effective 11/1/2024 using income from wages determined in Step 3 ($9,360 in this example).

<table>
<tr><td colspan="2">Calculating Fergus' Other Non-Wage Income

Step 1: Determine prior annual income from other non-wage income (i.e., $3,000 on the last HUD– 50058).

Step 2: Take into consideration any interim reexamination of family income completed since the last annual reexamination. In this case, there have been no interim reexaminations processed since the last annual reexamination.

Step 3: The family did not report any non-wage income on the annual reexamination form, but it was included on the last HUD–50058. The PHA must verify and adjust to reflect current non-wage income. The PHA must verify no income was received through a "Go Fund Me" online fundraiser so that it may be excluded. Fergus provided a self-certification that he hasn't solicited funds online and doesn't plan to in the following year; he also provided records from the account that documented no fundraising activity in the prior 12-month period. Process the annual reexamination effective 11/1/2024 using annual non-wage income of $0 determined in Step 3.</td></tr>
<tr><td colspan="2">Summary of Annual Income (as reported on the HUD-50058)</td></tr>
<tr><td>Samantha (Head of Household):

Own business: $18,000

Pension: $12,300

Child support: $1,200</td><td>Fergus (Co-head):

Wages: $9,360</td></tr>
<tr><td colspan="2">Poole Family Total Annual Income: $40,860</td></tr>
</table>

Chapter 12

TERMINATION OF ASSISTANCE AND TENANCY

HUD regulations specify mandatory and optional grounds for which a PHA can terminate a family's assistance. They also specify the circumstances under which an owner may terminate the tenancy of an assisted family. This chapter describes the policies that govern mandatory and optional terminations of assistance, and termination of tenancy by the owner. It is presented in three parts:

Part I: Grounds for Termination of Assistance. This part describes the various circumstances under which assistance under the program can be terminated by the family or by the PHA.

Part II: Approach to Termination of Assistance. This part describes the policies and the process that the PHA will use in evaluating decisions on whether to terminate assistance due to actions or inactions of the family where termination is an option. It specifies the alternatives that the PHA may consider in lieu of termination, the criteria the PHA will use when deciding what action to take, and the steps the PHA must take when terminating a family's assistance.

Part III: Termination of Tenancy by the Owner. This part describes the HUD policies that govern the owner's right to terminate an assisted tenancy.

PART I: GROUNDS FOR TERMINATION OF ASSISTANCE

12-I.A. OVERVIEW

HUD requires the PHA to terminate assistance for certain actions and inactions of the family and when the family no longer requires assistance due to increases in family income. HUD permits the PHA to terminate assistance for certain other actions or inactions of the family. In addition, a family may decide to withdraw from the program and terminate their HCV assistance at any time by notifying the PHA.

12-I.B. FAMILY NO LONGER REQUIRES ASSISTANCE [24 CFR 982.455]

As a family's income increases, the amount of the housing assistance payment decreases. If the amount of assistance provided by the PHA is reduced to zero, the family's assistance terminates automatically 180 days after the last HAP payment.

PHA Policy

If a participating family receiving zero assistance experiences a change in circumstances that would result in a HAP payment to the owner, the family must notify the PHA of the change and request an interim reexamination before the expiration of the 180-day period.

12-I.C. FAMILY CHOOSES TO TERMINATE ASSISTANCE

The family may request that the PHA terminate housing assistance payments on behalf of the family at any time.

PHA Policy

The request to terminate assistance should be made in writing and signed by the head of household, and spouse or cohead if applicable. Before terminating the family's assistance, the PHA will follow the notice requirements in Section 12-II.F.

12-I.D. MANDATORY TERMINATION OF ASSISTANCE

HUD requires the PHA to terminate assistance in the following circumstances.

Eviction [24 CFR 982.552(b)(2), 24 CFR 5.2005(c)(1)]

The PHA must terminate assistance whenever a family is evicted from a unit assisted under the HCV program for a serious or repeated violation of the lease. As discussed further in section 12-II.E, incidents of actual or threatened domestic violence, dating violence, sexual assault, stalking, or human trafficking may not be construed as serious or repeated violations of the lease by the victim or threatened victim of such violence or stalking.

PHA Policy

A family will be considered *evicted* if the family moves after a legal eviction order has been issued, whether or not physical enforcement of the order was necessary.

If a family moves after the owner has given the family an eviction notice for serious or repeated lease violations but before a legal eviction order has been issued, termination of assistance is not mandatory. In such cases the PHA will determine whether the family has committed serious or repeated violations of the lease based on available evidence and may terminate assistance or take any of the alternative measures described in section 12-II.C. In making its decision, the PHA will consider the factors described in sections 12-II.D and 12-II.E. Upon consideration of such factors, the PHA may, on a case-by-case basis, choose not to terminate assistance.

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 the fault of the tenant or guests.

Failure to Provide Consent [24 CFR 982.552(b)(3)]

The PHA must terminate assistance if any family member fails to sign and submit any consent form they are required to sign for a regular or interim reexamination. See Chapter 7 for a complete discussion of consent requirements.

PHA Policy

The PHA will also terminate assistance if the family revokes consent for the PHA to collect information from financial institutions.

Failure to Document Citizenship [24 CFR 982.552(b)(4) and [24 CFR 5.514(c)]

The PHA must terminate assistance if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status; (2) a family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family; or (3) a family member, as determined by the PHA, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit.

For (3) above, such termination must be for a period of at least 24 months. This does not apply to ineligible noncitizens already in the household where the family's assistance has been prorated. See Chapter 7 for a complete discussion of documentation requirements.

Failure to Disclose and Document Social Security Numbers [24 CFR 5.218(c), Notice PIH 2018-24]

The PHA must terminate assistance if a participant family fails to disclose the complete and accurate social security numbers of each household member and the documentation necessary to verify each social security number.

However, if the family is otherwise eligible for continued program assistance, and the PHA determines that the family's failure to meet the SSN disclosure and documentation requirements was due to circumstances that could not have been foreseen and were outside of the family's control, the PHA may defer the family's termination and provide the opportunity to comply with the requirement within a period not to exceed 90 calendar days from the date the PHA determined the family to be noncompliant.

PHA Policy

The PHA will defer the family's termination and provide the family with the opportunity to comply with the requirement for a period of 90 calendar days for circumstances beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency, if there is a reasonable likelihood that the participant will be able to disclose an SSN by the deadline.

Methamphetamine Manufacture or Production [24 CFR 982.553(b)(1)(ii)]

The PHA must terminate assistance if any household member has ever been convicted of the manufacture or production of methamphetamine on the premises of federally assisted housing.

Lifetime Registered Sex Offenders [Notice PIH 2012-28]

Should a PHA discover that a member of an assisted household was subject to a lifetime registration requirement at admission and was erroneously admitted after June 25, 2001, the PHA must immediately terminate assistance for the household member.

In this situation, the PHA must offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, the PHA must terminate assistance for the household.

Failure of Students to Meet Ongoing Eligibility Requirements [24 CFR 982.552(b)(5) and FR 4/10/06]

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have dependent children, is not residing with their parents in an HCV assisted household, and is not a person with disabilities receiving HCV assistance as of November 30, 2005, the PHA must the terminate the student's assistance if, at the time of reexamination, either the student's income or the income of the student's parents (if applicable) exceeds the applicable income limit.

If a participant household consists of both eligible and ineligible students, the eligible students shall not be terminated, but must be issued a voucher to move with continued assistance in accordance with program regulations and PHA policies or must be given the opportunity to lease in place if the terminated ineligible student members elect to move out of the assisted unit.

Death of the Sole Family Member [24 CFR 982.311(d) and Notice PIH 2010-9]

The PHA must immediately terminate program assistance for deceased single member households.

12-I.E. MANDATORY POLICIES AND OTHER AUTHORIZED TERMINATIONS

Mandatory Policies [24 CFR 982.553(b) and 982.551(l)]

HUD requires the PHA to establish policies that permit the PHA to terminate assistance if the PHA determines that:

- Any household member is currently engaged in any illegal use of a drug, or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents
- Any household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents
- Any household member has violated the family's obligation not to engage in any drug-related criminal activity
- Any household member has violated the family's obligation not to engage in violent criminal activity

Use of Illegal Drugs and Alcohol Abuse

PHA Policy

The PHA will terminate a family's assistance if any household member is currently engaged in any illegal use of a drug or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

The PHA will terminate assistance if any household member's abuse or pattern of abuse of alcohol threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

> *Currently engaged in* is defined as any use of illegal drugs during the previous three months.

The PHA will consider all credible evidence, including but not limited to, any record of arrests, convictions, or eviction of household members related to the use of illegal drugs or abuse of alcohol.

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

In making its decision to terminate assistance, the PHA will consider alternatives as described in Section 12-II.C and other factors described in Sections 12-II.D and 12-II.E. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate assistance.

Drug-Related and Violent Criminal Activity [24 CFR 5.100]

Drug means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

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

Violent criminal activity means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

PHA Policy

The PHA will terminate a family's assistance if any household member has violated the family's obligation not to engage in any drug-related or violent criminal activity during participation in the HCV program.

The PHA will consider all credible evidence, including but not limited to, any record of arrests and/or convictions of household members related to drug-related or violent criminal activity, and any eviction or notice to evict based on drug-related or violent criminal activity.

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

In making its decision to terminate assistance, the PHA will consider alternatives as described in Section 12-II.C and other factors described in Sections 12-II.D and 12-II.E. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate assistance.

Other Authorized Reasons for Termination of Assistance
[24 CFR 982.552(c), 24 CFR 5.2005(c), 24 CFR 984.101(d)]

HUD permits the PHA to terminate assistance under a number of other circumstances. It is left to the discretion of the PHA whether such circumstances in general warrant consideration for the termination of assistance. As discussed further in section 12-II.E, the Violence against Women Act prohibits PHAs from considering incidents of, or criminal activity directly related to, domestic violence, dating violence, sexual assault, stalking, or human trafficking as reasons for terminating the assistance of a victim of such abuse.

Additionally, per 24 CFR 984.101(d), PHAs are no longer permitted to terminate assistance to a family due to the family's failure to meet its obligations under the Family Self-Sufficiency (FSS) contract of participation.

PHA Policy

The PHA **will** terminate a family's assistance if:

The family has failed to comply with any family obligations under the program. See Exhibit 12-1 for a listing of family obligations and related PHA policies.

Any family member has been evicted from federally assisted housing in the last three years.

Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.

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

The family has not reimbursed any PHA for amounts the PHA paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.

The family has breached the terms of a repayment agreement entered into with the PHA.

A family member has engaged in or threatened violent or abusive behavior toward PHA personnel.

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

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

In making its decision to terminate assistance, the PHA will consider alternatives as described in Section 12-II.C and other factors described in Sections 12-II.D and 12-II.E. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate assistance.

Family Absence from the Unit [24 CFR 982.312]

The family may be absent from the unit for brief periods. The PHA must establish a policy on how long the family may be absent from the assisted unit. However, the family may not be absent from the unit for a period of more than 180 consecutive calendar days for any reason. Absence in this context means that no member of the family is residing in the unit.

PHA Policy

If the family is absent from the unit for more than 180 consecutive calendar days, the family's assistance will be terminated. Notice of termination will be sent in accordance with Section 12-II.F.

Asset Limitation [24 CFR 5.618; Notice PIH 2023-27]

The PHA has discretion with respect to the application of the asset limitation at annual and interim reexamination. The PHA may adopt a written policy of total nonenforcement, enforcement, or limited enforcement as well as adopting exception policies.

PHA Policy

The PHA has adopted a policy of total nonenforcement of the asset limitation for all program participants. The asset limitation only applies to initial eligibility determinations for new admissions to the PHA's HCV program.

Insufficient Funding [24 CFR 982.454]

The PHA may terminate HAP contracts if the PHA determines, in accordance with HUD requirements, that funding under the consolidated ACC is insufficient to support continued assistance for families in the program. The PHA must identify in the administrative plan, in the event of insufficient funding, taking into account any cost saving measures taken by the PHA, a description of the factors the PHA will consider when determining which HAP contracts to terminate first [24 CFR 982.54(d)(26)].

PHA Policy

The PHA will determine whether there is sufficient funding to pay for currently assisted families according to the policies in Part VIII of Chapter 16. If the PHA determines there is a shortage of funding, prior to terminating any HAP contracts, the PHA will determine if any other actions can be taken to reduce program costs.

In the event that the PHA decides to stop issuing vouchers as a result of a funding shortfall, and the PHA is not assisting the required number of special purpose vouchers (NED families, HUD-Veterans Affairs Supportive Housing (VASH) families, and family unification program (FUP) families), when the PHA resumes issuing vouchers, the PHA will issue vouchers first to the special purpose voucher families on its waiting list until it has reached the required number of special purpose vouchers, when applicable.

If after implementing all reasonable cost cutting measures there is not enough funding available to provide continued assistance for current participants, the PHA will terminate HAP contracts as a last resort.

Prior to terminating any HAP contracts, the PHA will inform the local HUD field office. The PHA will terminate the minimum number needed in order to reduce HAP costs to a level within the PHA's annual budget authority.

If the PHA must terminate HAP contracts due to insufficient funding, the PHA will do so in accordance with the following criteria and instructions:

Families who have been assisted in the HCV program the longest will be the first to be terminated, excluding families that include elderly or disabled family members.

Families comprising the required number of special purpose vouchers, including Emergency Housing Vouchers (EHV), nonelderly disabled (NED), HUD-Veteran's Affairs Supportive Housing (HUD-VASH), and family unification program (FUP) will be the last to be terminated.

PART II: APPROACH TO TERMINATION OF ASSISTANCE

12-II.A. OVERVIEW

The PHA is required by regulation to terminate a family's assistance for certain actions or inactions of the family. For other types of actions or inactions of the family, the regulations give the PHA the authority to either terminate the family's assistance or to take another action. This part discusses the various actions the PHA may choose to take when it has discretion and outlines the criteria the PHA will use to make its decision about whether or not to terminate assistance. It also specifies the requirements for the notification to the family of the PHA's intent to terminate assistance.

12-II.B. METHOD OF TERMINATION [24 CFR 982.552(a)(3)]

Termination of assistance for a participant may include any or all of the following:

- Terminating housing assistance payments under a current HAP contract,
- Refusing to enter into a new HAP contract or approve a lease, or
- Refusing to process a request for or to provide assistance under portability procedures.

12-II.C. ALTERNATIVES TO TERMINATION OF ASSISTANCE

Change in Household Composition

As a condition of continued assistance, the PHA may require that any household member who participated in or was responsible for an offense no longer resides in the unit [24 CFR 982.552(c)(2)(ii)].

PHA Policy

As a condition of continued assistance, the head of household must certify that the culpable family member has vacated the unit and will not be permitted to visit or to stay as a guest in the assisted unit. The family must present evidence of the former family member's current address upon PHA request.

Repayment of Family Debts

PHA Policy

If a family owes amounts to the PHA, as a condition of continued assistance, the PHA will require the family to repay the full amount or to enter into a repayment agreement, within 30 days of receiving notice from the PHA of the amount owed. See Chapter 16 for policies on repayment agreements.

12-II.D. CRITERIA FOR DECIDING TO TERMINATE ASSISTANCE

Evidence

For criminal activity, HUD permits the PHA to terminate assistance if a *preponderance of the evidence* indicates that a household member has engaged in the activity, regardless of whether the household member has been arrested or convicted [24 CFR 982.553(c)].

PHA Policy

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

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

Use of Criminal Conviction Records after Admission [24 CFR 5.903]

The regulation at 24 CFR 5.903 governs a PHA's access to and use of criminal conviction records obtained from a "law enforcement agency" such as the National Crime Information Center (NCIC), police departments, and other law enforcement agencies that hold criminal conviction records. While the regulatory listing of permitted uses for these records includes PHA screening of applicants for admission to the HCV program, it specifically excludes the use of records for lease enforcement and eviction of HCV participants and excludes by omission a PHA's use of records to terminate assistance for participants. While a PHA has regulatory authority to use criminal conviction records for the purpose of applicant screening for admission, there is no corresponding authority to use these records to check for criminal and illegal drug activity by participants, and therefore, PHAs may not use records for this purpose. The limitations, however, do not apply to criminal conviction information searches from non-federal sources (i.e., sources other than the "law enforcement agencies" defined in 24 CFR 5.902(b)). There is no prohibition that bars a PHA from using non-federal sources to conduct criminal background checks of program participants.

Consideration of Circumstances [24 CFR 982.552(c)(2)(i)]

The PHA is permitted, but not required, to consider all relevant circumstances when determining whether a family's assistance should be terminated.

PHA Policy

The PHA will consider the following facts and circumstances when making its decision to terminate assistance:

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

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

The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities or (as discussed further in section 12-II.E) a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking

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

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

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

Whether criminal charges were filed

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

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

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

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

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

In the case of program abuse, the dollar amount of the overpaid assistance and whether or not a false certification was signed by the family. (See Chapter 16-IV.B. Repayment Policy, Criminal Prosecution for Program Fraud/Abuse).

Reasonable Accommodation [24 CFR 982.552(c)(2)(iv)]

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

PHA Policy

If a family indicates that the behavior of a family member with a disability is the reason for a proposed termination of assistance, the PHA will determine whether the behavior is related to the disability. If so, upon the family's request, the PHA will determine whether alternative measures are appropriate as a reasonable accommodation. The PHA will only consider accommodations that can reasonably be expected to address the behavior that is

the basis of the proposed termination of assistance. See Chapter 2 for a discussion of reasonable accommodation.

12-II.E. TERMINATIONS RELATED TO DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, STALKING, OR HUMAN TRAFFICKING

This section describes the protections against termination of assistance that the Violence against Women Act (VAWA) provides for victims of domestic violence, dating violence, sexual assault, stalking, and human trafficking. For general VAWA requirements, key VAWA definitions, and PHA policies pertaining to notification, documentation, and confidentiality, see section 16-IX of this plan.

VAWA Protections against Termination

VAWA provides four specific protections against termination of HCV assistance for victims of domestic violence, dating violence, sexual assault or stalking. (*Note:* The second, third, and fourth protections also apply to terminations of tenancy or occupancy by owners participating in the HCV program, as do the limitations discussed under the next heading.)

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

First, VAWA provides that a PHA may not terminate assistance to a family that moves out of an assisted unit in violation of the lease, with or without prior notification to the PHA, if the move occurred to protect the health or safety of a family member who is or has been the victim of domestic violence, dating violence, sexual assault stalking, or human trafficking, and who reasonably believed they were imminently threatened by harm from further violence if they remained in the unit [see 24 CFR 982.354(b)(4)].

Second, it provides that an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault, stalking, or human trafficking may not be construed either as a serious or repeated lease violation by the victim or as good cause to terminate the assistance of the victim [see 24 CFR 5.2005(c)(1)].

Third, it provides that criminal activity directly related to domestic violence, dating violence, sexual assault, stalking, or human trafficking may not be construed as cause for terminating the assistance of a tenant if a member of the tenant's household, a guest, or another person under the tenant's control is the one engaging in the criminal activity and the tenant or affiliated individual or other individual is the actual or threatened victim of the domestic violence, dating violence, sexual assault, stalking, or human trafficking [see 24 CFR 5.2005(c)(2)].

Fourth, it gives PHAs the authority to terminate assistance to any tenant or lawful occupant who engages in criminal acts of physical violence against family members or others without terminating assistance to, or otherwise penalizing, the victim of the violence [24 CFR 5.2009(a)].

PHAs and owners may not coerce, intimidate, threaten, interfere with, or retaliate against any person who exercises or assists or encourages a person to exercise any rights or protections under VAWA [FR Notice 1/4/23].

Limitations on VAWA Protections [24 CFR 5.2005(d) and (e)]

VAWA does not limit the authority of a PHA to terminate the assistance of a victim of abuse for reasons unrelated to domestic violence, dating violence, sexual assault, stalking, or human trafficking so long as the PHA does not subject the victim to a more demanding standard than it applies to other program participants [24 CFR 5.2005(d)(1)].

Likewise, VAWA does not limit the authority of a PHA to terminate the assistance of a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking if the PHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the assisted property if the victim is not terminated from assistance [24 CFR 5.2005(d)(2)].

HUD regulations define *actual and imminent threat* to mean words, gestures, actions, or other indicators of a physical threat that (a) is real, (b) would occur within an immediate time frame, and (c) could result in death or serious bodily harm [24 CFR 5.2005(d)(2) and (e)]. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include:

- The duration of the risk
- The nature and severity of the potential harm
- The likelihood that the potential harm will occur
- The length of time before the potential harm would occur [24 CFR 5.2005(e)]

In order to demonstrate an actual and imminent threat, the PHA must have objective evidence of words, gestures, actions, or other indicators. Even when a victim poses an actual and imminent threat, however, HUD regulations authorize a PHA to terminate the victim's assistance "only when there are no other actions that could be taken to reduce or eliminate the threat" [24 CFR 5.2005(d)(3)].

PHA Policy

In determining whether a program participant who is a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking is an actual and imminent threat to other tenants or those employed at or providing service to a property, the PHA will consider the following, and any other relevant, factors:

Whether the threat is toward an employee or tenant other than the victim of domestic violence, dating violence, sexual assault, stalking or human trafficking

Whether the threat is a physical danger beyond a speculative threat

Whether the threat is likely to happen within an immediate time frame

Whether the threat to other tenants or employees can be eliminated in some other way, such as by helping the victim relocate to a confidential location or seeking a legal remedy to prevent the perpetrator from acting on the threat

If the participant wishes to contest the PHA's determination that they are an actual and imminent threat to other tenants or employees, the participant may do so as part of the informal hearing.

Documentation of Abuse [24 CFR 5.2007]

PHA Policy

When an individual facing termination of assistance for reasons related to domestic violence, dating violence, sexual assault, stalking, or human trafficking claims protection under VAWA, the PHA will request that the individual provide documentation supporting the claim in accordance with the policies in section 16-IX.D of this plan.

The PHA reserves the right to waive the documentation requirement if it determines that a statement or other corroborating evidence from the individual will suffice. In such cases the PHA will document the waiver in the individual's file.

Terminating the Assistance of a Domestic Violence Perpetrator

Although VAWA provides protection against termination of assistance for victims of domestic violence, it does not provide such protection for perpetrators. VAWA gives the PHA the explicit authority to "terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others" without terminating assistance to "or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant" [24 CFR 5.2009(a)]. This authority is not dependent on a bifurcated lease or other eviction action by an owner against an individual family member. Further, this authority supersedes any local, state, or other federal law to the contrary. However, if the PHA chooses to exercise this authority, it must follow any procedures prescribed by HUD or by applicable local, state, or federal law regarding termination of assistance. This means that the PHA must follow the same rules when terminating assistance to an individual as it would when terminating the assistance of an entire family [FR Notice 3/16/07].

If the perpetrator remains in the unit, the PHA continues to pay the owner until the PHA terminates the perpetrator from the program. The PHA must not stop paying HAP until 30 days after the owner bifurcates the lease to evict the perpetrator. The PHA may pay HAP for the full month if the 30-day period will end mid-month [Notice PIH 2017-08].

If the perpetrator is the only participant eligible to receive assistance, the PHA will provide any remaining participant a chance to establish eligibility for the program. If the remaining participant cannot do so, the PHA will provide them with 30 days to establish eligibility for another housing program prior to termination of the HAP contract.

PHA Policy

The PHA will terminate assistance to a family member if the PHA determines that the family member has committed criminal acts of physical violence against other family members or others. This action will not affect the assistance of the remaining, nonculpable family members.

In making its decision, the PHA will consider all credible evidence, including, but not limited to, a signed certification (form HUD-5382) or other documentation of abuse submitted to the PHA by the victim in accordance with this section and section 16-IX.D. The PHA will also consider the factors in section 12-II.D. Upon such consideration, the PHA may, on a case-by-case basis, choose not to terminate the assistance of the culpable family member.

If the PHA does terminate the assistance of the culpable family member, it will do so in accordance with applicable law, HUD regulations, and the policies in this plan.

12-II.F. TERMINATION NOTICE

HUD regulations require PHAs to provide written notice of termination of assistance to a family only when the family is entitled to an informal hearing. However, since the family's HAP contract and lease will also terminate when the family's assistance terminates [form HUD-52641], it is a good business practice to provide written notification to both owner and family anytime assistance will be terminated, whether voluntarily or involuntarily.

PHA Policy

Whenever a family's assistance will be terminated, the PHA will send a written notice of termination to the family and to the owner. The PHA will also send a form HUD-5382 and form HUD-5380 to the family with the termination notice. The notice will state the date on which the termination will become effective. This date generally will be at least 30 calendar days following the date of the termination notice, but exceptions will be made whenever HUD rules, other PHA policies, or the circumstances surrounding the termination require.

When the PHA notifies an owner that a family's assistance will be terminated, the PHA will, if appropriate, advise the owner of their right to offer the family a separate, unassisted lease.

If a family whose assistance is being terminated is entitled to an informal hearing, the notice of termination that the PHA sends to the family must meet the additional HUD and PHA notice requirements discussed in section 16-III.C of this plan. VAWA requires PHAs to provide notice of VAWA rights and the HUD 5382 form when a PHA terminates a household's housing benefits.

PHA Policy

Whenever the PHA decides to terminate a family's assistance because of the family's action or failure to act, the PHA will include in its termination notice the VAWA information described in section 16-IX.C of this plan and a form HUD-5382 and form HUD-5380. The PHA will request in writing that a family member wishing to claim protection under VAWA notify the PHA within 14 business days.

Still other notice requirements apply in two situations:

- If a criminal record is the basis of a family's termination, the PHA must provide a copy of the record to the subject of the record and the tenant so that they have an opportunity to dispute the accuracy and relevance of the record [24 CFR 982.553(d)(2)].
- If immigration status is the basis of a family's termination, as discussed in section 12-I.D, the special notice requirements in section 16-III.D must be followed.

PART III: TERMINATION OF TENANCY BY THE OWNER

12-III.A. OVERVIEW

Termination of an assisted tenancy is a matter between the owner and the family; the PHA is not directly involved. However, the owner is under some constraints when terminating an assisted tenancy. Termination of tenancy for certain reasons will also result in termination of assistance as discussed in this section.

12-III.B. GROUNDS FOR OWNER TERMINATION OF TENANCY [24 CFR 982.310, 24 CFR 5.2005(c), and Form HUD-52641-A, Tenancy Addendum]

During the term of the lease, the owner is not permitted to terminate the tenancy except for serious or repeated violations of the lease, certain violations of state or local law, or other good cause.

Serious or Repeated Lease Violations

The owner is permitted to terminate the family's tenancy for serious or repeated violations of the terms and conditions of the lease, except when the violations are related to incidents of actual or threatened domestic violence, dating violence, sexual assault, stalking, and human trafficking and the victim is protected from eviction by the Violence against Women Act (see section 12-II.E). A serious lease violation includes failure to pay rent or other amounts due under the lease. However, the PHA's failure to make a HAP payment to the owner is not a violation of the lease between the family and the owner.

Violation of Federal, State, or Local Law

The owner is permitted to terminate the tenancy if a family member violates federal, state, or local law that imposes obligations in connection with the occupancy or use of the premises.

Criminal Activity or Alcohol Abuse

The owner may terminate tenancy during the term of the lease if any *covered person*—meaning any member of the household, a guest, or another person under the tenant's control—commits any of the following types of criminal activity (for applicable definitions see 24 CFR 5.100):

- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of the premises by, other residents (including property management staff residing on the premises)
- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises
- Any violent criminal activity on or near the premises
- Any drug-related criminal activity on or near the premises

However, in the case of criminal activity directly related to domestic violence, dating violence, sexual assault, stalking, or human trafficking if the tenant or an affiliated individual is the victim, the criminal activity may not be construed as cause for terminating the victim's tenancy (see section 12-II.E).

The owner may terminate tenancy during the term of the lease if any member of the household is:

- Fleeing to avoid prosecution, custody, or confinement after conviction for a crime or an attempt to commit a crime that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor; or
- Violating a condition of probation or parole imposed under federal or state law.

The owner may terminate tenancy during the term of the lease if any member of the household has engaged in abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

Evidence of Criminal Activity

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the owner determines the covered person has engaged in the criminal activity, regardless of whether the covered person has been arrested or convicted for such activity and without satisfying the standard of proof used for a criminal conviction. This is the case except in certain incidents where the criminal activity directly relates to domestic violence, dating violence, sexual assault, stalking, or human trafficking, and the tenant or an affiliated individual is the victim or threatened victim of the domestic violence, dating violence, sexual assault, stalking, or human trafficking.

Other Good Cause

During the initial lease term, the owner may not terminate the tenancy for "other good cause" unless the owner is terminating the tenancy because of something the family did or failed to do. During the initial lease term or during any extension term, other good cause includes the disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises.

After the initial lease term, "other good cause" for termination of tenancy by the owner includes:

- Failure by the family to accept the offer of a new lease or revision
- The owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit
- A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, or desire to lease the unit at a higher rent)

After the initial lease term, the owner may give the family notice at any time, in accordance with the terms of the lease.

If a property is subject to foreclosure, during the term of the lease, the new owner of the property does not have good cause to terminate the tenant's lease, unless the new owner will occupy the unit as their primary residence and has provided the tenant with at least a 90-day notice. In that case, the lease may be terminated effective on the date of sale, although the tenant is still entitled to a 90-day notice to vacate. See Section 13-II.G for a discussion of PHA policies relating to units in foreclosure.

12-III.C. EVICTION [24 CFR 982.310(e) and (f) and Form HUD-52641-A, Tenancy Addendum]

The owner must give the tenant a written notice that specifies the grounds for termination of tenancy during the term of the lease. The tenancy does not terminate before the owner has given this notice, and the notice must be given at or before commencement of the eviction action.

The notice of grounds may be included in, or may be combined with, any owner eviction notice to the tenant.

Owner eviction notice means a notice to vacate, or a complaint or other initial pleading used under state or local law to commence an eviction action. The owner may only evict the tenant from the unit by instituting a court action. The owner must give the PHA a copy of any eviction notice at the same time the owner notifies the family. The family is also required to give the PHA a copy of any eviction notice (see Chapter 5).

PHA Policy

If the eviction action is finalized in court, the owner must provide the PHA with documentation related to the eviction, including notice of the eviction date, as soon as possible, but no later than 5 business days following the court-ordered eviction.

12-III.D. DECIDING WHETHER TO TERMINATE TENANCY [24 CFR 982.310(h), 24 CFR 982.310(h)(4)]

An owner who has grounds to terminate a tenancy is not required to do so, and may consider all of the circumstances relevant to a particular case before making a decision. These might include:

- The nature of the offending action
- The seriousness of the offending action;
- The effect on the community of the termination, or of the owner's failure to terminate the tenancy;
- The extent of participation by the leaseholder in the offending action;
- The effect of termination of tenancy on household members not involved in the offending activity;
- The demand for assisted housing by families who will adhere to lease responsibilities;
- The extent to which the leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action;
- The effect of the owner's action on the integrity of the program.

The owner may require a family to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

In determining whether to terminate tenancy for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the owner may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully (42 U.S.C. 13661). For this purpose, the owner may require the tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

The owner's termination of tenancy actions must be consistent with the fair housing and equal opportunity provisions in 24 CFR 5.105.

An owner's decision to terminate tenancy for incidents related to domestic violence, dating violence, sexual assault, stalking, or human trafficking is limited by the Violence against Women Act (VAWA) and the conforming regulations in 24 CFR Part 5, Subpart L. (See section 12-II.E.)

12-III.E. EFFECT OF TENANCY TERMINATION ON THE FAMILY'S ASSISTANCE

If a termination is not due to a serious or repeated violation of the lease, and if the PHA has no other grounds for termination of assistance, the PHA may issue a new voucher so that the family can move with continued assistance (see Chapter 10).

EXHIBIT 12-1: STATEMENT OF FAMILY OBLIGATIONS

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

- The family must supply any information that the PHA 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 PHA 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 may be held responsible for a breach of housing quality standards caused by the family's failure to pay tenant-provided utilities or appliances or damages to the dwelling unit or premises beyond ordinary wear and tear caused by any member of the household or guest.

  PHA Policy

  Damages beyond ordinary wear and tear will be considered to be damages which could be assessed against the security deposit under state law or in court practice.

- The family must allow the PHA 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.

  PHA Policy

  The PHA 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, 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 the fault of the tenant or guests. Any incidents of, or criminal activity related to, domestic violence, dating violence, sexual assault, stalking, or human trafficking will not be construed as serious or repeated lease violations by the victim [see 24 CFR 5.2005(c)(1)].

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

  PHA Policy

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

- The family must promptly give the PHA 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 PHA. The family must promptly notify the PHA in writing of the birth, adoption, or court-awarded custody of a child. The family must request PHA approval to add any other family member as an occupant of the unit.

  PHA Policy

  The request to add a family member must be submitted in writing and approved prior to the person moving into the unit. The PHA will determine eligibility of the new member in accordance with the policies in Chapter 3.
- The family must promptly notify the PHA in writing if any family member no longer lives in the unit.
- If the PHA has given approval, a foster child or a live-in aide may reside in the unit. The PHA has the discretion to adopt reasonable policies concerning residency by a foster child or a live-in aide, and to define when PHA 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.

  PHA 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 PHA 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 PHA when the family is absent from the unit.

  PHA 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 PHA 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 PHA 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 PHA 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 PHA 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]

Chapter 13

OWNERS

INTRODUCTION

Owners play a major role in the HCV program by supplying decent, safe, and sanitary housing for participating families.

The term "owner" refers to any person or entity with the legal right to lease or sublease a unit to a participant in the HCV program [24 CFR 982.4(b)]. The term "owner" includes a principal or other interested party [24 CFR 982.453; 24 CFR 982.306(f)], such as a designated agent of the owner.

Owners have numerous responsibilities under the program, including screening and leasing to families, maintaining the dwelling unit, enforcing the lease, and complying with various contractual obligations.

The chapter is organized in two parts:

> Part I: Owners in the HCV Program. This part discusses the role of an owner in the PHA's HCV program and highlights key owner rights and responsibilities.
>
> Part II: HAP Contracts. This part explains provisions of the HAP contract and the relationship between the PHA and the owner as expressed in the HAP contract.

For detailed information about HCV program responsibilities and processes, including PHA policies in key areas, owners will need to refer to several other chapters in this plan. Where appropriate, Chapter 13 will reference the other chapters.

PART I. OWNERS IN THE HCV PROGRAM

13-I.A. OWNER RECRUITMENT AND RETENTION [HCV GB, pp. 2-4 to 2-6; HCV Landlord Strategy Guidebook for PHAs]

Education and Outreach

PHAs are responsible for ensuring that very low-income families have access to all types and ranges of affordable housing in the PHA's jurisdiction, particularly housing outside areas of poverty or minority concentration. A critical element in fulfilling this responsibility is for the PHA to ensure that a sufficient number of owners, representing all types and ranges of affordable housing in the PHA's jurisdiction, are willing to participate in the HCV program.

To accomplish this objective, PHAs must identify and recruit new owners to participate in the program. PHAs can provide education and outreach in a variety of ways. Some strategies include hosting or attending events targeted to landlords or affordable housing providers. Education and outreach can include activities like newsletters, presentations, briefings to community groups, one-on-one appointments, or other ways of sharing information or creating relationships between PHAs and owners. The PHA may also provide monetary incentives and reimbursements to encourage participation in the program.

If the PHA will be conducting outreach events, the PHA must ensure that notices and communications during outreach events are provided in a manner that is effective for persons with hearing, visual, and other communications-related disabilities. PHAs must also take reasonable steps to ensure meaningful access to programs to persons with limited English proficiency.

PHA Policy

The PHA will conduct owner outreach to ensure that owners are familiar with the program and its advantages. The PHA will actively recruit property owners with property located outside areas of poverty and minority concentration. These outreach strategies will include:

- Distributing printed material about the program to property owners and managers
- Contacting property owners and managers by phone or in-person
- Holding owner recruitment/information meetings at least once a year
- Participating in community-based organizations comprised of private property and apartment owners and managers
- Developing working relationships with owners, apartment associations, industry investor groups, and real estate brokers associations
- To the extent practical, partnering with and attending events hosted by other area agencies to deliver information about the HCV program

Outreach strategies will be monitored for effectiveness and adapted accordingly.

Retention

In addition to recruiting owners to participate in the HCV program, the PHA must also provide the kind of customer service that will encourage participating owners to remain active in the program. See the "Landlord-Focused Customer Service" chapter of the *HCV Landlord Strategies Guidebook* for more information.

PHA Policy

All PHA activities that may affect an owner's ability to lease a unit will be processed as rapidly as possible, in order to minimize vacancy losses for owners.

The PHA will provide owners with a handbook that explains the program, including HUD and PHA policies and procedures, in easy-to-understand language.

The PHA will give special attention to helping new owners succeed through activities such as:

Providing the owner with a designated PHA contact person.

Coordinating inspection and leasing activities between the PHA, the owner, and the family.

Initiating telephone contact with the owner to explain the inspection process and providing an inspection booklet and other resource materials about HUD housing quality standards.

Providing other written information about how the program operates through a landlord handbook, including answers to frequently asked questions.

Contacting owners via emails or texts to disseminate information.

Additional services may be undertaken on an as-needed basis, and as resources permit.

13-I.B. BASIC HCV PROGRAM REQUIREMENTS

HUD requires the PHA to assist families in their housing search by providing the family with a list of landlords or other parties known to the PHA who may be willing to lease a unit to the family, or to help the family find a unit. As part of the briefing packet, the PHA is also required to provide a current listing of accessible units known to the PHA. Although the PHA cannot maintain a list of owners that are pre-qualified to participate in the program, owners may indicate to the PHA their willingness to lease a unit to an eligible HCV family, or to help the HCV family find a unit [24 CFR 982.301(b)(11)].

PHA Policy

Owners that wish to indicate their willingness to lease a unit to an eligible HCV family or to help the HCV family find a unit must notify the PHA. The PHA will maintain a listing of such owners and provide this listing to the HCV family as part of the informational briefing packet.

When a family approaches an owner to apply for tenancy, the owner is responsible for screening the family and deciding whether to lease to the family, just as the owner would with any potential unassisted tenant. The PHA has no liability or responsibility to the owner or other persons for the family's behavior or suitability for tenancy. See Chapters 3 and 9 for more detail on tenant family screening policies and process.

If the owner is willing, the family and the owner must jointly complete a Request for Tenancy Approval (RTA, Form HUD-52517), which constitutes the family's request for assistance in the specified unit, and which documents the owner's willingness to lease to the family and to follow the program's requirements. When submitted to the PHA, this document is the first step in the process of obtaining approval for the family to receive the financial assistance it will need in order to occupy the unit. Also submitted with the RTA is a copy of the owner's proposed dwelling lease, including the HUD-required Tenancy Addendum (Form HUD-52641-A). See Chapter 9 for more detail on request for tenancy approval policies and process.

HUD regulations stipulate requirements for the approval of an assisted tenancy.

The owner must be qualified to participate in the program [24 CFR 982.306]. Some owners are precluded from participating in the program, or from renting to a particular family, either because of their past history with this or another federal housing program, or because of certain conflicts of interest. Owner qualifications are discussed later in this chapter.

The selected unit must be of a type that is eligible for the program [24 CFR 982.305(a)]. Certain types of dwelling units cannot be assisted under the HCV program. Other types may be assisted under certain conditions. See Chapter 9 for more detail on unit eligibility policies and process.

The selected unit must pass NSPIRE standards [24 CFR 982.305(a)(2)]. The PHA will inspect the owner's dwelling unit at least biennially to ensure that the unit continues to meet inspection requirements. See Chapter 8 for a discussion of the inspection standards and policies for inspections at initial lease-up and throughout the family's tenancy.

The PHA must determine that the proposed rent for the unit is reasonable [24 CFR 982.305(a)]. The rent must be reasonable in relation to comparable unassisted units in the area and must not be in excess of rents charged by the owner for comparable, unassisted units on the premises. See Chapter 8 for a discussion of requirements and policies on rent reasonableness, rent comparability and the rent reasonableness determination process.

At initial lease-up of a unit, if the gross rent exceeds the applicable payment standard, the PHA must ensure that the family share does not exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)]. See Chapter 6 for a discussion of the calculation of family income, family share of rent and HAP.

The dwelling lease must comply with all program requirements [24 CFR 982.308]. Owners are encouraged to use their standard leases when renting to an assisted family. The HUD Tenancy Addendum (Form HUD-52641-A) includes the HUD requirements governing the tenancy and must be added word-for-word to the owner's lease. See Chapter 9 for a discussion of the dwelling lease and tenancy addendum, including lease terms and provisions.

The PHA and the owner must execute a Housing Assistance Payment (HAP) Contract (Form HUD-52641). The HAP contract format is prescribed by HUD. See Chapter 9 for a discussion of the HUD requirements for execution of the HAP contract.

13-I.C. OWNER RESPONSIBILITIES [24 CFR 982.452]

The basic owner responsibilities in the HCV program are outlined in the regulations as follows:

- Complying with all of the owner's obligations under the housing assistance payments (HAP) contract and the lease
- Performing all management and rental functions for the assisted unit, including selecting a voucher-holder to lease the unit, and deciding if the family is suitable for tenancy of the unit
- Maintaining the unit in accordance with NSPIRE standards, including performance of ordinary and extraordinary maintenance
    - A unit is not in compliance with NSPIRE standards if the PHA or other inspector authorized by the state or local government determines that the unit has deficiencies based upon an inspection, the agency or inspector notifies the owner in writing of the deficiencies, and the deficiencies are not remedied within the appropriate timeframe.
- Complying with equal opportunity requirements
- Preparing and furnishing to the PHA information required under the HAP contract
- Collecting the security deposit, the tenant rent, and any charges for unit damage by the family
- Enforcing tenant obligations under the dwelling lease
- Paying for utilities and services that are not the responsibility of the family as specified in the lease
- Allowing reasonable modifications to a dwelling unit occupied or to be occupied by a disabled person [24 CFR 100.203]
- Complying with the Violence against Women Act (VAWA) when screening prospective HCV tenants or terminating the tenancy of an HCV family [see 24 CFR Part 5, Subpart L; 24 CFR 982.310(h)(4); 24 CFR 982.452(b)(1); and FR Notice 1/4/23]

13-I.D. OWNER QUALIFICATIONS

The PHA does not formally approve an owner to participate in the HCV program. However, there are a number of criteria where the PHA may deny approval of an assisted tenancy based on past owner behavior, conflict of interest, or other owner-related issues. No owner has a right to participate in the HCV program [24 CFR 982.306(e)].

Owners Barred from Participation [24 CFR 982.306(a) and (b)]

The PHA must not approve the assisted tenancy if the PHA has been informed that the owner has been debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24. HUD may direct the PHA not to approve a tenancy request if a court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements, or if such an action is pending.

Leasing to Relatives [24 CFR 982.306(d), HCV GB p. 11-2]

The PHA must not approve a tenancy if the owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family. The PHA may make an exception as a reasonable accommodation for a family member with a disability. The owner is required to certify that no such relationship exists. This restriction applies at the time that the family receives assistance under the HCV program for occupancy of a particular unit. Current contracts on behalf of owners and families that are related may continue, but any new leases or contracts for these families may not be approved.

Conflict of Interest [24 CFR 982.161; HCV GB p. 8-19; Form HUD-52641, Section 13]

The PHA must not approve a tenancy in which any of the following classes of persons has any interest, direct or indirect, during tenure or for one year thereafter:

- Any present or former member or officer of the PHA (except a participant commissioner)
- Any employee of the PHA, or any contractor, subcontractor or agent of the PHA, who formulates policy or who influences decisions with respect to the programs
- Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs
- Any member of the Congress of the United States

Such “covered individual” may not have any direct or indirect interest in the HAP contract or in any benefits or payments under the contract (including the interest of an immediate family member of such covered individual) while such person is a covered individual or for one year thereafter.

> *Immediate family member* means the spouse, parent (including a stepparent), child (including a stepchild), grandparent, grandchild, sister, or brother (including a stepsister or stepbrother) of any covered individual.

HUD may waive the conflict-of-interest requirements, except for members of Congress, for good cause. The PHA must submit a waiver request to the appropriate HUD Field Office for determination.

Any waiver request submitted by the PHA must include the following [HCV Guidebook pp.11-2 and 11-3]:

- Complete statement of the facts of the case;
- Analysis of the specific conflict of interest provision of the HAP contract and justification as to why the provision should be waived;
- Analysis of and statement of consistency with state and local laws. The local HUD office, the PHA, or both parties may conduct this analysis. Where appropriate, an opinion by the state's attorney general should be obtained;
- Opinion by the local HUD office as to whether there would be an appearance of impropriety if the waiver were granted;
- Statement regarding alternative existing housing available for lease under the HCV program or other assisted housing if the waiver is denied;
- If the case involves a hardship for a particular family, statement of the circumstances and discussion of possible alternatives;
- If the case involves a public official or member of the governing body, explanation of their duties under state or local law, including reference to any responsibilities involving the HCV program;
- If the case involves employment of a family member by the PHA or assistance under the HCV program for an eligible PHA employee, explanation of the responsibilities and duties of the position, including any related to the HCV program;
- If the case involves an investment on the part of a member, officer, or employee of the PHA, description of the nature of the investment, including disclosure/divestiture plans.

Where the PHA has requested a conflict of interest waiver, the PHA may not execute the HAP contract until HUD has made a decision on the waiver request.

PHA Policy

In considering whether to request a conflict of interest waiver from HUD, the PHA will consider certain factors such as consistency of the waiver with state and local laws, the existence of alternative housing available to families, the individual circumstances of a particular family, the specific duties of individuals whose positions present a possible conflict of interest, the nature of any financial investment in the property and plans for disclosure/divestiture, and the possible appearance of impropriety.

Owner Actions That May Result in Disapproval of a Tenancy Request [24 CFR 982.306(c)]

HUD regulations permit the PHA to disapprove a request for tenancy for various actions and inactions of the owner.

If the PHA disapproves a request for tenancy because an owner is not qualified, it may not terminate the HAP contract for any assisted families that are already living in the owner's properties unless the owner has violated the HAP contract for those units [HCV GB p. 11-4].

PHA Policy

The PHA will refuse to approve a request for tenancy if the PHA becomes aware that any of the following are true:

The owner has violated obligations under a HAP contract under Section 8 of the 1937 Act (42 U.S.C. 1437f);

The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;

The owner has engaged in any drug-related criminal activity or any violent criminal activity;

The owner has a history or practice of noncompliance with inspection standards for units leased under the tenant-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program;

The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity engaged in by the tenant, any member of the household, a guest or another person under the control of any member of the household that:

(i) Threatens the right to peaceful enjoyment of the premises by other residents;

(ii) Threatens the health or safety of other residents, of employees of the PHA, or of owner employees or other persons engaged in management of the housing;

(iii) Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or

(iv) Is drug-related criminal activity or violent criminal activity;

The owner has a history or practice of renting units that fail to meet state or local housing codes; or

The owner has not paid state or local real estate taxes, fines, or assessment.

In considering whether to disapprove owners for any of the discretionary reasons listed above, the PHA will consider any mitigating factors. Such factors may include, but are not limited to, the seriousness of the violation in relation to program requirements, the impact on the ability of families to lease units under the program, health and safety of participating families, among others. Upon consideration of such circumstances, the PHA may, on a case-by-case basis, choose to approve an owner.

Legal Ownership of Unit

The following represents PHA policy on legal ownership of a dwelling unit to be assisted under the HCV program.

PHA Policy

The PHA will only enter into a contractual relationship with the legal owner of a qualified unit. No tenancy will be approved without acceptable documentation of legal ownership (e.g., grant deed, quit claim deed, deed of trust, proof of taxes for most recent year).

13-I.E. NON-DISCRIMINATION [HAP Contract – Form HUD-52641]

The owner must not discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability, in connection with any actions or responsibilities under the HCV program and the HAP contract with the PHA.

The owner must cooperate with the PHA and with HUD in conducting any equal opportunity compliance reviews and complaint investigations in connection with the HCV program and the HAP contract with the PHA.

See Chapter 2 for a more thorough discussion of Fair Housing and Equal Opportunity requirements in the HCV program.

PART II. HAP CONTRACTS

13-II.A. OVERVIEW

The HAP contract (Form HUD-52641) represents a written agreement between the PHA and the owner of the dwelling unit occupied by a HCV assisted family. The contract spells out the owner's responsibilities under the program, as well as the PHA's obligations. Under the HAP contract, the PHA agrees to make housing assistance payments to the owner on behalf of the family approved by the PHA to occupy the unit.

The HAP contract is used for all HCV tenant-based program tenancies except for assistance under the Section 8 homeownership program, and assistance to families that own a manufactured home and use their assistance to lease the space for the manufactured home. See Chapter 15 for a discussion of any special housing types included in the PHA's HCV program.

When the PHA has determined that the unit meets program requirements and the tenancy is approvable, the PHA and owner must execute the HAP contract. See Chapter 9 for a discussion of the leasing process, including provisions for execution of the HAP contract.

13-II.B. HAP CONTRACT CONTENTS

The HAP contract format is required by HUD, specifically Housing Assistance Payment (HAP) Contract, Form HUD-52641.

The HAP contract contains three parts.

Part A of the contract includes basic contract information: the names of the tenant and all household members, the address of the contract unit, start and end dates of initial lease term, the amount of initial monthly rent to owner, the amount of initial housing assistance payment, the utilities and appliances to be supplied by owner and tenant, and the signatures of the PHA representative and owner [HCV Guidebook, pp. 11-10 and 11-11].

In general, the HAP contract cannot be modified. However, PHAs do have the discretion to add language to Part A of the HAP contract which prohibits the owner from collecting a security deposit in excess of private market practices or in excess of amounts charged to unassisted tenants. PHA policy on the amount of security deposit an owner may collect is found in Chapter 9.

PHAs also have the discretion to add language to Part A of the HAP contract that defines when the housing assistance payment by the PHA is deemed received by the owner (e.g., upon mailing by the PHA or actual receipt by the owner).

PHA Policy

The PHA has not adopted a policy that defines when the housing assistance payment by the PHA is deemed received by the owner. Therefore, no modifications to the HAP contract will be necessary.

Part B is the body of the contract. It describes in detail program requirements affecting the owner and owner roles and responsibilities under the HCV program. Most of the requirements contained in Part B of the HAP contract are outlined elsewhere in this plan. Topics addressed in Part B include:

- Lease of Contract Unit
- Maintenance, Utilities, and Other Services
- Term of HAP Contract
- Provision and Payment of Utilities and Appliances
- Rent to Owner: Reasonable Rent
- PHA Payment to Owner
- Prohibition of Discrimination
- Owner's Breach of HAP Contract
- PHA and HUD Access to Premises and Owner's Records
- Exclusion of Third-Party Rights
- Conflict of Interest
- Assignment of the HAP Contract
- Written Notices
- Entire Agreement Interpretation

Part C of the contract includes the Tenancy Addendum (Form HUD-52641-A). The addendum sets forth the tenancy requirements for the program and the composition of the household, as approved by the PHA. The tenant has the right to enforce the Tenancy Addendum against the owner. The terms of the Tenancy Addendum prevail over any other provisions of the lease.

13-II.C. HAP CONTRACT PAYMENTS

General

During the term of the HAP contract, and subject to the provisions of the HAP contract, the PHA must make monthly HAP payments to the owner on behalf of the family at the beginning of each month. If a lease term begins after the first of the month, the HAP payment for the first month is prorated for a partial month.

The amount of the HAP payment is determined according to the policies described in Chapter 6 and is subject to change during the term of the HAP contract. The PHA must notify the owner and the family in writing of any changes in the HAP payment.

HAP payments can be made only during the lease term, and only while the family is residing in the unit.

The monthly HAP payment by the PHA is credited toward the monthly rent to owner under the family's lease. The total of the rent paid by the tenant and the HAP payment is equal to the rent to owner as specified in the lease.

The family is not responsible for payment of the HAP payment, and the PHA is not responsible for payment of the family share of rent.

The family's share of the rent cannot be more than the difference between the rent to owner and the HAP payment. The owner may not demand or accept any rent payment from the tenant in excess of this maximum [24 CFR 982.451(b)(4)]. The owner may not charge the tenant extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises [24 CFR 982.510(c)]. See Chapter 9 for a discussion of separate, non-lease agreements for services, appliances and other items that are not included in the lease.

If the owner receives any excess HAP from the PHA, the excess amount must be returned immediately. If the PHA determines that the owner is not entitled to all or a portion of the HAP, the PHA may deduct the amount of overpayment from any amounts due to the owner, including amounts due under any other Section 8 HCV contract. See Chapter 16 for additional detail on owner reimbursement of HAP overpayments.

Owner Certification of Compliance

Unless the owner complies with all provisions of the HAP contract, the owner is not entitled to receive housing assistance payments under the HAP contract [HAP Contract – Form HUD-52641].

By accepting the monthly check from the PHA, the owner certifies to compliance with the terms of the HAP contract. This includes certification that the owner is maintaining the unit and premises in accordance with NSPIRE standards; that the contract unit is leased to the tenant family and, to the best of the owner's knowledge, the family resides in the unit as the family's only residence; the rent to owner does not exceed rents charged by the owner for comparable unassisted units on the premises; and that the owner does not receive (other than rent to owner) any additional payments or other consideration for rent of the contract unit during the HAP term.

Late HAP Payments [24 CFR 982.451(a)(5)]

The PHA is responsible for making HAP payments promptly when due to the owner, in accordance with the terms of the HAP contract. After the first two calendar months of the HAP contract term, the HAP contract provides for late penalties if the PHA fails to make the HAP payment on time.

Penalties for late HAP payments can only be imposed if 1) the penalties are in accordance with generally accepted local rental market practices and law governing penalties for late payment by tenants; 2) it is the owner's normal business practice to charge late payment penalties for both assisted and unassisted families; and 3) the owner charges the assisted family for late payment of the family's share of the rent.

The PHA is not required to pay a late payment penalty if HUD determines that the payment is late for reasons beyond the PHA's control. In addition, late payment penalties are not required if the PHA intentionally delays or denies payment as a remedy to an owner breach of the HAP contract [HCV Guidebook p. 11-7].

Termination of HAP Payments [24 CFR 982.311(b)]

The PHA must continue making housing assistance payments to the owner in accordance with the HAP contract as long as the tenant continues to occupy the unit and the HAP contract is not violated.

HAP payments terminate when the HAP contract terminates or when the tenancy is terminated in accordance with the terms of the lease.

If the owner has initiated eviction proceedings against the family and the family continues to reside in the unit, the PHA must continue to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the tenant.

PHA Policy

The owner must inform the PHA when the owner has initiated eviction proceedings against the family and the family continues to reside in the unit.

The owner must inform the PHA when the owner has obtained a court judgment or other process allowing the owner to evict the tenant and provide the PHA with a copy of such judgment or determination.

After the owner has obtained a court judgment or other process allowing the owner to evict the tenant, the PHA will continue to make HAP payments to the owner until the family actually moves from the unit or until the family is physically evicted from the unit, whichever is earlier. The owner must inform the PHA of the date when the family actually moves from the unit or the family is physically evicted from the unit.

13-II.D. BREACH OF HAP CONTRACT [24 CFR 982.453]

Any of the following actions by the owner constitutes a breach of the HAP contract:

- If the owner violates any obligations under the HAP contract including failure to maintain the unit in accordance with NSPIRE standards
- If the owner has violated any obligation under any other HAP contract under Section 8
- If the owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program
- For projects with mortgages insured by HUD or loans made by HUD, if the owner has failed to comply with the regulation for the applicable program; or if the owner has committed fraud, bribery or any other corrupt or criminal act in connection with the mortgage or loan
- If the owner has engaged in drug-related criminal activity
- If the owner has committed any violent criminal activity

If the PHA determines that a breach of the HAP contract has occurred, the PHA must take enforcement action in accordance with 24 CFR 982.404.

The PHA rights and remedies against the owner under the HAP contract include recovery of any HAP overpayment, withholding or abatement of housing assistance payments, termination of the payment, or termination of the HAP contract. The PHA may also obtain additional relief by judicial order or action.

The PHA must notify the owner of its determination and provide in writing the reasons for the determination. The notice may require the owner to take corrective action by an established deadline. The PHA must provide the owner with written notice of any reduction in housing assistance payments or the termination of the HAP contract.

PHA Policy

Before the PHA invokes a remedy against an owner, the PHA will evaluate all information and documents available to determine if the contract has been breached.

If relevant, the PHA will conduct an audit of the owner's records pertaining to the tenancy or unit.

If it is determined that the owner has breached the contract, the PHA will consider all of the relevant factors including the seriousness of the breach, the effect on the family, the owner's record of compliance and the number and seriousness of any prior HAP contract violations.

13-II.E. HAP CONTRACT TERM AND TERMINATIONS

The term of the HAP contract runs concurrently with the term of the dwelling lease [24 CFR 982.451(a)(2)], beginning on the first day of the initial term of the lease and terminating on the last day of the term of the lease, including any lease term extensions.

The HAP contract and the housing assistance payments made under the HAP contract terminate if [HCV Guidebook pp.11-4 and 11-5, pg. 15-3]:

- The owner or the family terminates the lease.
- The lease expires.
- The PHA terminates the HAP contract.
- The PHA terminates assistance for the family.
- The family moves from the assisted unit. In this situation, the owner is entitled to keep the housing assistance payment for the month when the family moves out of the unit.
- 180 calendar days have elapsed since the PHA made the last housing assistance payment to the owner.
- The family is absent from the unit for longer than the maximum period permitted by the PHA.
- The Annual Contributions Contract (ACC) between the PHA and HUD expires.
- The PHA elects to terminate the HAP contract.

PHA Policy

The PHA may elect to terminate the HAP contract in each of the following situations:

Available program funding is not sufficient to support continued assistance for families in the program [24 CFR 982.454];

The unit does not meet size requirements due to change in family composition [24 CFR 982.403] – see Chapter 8;

The unit does not meet NSPIRE [24 CFR 982.404] – see Chapter 8;

The family breaks up [HUD Form 52641] – see Chapter 3;

The owner breaches the HAP contract [24 CFR 982.453(b)] – see Section 13-II.D.

If the PHA terminates the HAP contract, the PHA must give the owner and the family written notice. The notice must specify the reasons for the termination and the effective date of the termination. Once a HAP contract is terminated, no further HAP payments may be made under that contract [HCV Guidebook pg.15-4].

PHA Policy

Generally, the HAP contract terminates at the end of the calendar month that follows the calendar month in which the PHA gives written notice to the owner.

The PHA cannot make any HAP payment for any month after the month the family vacates the unit.

The owner is not entitled to any housing assistance payment after this period and must return to the PHA any housing assistance payment received after this period.

If the family moves from the assisted unit into a new unit, even if the new unit is in the same building or complex as the assisted unit, the HAP contract for the assisted unit terminates. A new HAP contract would be required [HCV GB, p. 11-17].

When the family moves from an assisted unit into a new unit, the term of the HAP contract for the new unit may begin in the same month in which the family moves out of its old unit. This is not considered a duplicative subsidy [HCV GB, p. 8-22].

13-II.F. CHANGE IN OWNERSHIP / ASSIGNMENT OF THE HAP CONTRACT [HUD-52641]

The HAP contract cannot be assigned to a new owner without the prior written consent of the PHA.

An owner under a HAP contract must notify the PHA in writing prior to a change in the legal ownership of the unit. The owner must supply all information as requested by the PHA.

Prior to approval of assignment to a new owner, the new owner must agree to be bound by and comply with the HAP contract. The agreement between the new owner and the former owner must be in writing and in a form that the PHA finds acceptable. The new owner must provide the PHA with a copy of the executed agreement.

PHA Policy

Assignment of the HAP contract will be approved only if the new owner is qualified to become an owner under the HCV program according to the policies in Section 13-I.D. of this chapter.

The PHA must receive a signed, written request from the existing owner stating the name and address of the new HAP payee and the effective date of the assignment in order to change the HAP payee under an outstanding HAP contract.

Within 10 business days of receiving the owner's request, the PHA will inform the current owner in writing whether the assignment may take place.

The new owner must provide a written certification to the PHA that includes:

A copy of the escrow statement or other document showing the transfer of title and recorded deed;

A copy of the owner's IRS Form W-9, Request for Taxpayer Identification Number and Certification, or the social security number of the new owner;

A completed Electronic Funds Transfer (EFT) packet with a voided check;

The effective date of the HAP contract assignment;

A written agreement to comply with the terms of the HAP contract; and

A certification that the new owner is not a prohibited relative.

If the new owner does not agree to an assignment of the HAP contract, or fails to provide the necessary documents, the PHA will terminate the HAP contract with the old owner. If the new owner wants to offer the family a new lease, and the family elects to stay with continued assistance, the PHA will process the leasing in accordance with the policies in Chapter 9.

13-II.G. FORECLOSURE [Notice PIH 2010-49]

Families receiving HCV assistance are entitled to certain protections set forth under the Protecting Tenants at Foreclosure Act (PTFA). During the term of the lease, the new owner of the property does not have good cause to terminate the tenant's lease, unless the new owner will occupy the unit as their primary residence and has provided the tenant with at least a 90-day notice. In that case, the lease may be terminated effective on the date of sale, although the tenant is still entitled to a 90-day notice to vacate. Further, the new owner assumes interest in the lease between the prior owner and the tenant and to the HAP contract.

Any state or local law that provides longer time periods or other additional protections for tenants also applies.

PHA Policy

If a property is in foreclosure, the PHA will make all reasonable efforts to determine the status of the foreclosure and ownership of the property and will continue to make payments to the original owner until ownership legally transfers in accordance with the HAP contract.

The PHA will attempt to obtain a written acknowledgement of the assignment of the HAP contract from the successor in interest. This will include a request for owner information, including a tax identification number and payment instructions from the new owner. Even if the new owner does not acknowledge the assignment of the HAP contract in writing, the assignment is still effective by operation of law.

The PHA will inform the tenant that they must continue to pay rent in accordance with the lease, and if the new owner refuses to accept payment or cannot be identified, the tenant should pay rent into escrow. Failure to pay rent may constitute an independent ground for eviction.

In the event that the PHA is unable to make HAP payments to the new owner due to an action or inaction by the new owner that prevents such payments (e.g., rejection of payments or failure to maintain the property according to housing quality standards), or due to an inability to identify the new owner, the PHA will either use the funds to pay:

The utilities that are the owner's responsibility after taking reasonable steps to notify the owner; except that if the unit has been or will be rendered uninhabitable due to termination or threat of termination of service, prior notice is not required. In the latter case, the PHA shall notify the owner within a reasonable time after making the utility payment; or

For the family's reasonable moving costs, including security deposit costs.

The PHA will also refer the tenant, as needed, to the local legal aid office in order to ensure adequate protection of the tenant's rights and enforcement of the successor in interest's performance under the HAP contract.

See Section 12-III.B for a discussion of foreclosure as it pertains to owner termination of tenancy.

Chapter 14

PROGRAM INTEGRITY

INTRODUCTION

The PHA is committed to ensuring that subsidy funds made available to the PHA are spent in accordance with HUD requirements.

This chapter covers HUD and PHA policies designed to prevent, detect, investigate, and resolve instances of program abuse or fraud. It also describes the actions that will be taken in the case of unintentional errors and omissions.

Part I: Preventing, Detecting, and Investigating Errors and Program Abuse. This part presents PHA policies related to preventing, detecting, and investigating errors and program abuse.

Part II: Corrective Measures and Penalties. This part describes the corrective measures the PHA must and may take when errors or program abuses are found.

PART I: PREVENTING, DETECTING, AND INVESTIGATING ERRORS AND PROGRAM ABUSE

14-I.A. PREVENTING ERRORS AND PROGRAM ABUSE

HUD created the Enterprise Income Verification (EIV) system to provide PHAs with a powerful tool for preventing errors and detecting program abuse. PHAs are required to use the EIV system at annual reexamination in accordance with HUD administrative guidance [24 CFR 5.233]. PHAs are further required to:

- Provide applicants and participants with form HUD-52675, "Debts Owed to PHAs and Terminations"
- Require all adult members of an applicant or participant family to acknowledge receipt of form HUD-52675 by signing a copy of the form for retention in the family file

PHA Policy

To ensure that the PHA's HCV program is administered according to the highest ethical and legal standards, the PHA will employ a variety of techniques to ensure that both errors and intentional program abuse are rare.

The PHA will discuss program compliance and integrity issues during the voucher briefing sessions described in Chapter 5.

The PHA will provide each applicant and participant with a copy of "Is Fraud Worth It?" (form HUD-1141-OIG), which explains the types of actions a family must avoid and the penalties for program abuse.

The PHA will provide each applicant and participant with a copy of "What You Should Know about EIV," a guide to the Enterprise Income Verification (EIV) system published by HUD as an attachment to Notice PIH 2017-12. In addition, the PHA will require the head of each household to acknowledge receipt of the guide by signing a copy for retention in the family file.

The PHA will place a warning statement about the penalties for fraud (as described in 18 U.S.C. 1001 and 1010) on key PHA forms and form letters that request information from a family or owner.

PHA staff will be required to review and explain the contents of all HUD- and PHA-required forms prior to requesting family member signatures.

At every regular reexamination, PHA staff will explain any changes in HUD regulations or PHA policy that affect program participants.

The PHA will require first-time owners (or their agents) to participate in a briefing session on HAP contract requirements.

The PHA will provide owners with ongoing information about the program, with an emphasis on actions and situations to avoid.

The PHA will provide each PHA employee with the necessary training on program rules and the organization's standards of conduct and ethics.

For purposes of this chapter the term *error* refers to an unintentional error or omission. *Program abuse or fraud* refers to a single act or pattern of actions that constitute a false statement, omission, or concealment of a substantial fact, made with the intent to deceive or mislead.

14-I.B. DETECTING ERRORS AND PROGRAM ABUSE

In addition to taking steps to prevent errors and program abuse, the PHA will use a variety of activities to detect errors and program abuse.

Quality Control and Analysis of Data

Under the Section 8 Management Assessment Program (SEMAP), HUD requires the PHA to review a random sample of tenant records annually to determine if the records conform to program requirements and to conduct quality control inspections of a sample of units to ensure compliance with applicable NSPIRE standards [24 CFR, Part 985]. (See Chapter 16 for additional information about SEMAP requirements).

PHA Policy

In addition to the SEMAP quality control requirements, the PHA will employ a variety of methods to detect errors and program abuse.

The PHA routinely will use HUD and other non-HUD sources of up-front income verification. This includes The Work Number and any other private or public databases available to the PHA.

At each annual reexamination or interim, current information provided by the family will be compared to information provided at the most recent reexamination to identify inconsistencies and incomplete information.

The PHA will compare family-reported income and expenditures to detect possible unreported income.

Independent Audits and HUD Monitoring

OMB Circular A-133 requires all PHAs that expend $750,000 or more in federal awards annually to have an independent audit (IPA). In addition, HUD conducts periodic on-site and automated monitoring of PHA activities and notifies the PHA of errors and potential cases of program abuse.

PHA Policy

The PHA will use the results reported in any IPA or HUD monitoring reports to identify potential program abuses as well as to assess the effectiveness of the PHA's error detection and abuse prevention efforts.

Individual Reporting of Possible Errors and Program Abuse

PHA Policy

The PHA will encourage staff, program participants, and the public to report possible program abuse.

14-I.C. INVESTIGATING ERRORS AND PROGRAM ABUSE

When the PHA Will Investigate

PHA Policy

The PHA will review all referrals, specific allegations, complaints, and tips from any source including other agencies, companies, and individuals, to determine if they warrant investigation. In order for the PHA to investigate, the allegation must contain at least one independently verifiable item of information, such as the name of an employer or the name of an unauthorized household member.

The PHA will investigate when inconsistent or contradictory information is detected through file reviews and the verification process.

Consent to Release of Information [24 CFR 982.516]

The PHA may investigate possible instances of error or abuse using all available PHA and public records. If necessary, the PHA will require HCV families to sign consent forms for the release of additional information.

Analysis and Findings

PHA Policy

The PHA will base its evaluation on a preponderance of the evidence collected during its investigation.

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

For each investigation the PHA will determine (1) whether an error or program abuse has occurred, (2) whether any amount of money is owed the PHA, and (3) what corrective measures or penalties will be assessed.

Consideration of Remedies

All errors and instances of program abuse must be corrected prospectively. Whether the PHA will enforce other corrective actions and penalties depends upon the nature of the error or program abuse.

PHA Policy

In the case of family-caused errors or program abuse, the PHA will take into consideration (1) the seriousness of the offense and the extent of participation or culpability of individual family members, (2) any special circumstances surrounding the case, (3) any mitigating circumstances related to the disability of a family member, (4) the effects of a particular remedy on family members who were not involved in the offense.

In the case of owner-caused errors or program abuse, the PHA will take into consideration (1) the seriousness of the offense, (2) the length of time since the violation has occurred, and (3) the effects of a particular remedy on family members who were not involved in the offense.

Notice and Appeals

PHA Policy

The PHA will inform the relevant party in writing of its findings and remedies within 10 business days of the conclusion of the investigation. The notice will include (1) a description of the error or program abuse, (2) the basis on which the PHA determined the error or program abuses, (3) the remedies to be employed, and (4) the family's right to appeal the results through the informal review or hearing process, if applicable (see Chapter 16).

PART II: CORRECTIVE MEASURES AND PENALTIES

14-II.A. SUBSIDY UNDER- OR OVERPAYMENTS

A subsidy under- or overpayment includes (1) an incorrect housing assistance payment to the owner, (2) an incorrect family share established for the family, and (3) an incorrect utility reimbursement to a family.

Corrections

Whether the incorrect subsidy determination is an overpayment or underpayment of subsidy, the PHA must promptly correct the HAP, family share, and any utility reimbursement prospectively.

PHA Policy

Increases in the family share will be implemented on the first of the month following a written 30-day notice.

Any decreases in family share will become effective the first of the month following the discovery of the error.

Reimbursement

Whether the family or owner is required to reimburse the PHA or the PHA is required to make retroactive subsidy payments to the owner or family depends upon which party is responsible for the incorrect subsidy payment and whether the action taken was an error or program abuse. Policies regarding reimbursement are discussed in the three sections that follow.

14-II.B. FAMILY-CAUSED ERRORS AND PROGRAM ABUSE

Family obligations and general administrative requirements for participating in the program are discussed throughout this plan. This section deals specifically with errors and program abuse by family members.

An incorrect subsidy determination caused by a family generally would be the result of incorrect reporting of family composition, income, assets, or expenses, but also would include instances in which the family knowingly allows the PHA to use incorrect information provided by a third party.

Family Reimbursement to PHA [HCV GB pp. 22-12 to 22-13]

PHA Policy

In the case of family-caused errors or program abuse, the family will be required to repay any excess subsidy received. The PHA may, but is not required to, offer the family a repayment agreement in accordance with Chapter 16. If the family fails to repay the excess subsidy, the PHA will terminate the family's assistance in accordance with the policies in Chapter 12.

PHA Reimbursement to Family [HCV GB p. 22-12]

PHA Policy

The PHA will not reimburse the family for any underpayment of assistance when the underpayment clearly is caused by the family.

Prohibited Actions

An applicant or participant in the HCV program must not knowingly:

- Make a false statement to the PHA [Title 18 U.S.C. Section 1001].
- Commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program [24 CFR 982.552(c)(iv)].

PHA Policy

Any of the following will be considered evidence of family program abuse:

Payment to the owner in excess of amounts authorized by the PHA for rent, security deposit, and additional services

Offering bribes or illegal gratuities to the PHA Board of Commissioners, employees, contractors, or other PHA representatives

Offering payments or other incentives to the owner or a third party as an inducement for the third party to make false or misleading statements to the PHA on the family's behalf

Use of a false name or the use of falsified, forged, or altered documents

Intentional misreporting of family information or circumstances (e.g. income, family composition)

Omitted facts that were obviously known by a family member (e.g., not reporting employment income)

Admission of program abuse by an adult family member

The PHA may determine other actions to be program abuse based upon a preponderance of the evidence, as defined earlier in this chapter.

Penalties for Program Abuse

In the case of program abuse caused by a family the PHA may, at its discretion, impose any of the following remedies.

- The PHA may require the family to repay excess subsidy amounts paid by the PHA, as described earlier in this section.
- The PHA may require, as a condition of receiving or continuing assistance, that a culpable family member not reside in the unit. See policies in Chapter 3 (for applicants) and Chapter 12 (for participants).
- The PHA may deny or terminate the family's assistance following the policies set forth in Chapter 3 and Chapter 12 respectively.
- The PHA may refer the family for state or federal criminal prosecution as described in section 14-II.E.

14-II.C. OWNER-CAUSED ERROR OR PROGRAM ABUSE

Owner requirements that are part of the regular process of offering, leasing, and maintaining a unit (e.g., NSPIRE compliance, fair housing) are addressed in the appropriate chapters of this plan. This section focuses on errors and program abuse by owners.

An incorrect subsidy determination caused by an owner generally would be the result of an incorrect owner statement about the characteristics of the assisted unit (e.g., the number of bedrooms, which utilities are paid by the family). It also includes accepting duplicate housing assistance payments for the same unit in the same month, or after a family no longer resides in the unit.

Owner Reimbursement to the PHA

In all cases of overpayment of subsidy caused by the owner, the owner must repay to the PHA any excess subsidy received. The PHA may recover overpaid amounts by withholding housing assistance payments due for subsequent months, or if the debt is large, the PHA may allow the owner to pay in installments over a period of time [HCV GB p. 22-13].

PHA Policy

In cases where the owner has received excess subsidy, the PHA will require the owner to repay the amount owed in accordance with the policies in Section 16-IV.B.

Prohibited Owner Actions

An owner participating in the HCV program must not:

- Make any false statement to the PHA [Title 18 U.S.C. Section 1001].
- Commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program [24 CFR 982.453(a)(3)] including:

PHA Policy

Any of the following will be considered evidence of owner program abuse:

Charging the family rent above or below the amount specified by the PHA

Charging a security deposit other than that specified in the family's lease

Charging the family for services that are provided to unassisted tenants at no extra charge

Knowingly accepting housing assistance payments for any month(s) after the family has vacated the unit

Knowingly accepting incorrect or excess housing assistance payments

Offering bribes or illegal gratuities to the PHA Board of Commissioners, employees, contractors, or other PHA representatives

Offering payments or other incentives to an HCV family as an inducement for the family to make false or misleading statements to the PHA

Residing in the unit with an assisted family

Committing sexual or other harassment, either quid pro quo or hostile environment, based on the protected classes defined in Chapter 2

Retaliating against any applicant or participant reporting/alleging sexual or other harassment, either quid pro quo or hostile environment, based on the protected classes defined in Chapter 2

Remedies and Penalties

When the PHA determines that the owner has committed program abuse, the PHA may take any of the following actions:

- Require the owner to repay excess housing assistance payments, as discussed earlier in this section and in accordance with the policies in Chapter 16.
- Terminate the HAP contract (See Chapter 13).
- Bar the owner from future participation in any PHA programs.
- Refer the case to state or federal officials for criminal prosecution as described in section 14-II.E.

14-II.D. PHA-CAUSED ERRORS OR PROGRAM ABUSE

The responsibilities and expectations of PHA staff with respect to normal program administration are discussed throughout this plan. This section specifically addresses actions of a PHA staff member that are considered errors or program abuse related to the HCV program. Additional standards of conduct may be provided in the PHA personnel policy.

PHA-caused incorrect subsidy determinations include (1) failing to correctly apply HCV rules regarding family composition, income, assets, and expenses, (2) assigning the incorrect voucher size to a family, and (3) errors in calculation.

De Minimis Errors [24 CFR 5.609(c)(4)]

The PHA will not be considered out of compliance when making annual income determinations solely due to de minimis errors in calculating family income. A de minimis error is an error where the PHA determination of family income deviates from the correct income determination by no more than $30 per month in monthly adjusted income ($360 in annual adjusted income) per family.

PHAs must take corrective action to credit or repay a family if the family was overcharged rent, including when PHAs make de minimis errors in the income determination. Families will not be required to repay the PHA in instances where the PHA miscalculated income resulting in a family being undercharged for rent. PHAs state in their policies how they will repay or credit a family the amount they were overcharged as a result of the PHA's de minimis error in income determination.

PHA Policy

The PHA will reimburse a family for any family overpayment of rent, regardless of whether the overpayment was the result of staff-caused error, staff program abuse, or a de minimis error.

Prohibited Activities

PHA Policy

Any of the following will be considered evidence of program abuse by PHA staff:

Failing to comply with any HCV program requirements for personal gain

Failing to comply with any HCV program requirements as a result of a conflict of interest relationship with any applicant, participant, or owner

Seeking or accepting anything of material value from applicants, participating families, vendors, owners, contractors, or other persons who provide services or materials to the PHA

Disclosing confidential or proprietary information to outside parties

Gaining profit as a result of insider knowledge of PHA activities, policies, or practices

Misappropriating or misusing HCV funds

Destroying, concealing, removing, or inappropriately using any records related to the HCV program

Committing any other corrupt or criminal act in connection with any federal housing program

14-II.E. CRIMINAL PROSECUTION

PHA Policy

When the PHA determines that program abuse by an owner, family, or PHA staff member has occurred and the amount of overpaid subsidy meets or exceeds the threshold for prosecution under local or state law, the PHA will refer the matter to the appropriate entity for prosecution. When the amount of overpaid assistance meets or exceeds the federal threshold, the case will also be referred to the HUD Office of Inspector General (OIG).

Other criminal violations related to the HCV program will be referred to the appropriate local, state, or federal entity.

14-II.F. FRAUD AND PROGRAM ABUSE RECOVERIES

The PHA may retain a portion of program fraud losses that the PHA recovers from a family or owner through litigation, court order, or a repayment agreement [24 CFR 982.163].

The PHA must be the principal party initiating or sustaining the action to recover amounts due from tenants that are due as a result of fraud and abuse. 24 CFR 792.202 permits the PHA to retain the greater of:

- 50 percent of the amount it actually collects from a judgment, litigation (including settlement of a lawsuit) or an administrative repayment agreement, or
- Reasonable and necessary costs that the PHA incurs related to the collection including costs of investigation, legal fees, and agency collection fees.

The family must be afforded the opportunity for an informal hearing in accordance with requirements in 24 CFR 982.555.

If HUD incurs costs on behalf of the PHA related to the collection, these costs must be deducted from the amount retained by the PHA.

Chapter 15

SPECIAL HOUSING TYPES

[24 CFR 982 Subpart M; New HCV GB, *Special Housing Types*]

INTRODUCTION

The PHA may permit a family to use any of the special housing types discussed in this chapter. However, the PHA is not required to permit families receiving assistance in its jurisdiction to use these housing types, except that PHAs must permit use of any special housing type if needed as a reasonable accommodation for a person with a disability, and the PHA must permit a family to lease a manufactured home and space with assistance under the program. The PHA also may limit the number of families who receive HCV assistance in these housing types and cannot require families to use a particular housing type. No special funding is provided for special housing types. Unless specifically modified by the regulations, housing quality standards apply to special housing types (Single Room Occupancy, Congregate Housing, Group Homes, Shared Housing, Manufactured Homes, Homeownership units) [Notice PIH 2023-28].

PHA Policy

Families will not be permitted to use any special housing types, with the following exceptions:

If needed as a reasonable accommodation so that the program is readily accessible to a person with disabilities; and

The PHA must permit a family to lease a manufactured home and space with assistance under the program.

Policy language is included in this chapter where relevant in the event the PHA does grant use as a reasonable accommodation or when a family leases a manufactured home and space.

Special housing types include single room occupancy (SRO), congregate housing, group homes, shared housing, cooperative housing, manufactured homes where the family owns the home and leases the space, and homeownership [24 CFR 982.601]. A single unit cannot be designated as more than one type of special housing. The PHA cannot give preference to households that wish to live in any of these types of housing and cannot require households to select any of these types of housing [New HCV GB, *Special Housing Types,* p. 3].

This chapter consists of the following seven parts. Each part contains a description of the housing type and any special requirements associated with it. Except as modified by this chapter, the general requirements of the HCV program apply to special housing types.

Part I: Single Room Occupancy

Part II: Congregate Housing

Part III: Group Homes

Part IV: Shared Housing

Part V: Cooperative Housing

Part VI: Manufactured Homes (including manufactured home space rental)

Part VII: Homeownership

PART I: SINGLE ROOM OCCUPANCY

[24 CFR 982.602 through 982.605; Form HUD-52641; New HCV GB, *Special Housing Types*, p. 4]

15-I.A. OVERVIEW

A single room occupancy (SRO) unit provides living and sleeping space for the exclusive use of the occupant but requires the occupant to share sanitary and/or food preparation facilities with others. More than one person may not occupy an SRO unit. HCV regulations do not limit the number of units in an SRO facility, but the size of a facility may be limited by local ordinances.

When providing HCV assistance in an SRO unit, a separate lease and HAP contract are executed for each assisted person. The standard form of the HAP contract is used (Form HUD-52641) with the special housing type specified in Part A of the HAP contract, as follows: "This HAP contract is used for the following special housing type under HUD regulations for the Section 8 voucher program: Single room occupancy (SRO) housing."

15-I.B. PAYMENT STANDARD, UTILITY ALLOWANCE, AND HAP CALCULATION

The payment standard for SRO housing is 75 percent of the zero-bedroom payment standard amount on the PHA's payment standard schedule.

The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero-bedroom utility allowance.

The HAP for an assisted occupant in an SRO facility is the lower of the SRO payment standard amount minus the TTP or the gross rent for the unit minus the TTP.

15-I.C. SRO: NATIONAL STANDARDS FOR THE PHYSICAL INSPECTION OF REAL ESTSTE (NSPIRE) [24 CFR 982.605(a)]

Housing quality standards requirements described in the applicable portions of Chapter 8 apply to SRO housing except that sanitary facilities, and space and security characteristics must meet local code standards for SRO housing. In the absence of applicable local code standards for SRO housing, the following standards apply:

- *Access*: Access doors to the SRO unit must have working locks for privacy. The occupant must be able to access the unit without going through any other unit. Each unit must have immediate access to two or more approved means of exit from the building, appropriately marked and leading to safe and open space at ground level. The SRO unit must also have any other means of exit required by State or local law.
- *Fire Safety*: All SRO facilities must have a sprinkler system that protects major spaces. "Major spaces" are defined as hallways, large common areas, and any other areas specified in local fire, building, or safety codes. SROs must also have hard-wired smoke detectors, and any other fire and safety equipment required by state or local law.

  Sanitary facilities and space and security standards must meet local code requirements for SRO housing. In the absence of local code standards, the requirements discussed below apply [24 CFR 982.605].

- *Sanitary Facilities*: At least one flush toilet that can be used in privacy, a lavatory basin, and a bathtub or shower in proper operating condition must be provided for each six persons (or fewer) residing in the SRO facility. If the SRO units are leased only to males, flush urinals may be substituted for up to one half of the required number of toilets. Sanitary facilities must be reasonably accessible from a common hall or passageway to all persons sharing them and may not be located more than one floor above or below the SRO unit. They may not be located below grade unless the SRO units are located on that level.
- *Space and Security*: An SRO unit must contain at least 110 square feet of floor space, and at least four square feet of closet space with an unobstructed height of at least five feet, for use by the occupant. If the closet space is less than four square feet, the habitable floor space in the SRO unit must be increased by the amount of the deficiency. Exterior doors and windows accessible from outside the SRO unit must be lockable.

For SRO housing, 24 CFR 5.703(d) only applies to the extent that the SRO unit contains the room or facility referenced in 24 CFR 5.703(d). Because no children live in SRO housing, the NSPIRE standards applicable to lead-based paint do not apply.

PART II: CONGREGATE HOUSING

[24 CFR 982.606 through 982.609; Form HUD-52641; New HCV GB, *Special Housing Types*, p. 6]

15-II.A. OVERVIEW

Congregate housing is intended for use by elderly persons or persons with disabilities. A congregate housing facility contains a shared central kitchen and dining area and a private living area for the individual household that includes at least a living room, bedroom and bathroom. Food service for residents must be provided.

If approved by the PHA, a family member or live-in aide may reside with the elderly person or person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

When providing HCV assistance in congregate housing, a separate lease and HAP contract are executed for each assisted family. The standard form of the HAP contract is used (Form HUD-52641) with the special housing type specified in Part A of the HAP contract, as follows: "This HAP contract is used for the following special housing type under HUD regulations for the Section 8 voucher program: Congregate housing."

15-II.B. PAYMENT STANDARD, UTILITY ALLOWANCE, AND HAP CALCULATION

The payment standard for an individual unit in a congregate housing facility is based on the number of rooms in the private living area for the assisted family. If there is only one room in the unit (not including the bathroom or the kitchen, if a kitchen is provided), the PHA must use the payment standard for a zero-bedroom unit. If the unit has two or more rooms (other than the bathroom and the kitchen), the PHA must use the one-bedroom payment standard.

The HAP for an assisted occupant in a congregate housing facility is the lower of the applicable payment standard minus the TTP or the gross rent for the unit minus the TTP.

The gross rent for the unit for the purpose of calculating HCV assistance is the shelter portion (including utilities) of the resident's monthly housing expense only. The residents' costs for food service should not be included in the rent for a congregate housing unit.

15-II.C. CONGREGATE: NATIONAL STANDARDS FOR THE PHYSICAL INSPECTION OF REAL ESTSTE (NSPIRE)

NSPIRE requirements as described in Chapter 8 apply to congregate housing except for the requirements stated below. Congregate housing is not subject to the requirement that the dwelling unit must have a kitchen area. In place of NSPIRE related to food preparation and refuse disposal, congregate housing must have a refrigerator of appropriate size in the private living area of each resident, a central kitchen and dining facilities located within the premises and accessible to the residents, and food service for the residents, that is not provided by the residents themselves.

The congregate housing must contain adequate facilities and services for the sanitary disposal of food waste and refuse, including facilities for temporary storage where necessary.

The NSPIRE standards applicable to lead-based paint do not apply unless a child under the age of six is expected to reside in the unit.

PART III: GROUP HOME

[24 CFR 982.610 through 982.614; Form HUD-52641; New HCV GB, *Special Housing Types*, p. 8]

15-III.A. OVERVIEW

A group home is a state-approved (licensed, certified, or otherwise approved in writing by the state) facility intended for occupancy by elderly persons and/or persons with disabilities. Except for live-in aides, all persons living in a group home, whether assisted or not, must be elderly persons or persons with disabilities. Persons living in a group home must not require continuous medical or nursing care.

A group home consists of bedrooms for residents, which can be shared by no more than two people, and a living room, kitchen, dining area, bathroom, and other appropriate social, recreational, or community space that may be shared with other residents. No more than 12 persons may reside in a group home including assisted and unassisted residents and any live-in aides.

If approved by the PHA, a live-in aide may live in the group home with a person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

When providing HCV assistance in a group home, a separate lease and HAP contract is executed for each assisted family. The standard form of the HAP contract is used (Form HUD-52641) with the special housing type specified in Part A of the HAP contract, as follows: "This HAP contract is used for the following special housing type under HUD regulations for the Section 8 voucher program: Group home."

15-III.B. PAYMENT STANDARD, UTILITY ALLOWANCE, AND HAP CALCULATION

Unless there is a live-in aide, the family unit size (voucher size) for an assisted occupant of a group home must be zero- or one-bedroom. If there is a live-in aide, the aide must be counted in determining the household's unit size.

The payment standard used to calculate the HAP is the lower of the payment standard for the family unit size or the pro rata share of the payment standard for the group home size. The pro rata share is calculated by dividing the number of persons in the assisted household by the number of persons (assisted and unassisted) living in the group home. The number of persons in the assisted household equals one assisted person plus any PHA-approved live-in aide.

The HAP for an assisted occupant in a group home is the lower of the payment standard minus the TTP or the gross rent minus the TTP.

The utility allowance for an assisted occupant in a group home is the pro rata share of the family unit size to the utility allowance for the group home.

The rents paid for participants residing in group homes are subject to generally applicable standards for rent reasonableness. The rent for an assisted person must not exceed the pro rata portion of the reasonable rent for the group home. In determining reasonable rent, the PHA must consider whether sanitary facilities and facilities for food preparation and service are common facilities or private facilities.

15-III.C. GROUP HOME: NATIONAL STANDARDS FOR THE PHYSICAL INSPECTION OF REAL ESTSTE (NSPIRE)

The entire unit must comply with housing quality requirements described in Chapter 8, except for the standards that relate to sanitary facilities, food preparation and refuse disposal, space and security, structure and materials, and site and neighborhood as stated below.

- *Sanitary Facilities*: A group home must have at least one bathroom in the facility, with a flush toilet that can be used in privacy, a fixed basin with hot and cold running water, and a shower or bathtub with hot and cold running water. A group home may contain private or common bathrooms. However, no more than four residents can be required to share a bathroom.
- *Food Preparation and Service*: Group home units must contain a kitchen and dining area with adequate space to store, prepare, and serve food. The facilities for food preparation and service may be private or may be shared by the residents. The kitchen must contain a range, an oven, a refrigerator, and a sink with hot and cold running water. The sink must drain into an approvable public or private disposal system.
- *Space and Security*: Group homes must contain at least one bedroom of appropriate size for every two people, and a living room, kitchen, dining area, bathroom, and other appropriate social, recreational, or community space that may be shared with other residents. Doors and windows accessible from outside the unit must be lockable.
- *Structure and Material*: To avoid any threat to the health and safety of the residents, group homes must be structurally sound. Elevators must be in good condition. Group homes must be accessible to and usable by residents with disabilities.

- *Site and Neighborhood*: Group homes must be located in a residential setting. The site and neighborhood should be reasonably free from disturbing noises and reverberations, and other hazards to the health, safety, and general welfare of the residents, and should not be subject to serious adverse conditions, such as:
  - Dangerous walks or steps
  - Instability
  - Flooding, poor drainage
  - Septic tank back-ups, sewage hazards
  - Mud slides
  - Abnormal air pollution
  - Smoke or dust
  - Excessive noise
  - Vibrations or vehicular traffic
  - Excessive accumulations of trash
  - Vermin or rodent infestation, and
  - Fire hazards.

The housing quality standards applicable to lead-based paint do not apply unless a child under the age of six is expected to reside in the unit.

PART IV: SHARED HOUSING

[24 CFR 982.615 through 982.618; Form HUD-52641; Notice PIH 2021-05; New HCV GB, *Special Housing Types*, p. 11]

15-IV.A. OVERVIEW

Families in markets with tight rental conditions or with a prevalence of single-family housing may determine a shared housing living arrangement to be a useful way to secure affordable housing. PHAs offering shared housing as a housing solution may also experienced some reduction in the average per-unit-cost (PUC) paid on behalf of assisted families.

Shared housing is a single housing unit occupied by an assisted family and another resident or residents. The unit may be a house or an apartment. The shared unit consists of both common space for use by the occupants of the unit and separate private space for each assisted family.

An assisted family may share a unit with other persons assisted under the HCV program or with other unassisted persons.

Shared housing may be offered in a number of ways, including for-profit co-living (such as a boarding house, single bedroom with common living room/kitchen/dining room) run by a private company [Notice PIH 2021-05].

The owner of a shared housing unit may reside in the unit, but housing assistance may not be paid on behalf of the owner. The resident owner may not be related by blood or marriage to the assisted family.

If approved by the PHA, a live-in aide may reside with the family to care for a person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

When shared housing is offered as a housing option, HUD encourages PHAs to consider ways in which the families may be assisted in finding shared housing, including for-profit shared housing matching (such as roommates or single-family homes) and online sites that charge a fee for their matching services, or nonprofit shared housing matching services. HUD further encourages PHAs to include information about this housing possibility in the family's voucher briefing.

PHA Policy

The PHA will provide information to families regarding the shared housing option, including a listing to families of any known for-profit or nonprofit shared housing matching services in the community at briefing, and upon request, if one exist. Families will be advised they can conduct their own internet search. Families will be cautioned to not enter into any rental agreement or pay any deposit or rental payment until the tenancy is approved by the PHA.

PHAs should be aware of potential local legal barriers to HCV participants using shared housing, which can create additional obstacles for shared housing:

- Municipalities may have occupancy limits for the number of unrelated persons who may share a housing unit.
- Local zoning codes for single family housing may restrict occupancy in certain areas to households whose family members are related by blood.

PHAs should work with local jurisdictions to find solutions that encourage affordable housing and are consistent with the Fair Housing Act, Title VI, and other federal, state, and local fair housing laws. PHAs should inform HUD if they encounter barriers to shared housing that may conflict with fair housing laws.

PHA Policy

The PHA will work with local jurisdictions as necessary to identify solutions consistent with fair housing laws and will inform HUD if the PHA encounters barriers to shared housing that conflict with fair housing laws.

When providing HCV assistance in shared housing, a separate lease and HAP contract are executed for each assisted family. The standard form of the HAP contract is used (Form HUD-52641) with the special housing type specified in Part A of the HAP contract, as follows: "This HAP contract is used for the following special housing type under HUD regulations for the Section 8 voucher program: Shared housing."

15-IV.B. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION

The payment standard for a family in shared housing is the lower of the payment standard for the family unit size (voucher size) or the pro rata share of the payment standard for the shared housing unit size.

The pro rata share is calculated by dividing the number of bedrooms available for occupancy by the assisted family in the private, non-shared space by the total number of bedrooms in the unit.

Example: Family holds a two-bedroom voucher.
Shared housing unit size: bedrooms available to assisted family = 2
Total bedrooms in the unit: 3
2 Bedrooms for assisted family
÷ 3 Bedrooms in the unit
.667 pro rata share
2 BR payment standard: $1200
3 BR payment standard: $1695 $1695 x .667 (pro rata share) = $1131 $1131 is lower than the $1200 payment standard for the 2 BR family unit size $1131 is the payment standard used to calculate the HAP

The HAP for a family in shared housing is the lower of the payment standard minus the TTP or the gross rent minus the TTP.

The utility allowance for an assisted family living in shared housing is the pro rata share of the utility allowance for the shared housing unit.

Example: A family holds a 2-bedroom voucher. The family decides to occupy 3 out of 4 bedrooms available in the unit.

The utility allowance for a 4-bedroom unit equals $200

The utility allowance for a 2-bedroom unit equals $100

The pro rata share of the utility allowance is $150 (3/4 of $200)

The PHA will use the 2-bedroom utility allowance of $100.

The rents paid for families living in shared housing are subject to generally applicable standards for rent reasonableness. The rent paid to the owner for the assisted family must not exceed the pro rata portion of the reasonable rent for the shared unit. In determining reasonable rent, the PHA may consider whether sanitary and food preparation areas are private or shared.

15-IV.C. SHARED HOUSING: NATIONAL STANDARDS FOR THE PHYSICAL INSPECTION OF REAL ESTSTE (NSPIRE)

The PHA may not give approval to reside in shared housing unless the entire unit, including the portion of the unit available for use by the assisted family under its lease, meets the housing quality standards.

NSPIRE requirements described in Chapter 8 apply to shared housing except for the requirements stated below.

- *Facilities Available for the Family*: Facilities available to the assisted family, whether shared or private, must include a living room, a bathroom, and food preparation and refuse disposal facilities.
- *Space and Security*: The entire unit must provide adequate space and security for all assisted and unassisted residents. The private space for each assisted family must contain at least one bedroom for each two persons in the family. The number of bedrooms in the private space of an assisted family must not be less than the family unit size (voucher size). A zero-bedroom or one-bedroom unit may not be used for shared housing.

PART V: COOPERATIVE HOUSING

[24 CFR 982.619; New HCV GB, *Special Housing Types*, p. 14]

15-V.A. OVERVIEW

This part applies to rental assistance for a cooperative member residing in cooperative housing. It does not apply to assistance for a cooperative member who has purchased membership under the HCV homeownership option, or to rental assistance for a family that leases a cooperative housing unit from a cooperative member.

A cooperative is a form of ownership (nonprofit corporation or association) in which the residents purchase memberships in the ownership entity. Rather than being charged "rent" a cooperative member is charged a "carrying charge." The monthly carrying charge includes the member's share of the cooperative debt service, operating expenses, and necessary payments to cooperative reserve funds. It does not include down payments or other payments to purchase the cooperative unit or to amortize a loan made to the family for this purpose.

The occupancy agreement or lease and other appropriate documents must provide that the monthly carrying charge is subject to Section 8 limitations on rent to owner, and the rent must be reasonable as compared to comparable unassisted units.

When providing HCV assistance in cooperative housing, the standard form of the HAP contract is used with the special housing type specified in Part A of the HAP contract, as follows: "This HAP contract is used for the following special housing type under HUD regulations for the Section 8 voucher program: Cooperative housing."

15-V.B. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION

The payment standard and utility allowance are determined according to regular HCV program requirements.

The HAP for a cooperative housing unit is the lower of the payment standard minus the TTP or the gross rent (monthly carrying charge for the unit, plus any utility allowance) minus the TTP. The monthly carrying charge includes the member's share of the cooperative debt service, operating expenses, and necessary payments to cooperative reserve funds. The carrying charge does not include down payments or other payments to purchase the cooperative unit or to amortize a loan made to the family for this purpose.

15-V.C. COOPERATIVE: NATIONAL STANDARDS FOR THE PHYSICAL INSPECTION OF REAL ESTSTE (NSPIRE)

All NSPIRE requirements apply to cooperative housing units. There are no additional requirements. The PHA remedies described in 24 CFR 982.404 do not apply. Rather, if the unit and premises are not maintained in accordance with NSPIRE, the PHA may exercise all available remedies regardless of whether the family or cooperative is responsible for the breach of NSPIRE standards.

No housing assistance payment can be made unless unit meets NSPIRE and the defect is corrected within the period as specified by the PHA and the PHA verifies correction (see Chapter 8).

In addition to regular NSPIRE deficiencies, breaches of NSPIRE by the family include failure to perform any maintenance for which the family is responsible in accordance with the terms of the cooperative occupancy agreement [HCV GB].

PART VI: MANUFACTURED HOMES

[24 CFR 982.620 through 982.624; FR Notice 1/18/17; New HCV GB, *Special Housing Types*, p. 15;]

15-VI.A. OVERVIEW

A manufactured home is a manufactured structure, transportable in one or more parts, that is built on a permanent chassis, and designed for use as a principal place of residence. HCV-assisted families may occupy manufactured homes in three different ways.

(1) A family may choose to rent a manufactured home already installed on a space and the PHA must permit it. In this instance program rules are the same as when a family rents any other residential housing, except that there are special housing quality requirements as provided in 15-VI.D. below.

(2) A family can purchase a manufactured home under the Housing Choice Voucher Homeownership program.

(3) HUD also permits an otherwise eligible family that owns a manufactured home to rent a space for the manufactured home and receive HCV assistance with the rent for the space as well as certain other housing expenses. PHAs may, but are not required to, provide assistance for such families.

15-VI.B. SPECIAL REQUIREMENTS FOR MANUFACTURED HOME OWNERS WHO LEASE A SPACE

Family Income

In determining the annual income of families leasing manufactured home spaces, the value of the family's equity in the manufactured home in which the family resides is not counted as a family asset.

Lease and HAP Contract

There is a designated HAP Contract (Form HUD-52642) and designated Tenancy Addendum (Form HUD-52642-A) for this special housing type.

15-VI.C. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION

Payment Standards

The PHA payment standard for manufactured homes is determined in accordance with 24 CFR 982.505 and is the payment standard used for the PHA's HCV program. It is based on the applicable FMR for the area in which the manufactured home space is located.

The payment standard for the family is the lower of the family unit size (voucher size) or the payment standard for the number of bedrooms in the manufactured home.

Utility Allowance [24 CFR 982.624]

The PHA must establish utility allowances for manufactured home space rental. For the first 12 months of the initial lease term only, the allowance must include a reasonable amount for a utility hook-up charge if the family actually incurred a hook-up charge because of a move. This allowance will not be given to a family that leases in place. Utility allowances for manufactured home space must not include the costs of digging a well or installing a septic system.

Space Rent [24 CFR 982.622]

Rent to owner for rental of a manufactured home space includes payment for maintenance and services that the owner must provide to the tenant under the lease for the space. Rent to owner does not include the costs of utilities and trash collection for the manufactured home. However, the owner may charge the family a separate fee for the cost of utilities or trash collection provided by the owner.

Amortization Costs

The monthly payment made by the family to amortize the cost of purchasing the manufactured home is the debt service established at the time of application to a lender for financing the purchase of the manufactured home if monthly payments are still being made. Any increase in debt service due to refinancing after purchase of the home may not be included in the amortization cost. Debt service for set-up charges incurred by a family may be included in the monthly amortization payments made by the family. In addition, set-up charges incurred before the family became an assisted family may be included in the amortization cost if monthly payments are still being made to amortize the charges.

Housing Assistance Payment [24 CFR 982.623(a)]

The HAP for a manufactured home space under the housing choice voucher program is the lower of the payment standard minus the TTP or the family's eligible housing expenses minus the TTP.

Eligible Housing Expenses [24 CFR 982.623(b)]

The family's eligible housing expenses are the total of:

- The rent charged by the owner for the manufactured home space.
- Charges for the maintenance and management the space owner must provide under the lease.
- The monthly payments made by the family to amortize the cost of purchasing the manufactured home established at the time of application to a lender for financing the purchase of the manufactured home if monthly payments are still being made, including any required insurance and property taxes included in the loan payment to the lender.
    - Any increase in debt service or term due to refinancing after purchase of the home may not be included in the amortization cost.
    - Debt service for installation charges incurred by a family may be included in the monthly amortization payments. Installation charges incurred before the family became an assisted family may be included in the amortization cost if monthly payments are still being made to amortize the charges.
- The applicable allowances for tenant-paid utilities, as determined under 24 CFR 982.517 and 982.624.

Rent Reasonableness [24 CFR 982.622(b)]

During the assisted tenancy, the rent to owner for the manufactured home space may not exceed a reasonable rent. Initially, and at least annually thereafter, the PHA must determine that the rent for the manufactured home space is reasonable based on rents for comparable manufactured home spaces. The PHA must consider the location and size of the space, and any services and maintenance to be provided by the owner in accordance with the lease (without a fee in addition to rent). By accepting the monthly housing assistance payment, the owner of the manufactured home space certifies that the rent does not exceed rents charged by the owner for comparable unassisted spaces in the same manufactured home park or elsewhere.

If requested by the PHA, the owner must give the PHA information on rents charged by the owner for other manufactured home spaces.

Distribution of HAP [24 CFR 982.623(c)]

The PHA pays the owner of the space the lesser of the housing assistance payment or the portion of the monthly rent due to the owner. The portion of the monthly rent due to the owner is the total of:

- The actual rent charged by the owner for the manufactured home space; and
- Charges for the maintenance and management the space owner must provide under the lease.

If the housing assistance payment exceeds the portion of the monthly rent due to the owner, the PHA may pay the balance of the housing assistance payment to the family. Alternatively, the PHA may pay the balance to the lender or utility company, in an amount no greater than the amount due for the month to each, respectively, subject to the lender's or utility company's willingness to accept the PHA's payment on behalf of the family.

PHA Policy

If the housing assistance payment exceeds the portion of the monthly rent due to the owner, the PHA will pay the balance to the family.

Single HAP to Family [24 CFR 982.623.(d)]

If the owner of the manufactured home space agrees, the PHA may make the entire housing assistance payment to the family, and the family is responsible for paying the owner directly for the full amount of rent of the manufactured home space due to the owner, including owner maintenance and management charges.

PHA Policy

The PHA will not exercise the option to pay a single HAP and will pay HAP directly to the owner.

15-VI.D. MANUFACTURED HOMES: NATIONAL STANDARDS FOR THE PHYSICAL INSPECTION OF REAL ESTSTE (NSPIRE) [24 CFR 982.621]

Under either type of occupancy described in 15-VI.A. above, the manufactured home must meet all NSPIRE performance requirements and acceptability criteria discussed in Chapter 8 of this plan. In addition, the following requirements apply:

- *Performance Requirement:* A manufactured home must be placed on the site in a stable manner and must be free from hazards such as sliding or wind damage.
- *Acceptability Criteria:* The home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist overturning and sliding.

PART VII: HOMEOWNERSHIP

[24 CFR 982.625 through 982.643]

15-VII.A. OVERVIEW [24 CFR 982.625]

The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family. A family assisted under this option may be newly admitted or an existing participant in the HCV program. The PHA must have the capacity to operate a successful HCV homeownership program as defined by the regulations.

PHA Policy

The PHA has instituted a minimum homeowner down payment requirement of at least three percent of the purchase price and requires that at least one percent of the purchase price come from the family's personal resources.

There are two forms of homeownership assistance described in the regulations: monthly homeownership assistance payments and single down payment assistance grants. However, PHAs may not offer down payment assistance until and unless funding is allocated by Congress. Since this has not yet happened, only monthly homeownership assistance may be offered.

PHA Policy

The PHA will offer the monthly homeownership assistance payments to qualified families.

The PHA may choose not to offer homeownership assistance. However, the PHA must offer homeownership assistance if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. It is the sole responsibility of the PHA to determine whether it is reasonable to implement a homeownership program as a reasonable accommodation. The PHA must determine what is reasonable based on the specific circumstances and individual needs of the person with a disability. The PHA may determine that it is not reasonable to offer homeownership assistance as a reasonable accommodation in cases where the PHA has otherwise opted not to implement a homeownership program.

The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

15-VII.B. FAMILY ELIGIBILITY [24 CFR 982.627]

If the PHA offers the homeownership option, participation by the family is optional. However, the family must meet all of the requirements listed below before the commencement of homeownership assistance. The PHA may also establish additional initial requirements as long as they are described in the PHA administrative plan.

- The family must have been admitted to the Housing Choice Voucher program.
- The family must qualify as a first-time, homeowner, or may be a cooperative member.
- The family must meet the Federal minimum income requirement. The family must have a gross annual income equal to the Federal minimum wage multiplied by 2000, based on the income of adult family members who will own the home. The PHA may establish a higher income standard for families. However, a family that meets the federal minimum income requirement (but not the PHA's requirement) will be considered to meet the minimum income requirement if it can demonstrate that it has been pre-qualified or pre-approved for financing that is sufficient to purchase an eligible unit.

  PHA Policy

  The PHA will not establish a higher minimum income standard for disabled and/or non-disabled families.

- For disabled families, the minimum income requirement is equal to the current SSI monthly payment for an individual living alone, multiplied by 12.
- For elderly or disabled families, welfare assistance payments for adult family members who will own the home will be included in determining whether the family meets the minimum income requirement. It will not be included for other families.
- The family must satisfy the employment requirements by demonstrating that one or more adult members of the family who will own the home at commencement of homeownership assistance is currently employed on a full-time basis (the term *full-time employment* means not less than an average of 30 hours per week); and has been continuously so employed during the year before commencement of homeownership assistance for the family.

  PHA Policy

  Families will be considered “continuously employed” if the break in employment does not exceed four months.

  The PHA will count self-employment in a business when determining whether the family meets the employment requirement.

- The employment requirement does not apply to elderly and disabled families. In addition, if a family, other than an elderly or disabled family includes a person with disabilities, the PHA must grant an exemption from the employment requirement if the PHA determines that it is needed as a reasonable accommodation.
- The family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option.

- Except for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance, no family member has a present ownership interest in a residence at the commencement of homeownership assistance for the purchase of any home.
- Except for cooperative members who have acquired cooperative membership shares prior to the commencement of homeownership assistance, the family has entered a contract of sale in accordance with 24 CFR 982.631(c).

PHA Policy

The PHA will impose additional eligibility requirements. To be eligible to participate in the homeownership option, families must meet the following criteria:

The family has had no family-caused violations of NSPIRE standards within the past year.

The family is not within the initial one-year period of a HAP Contract.

The family owes no money to the PHA.

The family has not committed any serious or repeated violations of a PHA-assisted lease within the past year.

15-VII.C. SELECTION OF FAMILIES [24 CFR 982.626]

Unless otherwise provided (under the homeownership option), the PHA may limit homeownership assistance to families or purposes defined by the PHA and may prescribe additional requirements for commencement of homeownership assistance for a family. Any such limits or additional requirements must be described in the PHA administrative plan.

If the PHA limits the number of families that may participate in the homeownership option, the PHA must establish a system by which to select families to participate.

PHA Policy

The PHA will administer up to five new homeownership units per year. The PHA may exceed the number of units planned per year if it is necessary as a reasonable accommodation for a person with a disability. If this occurs, the PHA may reduce the number of homeownership units offered in subsequent years.

Families who have been participating in an economic self-sufficiency program for at least six months, or have graduated from such a program, will be given preference over other families. Elderly and disabled families will automatically be given this preference.

Within preference and non-preference categories, families will be selected according to the date and time their application for participation in the homeownership option is submitted to the PHA.

All families must meet eligibility requirements as defined in Section 15-VII.B. of this plan.

15-VII.D. ELIGIBLE UNITS [24 CFR 982.628]

In order for a unit to be eligible, the PHA must determine that the unit satisfies all of the following requirements:

- The unit must meet HUD's "eligible housing" requirements. The unit may not be any of the following:
  - A public housing or Indian housing unit;
  - A unit receiving Section 8 project-based assistance;
  - A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services;
  - A college or other school dormitory;
  - On the grounds of penal, reformatory, medical, mental, or similar public or private institutions.
- The unit must be a one-unit property or a single dwelling unit in a cooperative or condominium.
- The unit must have been inspected by the PHA and by an independent inspector designated by the family.
- The unit must meet housing quality standards (see Chapter 8).
- For a unit where the family will not own fee title to the real property (such as a manufactured home), the home must have a permanent foundation and the family must have the right to occupy the site for at least 40 years.

Families may enter into contracts of sale for units not yet under construction. However, the PHA will not commence homeownership assistance for the family for that unit until:

1. Either the responsible entity completes the environmental review as required by 24 CFR part 58 and HUD approved the environmental certification and request for release of funds prior to commencement of construction or HUD performed an environmental review under 24 CFR part 50 and notified the PHA in writing of environmental approval of the site prior to construction commencement; and
2. Construction of the unit has been completed and the unit has passed the required inspection and independent inspection as addressed elsewhere in this chapter.

- For PHA-owned units (as defined in 24 CFR 982.4), all of the following conditions must be satisfied:
  - The PHA informs the family, both orally and in writing, that the family has the right to purchase any eligible unit and a PHA-owned unit is freely selected by the family without PHA pressure or steering;
  - The unit is not ineligible housing;
  - The PHA obtains the services of an independent entity (as defined in 24 CFR 982.4) to inspect the unit, for compliance with NSPIRE standards, review the contract of sale, determine the reasonableness of the sales price and any PHA provided financing. All of these actions must be completed in accordance with program requirements.

The PHA must not approve the unit if the PHA has been informed that the seller is debarred, suspended, or subject to a limited denial of participation.

15-VII.E. ADDITIONAL PHA REQUIREMENTS FOR SEARCH AND PURCHASE [24 CFR 982.629]

It is the family's responsibility to find a home that meets the criteria for voucher homeownership assistance. The PHA may establish the maximum time that will be allowed for a family to locate and purchase a home and may require the family to report on their progress in finding and purchasing a home. If the family is unable to purchase a home within the maximum time established by the PHA, the PHA may issue the family a voucher to lease a unit or place the family's name on the waiting list for a voucher.

PHA Policy

The family will be allowed 120 days to identify a unit and submit a sales contract to the PHA for review. The family will be allowed an additional 120 days to close on the home. PHAs may grant extensions to either of these periods for good cause. The length of the extension(s) will be determined on a case-by-case, but in no case will an extension exceed a total of 125 days. The maximum amount of time a family will be given to locate and complete the purchase of a home under the homeownership option is 365 days.

During these periods, the family will continue to receive HCV rental assistance in accordance with any active lease and HAP contract until the family vacates the rental unit for its purchased home.

All requests for extensions must be submitted in writing to the PHA prior to the expiration of the period for which the extension is being requested. The PHA will approve or disapprove the extension request within 10 business days. The family will be notified of the PHA's decision in writing.

The family will be required to report their progress on locating and purchasing a home to the PHA every 30 days until the home is purchased.

If the family cannot complete the purchase of a unit within the maximum required time frame, and is not receiving rental assistance under a HAP contract at the time the search and purchase time period expires, the family will be issued a voucher to lease a unit.

15-VII.F. HOMEOWNERSHIP COUNSELING [24 CFR 982.630]

Before commencement of homeownership assistance for a family, the family must attend and satisfactorily complete the pre-assistance homeownership and housing counseling program required by the PHA. HUD suggests the following topics for the PHA-required pre-assistance counseling:

- Home maintenance (including care of the grounds);
- Budgeting and money management;
- Credit counseling;
- How to negotiate the purchase price of a home;
- How to obtain homeownership financing and loan pre-approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing;
- How to find a home, including information about homeownership opportunities, schools, and transportation in the PHA jurisdiction;
- Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas;
- Information on fair housing, including fair housing lending and local fair housing enforcement agencies; and
- Information about the Real Estate Settlement Procedures Act (12 U.S.C. 2601 et seq.) (RESPA), state and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions.

The PHA may adapt the subjects covered in pre-assistance counseling (as listed) to local circumstances and the needs of individual families.

The PHA may also offer additional counseling after commencement of homeownership assistance (ongoing counseling). If the PHA offers a program of ongoing counseling for participants in the homeownership option, the PHA shall have discretion to determine whether the family is required to participate in the ongoing counseling.

Any homeownership counseling provided to families in connection with this section must be conducted by a HUD certified housing counselor working for an agency approved to participate in HUD's Housing Counseling Program.

PHA Policy

Families will not be required to participate in ongoing counseling after commencement of homeownership assistance.

15-VII.G. HOME INSPECTIONS, CONTRACT OF SALE, AND PHA DISAPPROVAL OF SELLER [24 CFR 982.631]

Home Inspections

The PHA may not commence monthly homeownership assistance payments for a family until the PHA has inspected the unit and has determined that the unit passes NSPIRE standards.

PHA Policy

When the family locates a home they wish to purchase and submits a copy of their purchase offer/contract, the PHA will conduct an inspection within 10 business days. Any items found not to meet NSPIRE standards must be repaired before the unit can be determined eligible for the homeownership program.

An independent professional inspector selected by and paid for by the family must also inspect the unit. The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical, and heating systems. The independent inspector must be qualified to report on property conditions, including major building systems and components.

The PHA may not require the family to use an independent inspector selected by the PHA. The independent inspector may not be a PHA employee or contractor, or other person under control of the PHA. However, the PHA may establish standards for qualification of inspectors selected by families under the homeownership option.

PHA Policy

The family must hire an independent professional inspector, whose report must be submitted to the PHA for review. This inspector must be a member of the American Society of Home Inspectors (ASHI) or other recognized professional society, or a licensed engineer. The inspector cannot be a PHA employee or contractor.

The PHA may disapprove a unit for assistance based on information in the independent inspector's report, even if the unit was found to comply with NSPIRE standards.

PHA Policy

The PHA will review the professional report in a timely fashion and, based on the presence of major physical problems, may disapprove the purchase of the home.

If the PHA disapproves the purchase of a home, the family will be notified in writing of the reasons for the disapproval.

While the family is receiving homeownership assistance, the PHA will conduct an inspection every other year.

Contract of Sale

Before commencement of monthly homeownership assistance payments, a member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family. The family must give the PHA a copy of the contract of sale. The contract of sale must:

- Specify the price and other terms of sale by the seller to the purchaser;
- Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser;
- Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser;
- Provide that the purchaser is not obligated to pay for any necessary repairs; and
- Contain a certification from the seller that the seller has not been debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.
- A contract for the sale of a unit not yet under construction must meet all above requirements, and requirements below. Commencement of construction in violation of the below requirements voids the purchase contract.
    - The purchaser is not obligated to purchase the unit unless an environmental review has been performed and the site received environmental approval prior to commencement of construction in accordance with 24 CFR 982.628; and
    - The construction will not commence until the environmental review has been completed and the seller has received written notice from the PHA that environmental approval has been obtained. Environmental approval may be conditioned on the contracting parties' agreement to modification to the unit design or to mitigation actions.

Disapproval of a Seller

In its administrative discretion, the PHA may deny approval of a seller for the same reasons a PHA may disapprove an owner under the regular HCV program [see 24 CFR 982.306(c)].

15-VII.H. FINANCING [24 CFR 982.632]

The PHA may establish requirements for financing purchase of a home under the homeownership option. This may include requirements concerning qualification of lenders, terms of financing, restrictions concerning debt secured by the home, lender qualifications, loan terms, and affordability of the debt. The PHA must establish policies describing these requirements in the administrative plan.

A PHA may not require that families acquire financing from one or more specified lenders, thereby restricting the family's ability to secure favorable financing terms.

PHA Policy

As a check against predatory lending, the PHA will review the financing of each purchase transaction, including estimated closing costs. The PHA will review the loans for features, such as balloon payments, adjustable-rate mortgages, and unusually high interest rates, all of which are prohibited. The PHA also will not approve "seller financing" or "owner-held" mortgages. Beyond these basic criteria, the PHA will rely on the lenders to determine that the loan will be affordable to program participants.

The mortgage the family applies for must require a minimum down payment of at least three percent of the sales price with one percent of the down payment coming from the purchaser's personal funds. The PHA will not require that the family have any more than the minimum of one percent of their own money in the transaction. However, in cases where a lender is requiring a larger amount, the family may be held to the underwriting guidelines set by their lending institution.

The PHA will approve a family's request to utilize its Family Self-Sufficiency escrow account after final disbursement for down payment and/or closing costs when purchasing a unit under the HCV homeownership option.

15-VII.I. CONTINUED ASSISTANCE REQUIREMENTS; FAMILY OBLIGATIONS [24 CFR 982.633]

Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, the PHA may not continue homeownership assistance after the month when the family moves out. The family or lender is not required to refund to the PHA the homeownership assistance for the month when the family moves out.

Before commencement of homeownership assistance, the family must execute a statement of family obligations in the form prescribed by HUD [Form HUD-52649]. In the statement, the family agrees to comply with all family obligations under the homeownership option.

The family must comply with the following obligations:

- The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing of such debt.
- The family may not convey or transfer ownership of the home, except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member. Use and occupancy of the home are subject to 24 CFR 982.551 (h) and (i).
- The family must supply information to the PHA or HUD as specified in 24 CFR 982.551(b). The family must further supply any information required by the PHA or HUD concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.
- The family must notify the PHA before moving out of the home.
- The family must notify the PHA if the family defaults on the mortgage used to purchase the home.
- The family must provide the PHA with information on any satisfaction or payment of the mortgage debt.
- No family member may have any ownership interest in any other residential property.
- The family must comply with the obligations of a participant family described in 24 CFR 982.551, except for the following provisions which do not apply to assistance under the homeownership option: 24 CFR 982.551(c), (d), (e), (f), (g) and (j).

  PHA Policy

  Any inspection the PHA conducts after the initial inspection will be done on an advisory basis. The family will be encouraged to make the repairs but will not be required to do so as a condition of ongoing assistance.

15-VII.J. MAXIMUM TERM OF HOMEOWNER ASSISTANCE [24 CFR 982.634]

Except in the case of a family that qualifies as an elderly or disabled family, other family members (described below) shall not receive homeownership assistance for more than:

- Fifteen years, if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or
- Ten years, in all other cases.

The maximum term described above applies to any member of the family who:

- Has an ownership interest in the unit during the time that homeownership payments are made; or
- Is the spouse of any member of the household who has an ownership interest in the unit during the time homeownership payments are made?

In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family.

If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable from the date homeownership assistance commenced. However, such a family must be provided at least 6 months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive homeownership assistance).

If the family has received such assistance for different homes, or from different PHAs, the total of such assistance terms is subject to the maximum term described in this part.

15-VII.K. HOMEOWNERSHIP ASSISTANCE PAYMENTS AND HOMEOWNERSHIP EXPENSES [24 CFR 982.635]

The monthly homeownership assistance payment is the lower of: the voucher payment standard minus the total tenant payment, or the monthly homeownership expenses minus the total tenant payment. The payment standard amount may not be lower than what the payment standard amount was at commencement of homeownership assistance.

In determining the amount of the homeownership assistance payment, the PHA will use the same payment standard schedule, payment standard amounts, and subsidy standards as those described elsewhere in this plan for the Housing Choice Voucher program. The payment standard for a family is the greater of (i) The payment standard as determined at the commencement of homeownership assistance for occupancy of the home, or (ii) the payment standard at the most recent regular reexamination of family income and composition since the commencement of homeownership assistance for occupancy of the home.

The PHA must adopt policies for determining the amount of homeownership expenses to be allowed by the PHA in accordance with HUD requirements.

Homeownership expenses (not including cooperatives) may only include amounts allowed by the PHA to cover:

- Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home;
- Real estate taxes and public assessments on the home;
- Home insurance;
- The PHA allowance for maintenance expenses;
- The PHA allowance for costs of major repairs and replacements;
- The PHA utility allowance for the home;
- Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the PHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person;
- Land lease payments where a family does not own fee title to the real property on which the home is located [see 24 CFR 982.628(b)];
- For a condominium unit, condominium operating charges or maintenance fees assessed by the condominium homeowner association.

Homeownership expenses for a cooperative member may only include amounts allowed by the PHA to cover:

- The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;
- Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt;
- Home insurance;
- The PHA allowance for maintenance expenses;
- The PHA allowance for costs of major repairs and replacements;
- The PHA utility allowance for the home; and
- Principal and interest on debt incurred to finance major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the PHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.
- Cooperative operating charges or maintenance fees assessed by the cooperative homeowner association.

  PHA Policy

  The PHA will use the following amounts for homeownership expenses:

  Monthly homeownership payment. This includes principal and interest on initial mortgage debt, taxes and insurance, public assessments, and any mortgage insurance premium, if applicable.

  Utility allowance. The PHA's utility allowance for the unit, based on the current HCV utility allowance schedule.

  Monthly maintenance/major repair/replacement allowance. A single monthly maintenance/repair/replacement allowance will be provided at $120 per month.

  Monthly co-op/condominium assessments. If applicable, the monthly amount of co-op or condominium association operation and maintenance assessments.

  Monthly principal and interest on debt for improvements. Principal and interest for major home repair, replacements, or improvements, if applicable.

  Land lease payments. Land lease payments where a family does not own fee title to the real property on which the home is located.

The PHA may pay the homeownership assistance payments directly to the family, or at the PHA's discretion, to a lender on behalf of the family. If the assistance payment exceeds the amount due to the lender, the PHA must pay the excess directly to the family.

PHA Policy

The PHA's housing assistance payment will be paid directly to the family. It will be the family's responsibility to make the entire payment to the lender. The PHA may make an exception if the family requests the payment to go directly to the lender, and this arrangement is acceptable to the mortgage company. If the assistance payment exceeds the amount due to the lender, the PHA must pay the excess directly to the family.

15-VII.L. PORTABILITY [24 CFR 982.636, 982.637, 982.353(b) and (c), 982.552, 982.553]

Subject to the restrictions on portability included in HUD regulations and PHA policies, a family may exercise portability if the receiving PHA is administering a voucher homeownership program and accepting new homeownership families. The receiving PHA may absorb the family into its voucher program or bill the initial PHA.

The family must attend the briefing and counseling sessions required by the receiving PHA. The receiving PHA will determine whether the financing for, and the physical condition of the unit, are acceptable. The receiving PHA must promptly notify the initial PHA if the family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by the PHA.

15-VII.M. MOVING WITH CONTINUED ASSISTANCE [24 CFR 982.637]

A family receiving homeownership assistance may move with continued tenant-based assistance or with voucher homeownership assistance.

The PHA must determine that all initial requirements have been satisfied if a family that has received homeownership assistance wants to move with continued homeownership assistance. However, the following do not apply:

- The requirement that a family must be a first-time homeowner is not applicable.
- The requirement for pre-assistance counseling is not applicable. However, the PHA may require that the family complete additional counseling (before or after moving to a new unit with continued homeownership assistance).

Continued tenant-based assistance for a new unit cannot begin so long as any family member holds title to the prior home. However, when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking, and the move is needed to protect the health or safety of the family or family member (or any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move), such family or family member may be assisted with continued tenant-based assistance even if they own any title or other interest in the prior home.

The PHA may deny permission to move to a new unit with continued voucher assistance:

- If the PHA has insufficient funding to provide continued assistance.
- In accordance with 24 CFR 982.638, regarding denial or termination of assistance.
- In accordance with the PHA's policy regarding number of moves within a 12-month period.

The PHA must deny the family permission to move to a new unit with continued voucher rental assistance if:

- The family defaulted on an FHA-insured mortgage; and
- The family fails to demonstrate that the family has conveyed, or will convey, title to the home, as required by HUD, to HUD or HUD's designee; and
- The family has moved, or will move, from the home within the period established or approved by HUD.

PHA Policy

For families participating in the homeownership option, requests to move will be approved and/or denied in accordance with PHA policies in Chapter 10.

The PHA will not require additional counseling of any families who move with continued assistance.

15-VII.N. DENIAL OR TERMINATION OF ASSISTANCE [24 CFR 982.638]

At any time, the PHA may deny or terminate homeownership assistance in accordance with HCV program requirements in 24 CFR 982.552 (Grounds for denial or termination of assistance) or 24 CFR 982.553 (Crime by family members).

The PHA may also deny or terminate assistance for violation of participant obligations described in 24 CFR Parts 982.551 or 982.633 and in accordance with its own policy, with the exception of failure to meet obligations under the Family Self-Sufficiency program as prohibited under the alternative requirements set forth in FR Notice 12/29/14.

Homeownership assistance for a family automatically terminates 180 calendar days after the last homeownership assistance payment on behalf of the family. However, a PHA may grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the family.

PHA Policy

In order for the PHA to consider granting relief from the requirement to automatically terminate homeownership assistance 180 days following the PHA's last housing assistance payment on behalf of the family, the family must submit a written request to the PHA at least 30 days prior to the date of automatic termination. The request must include an explanation of the circumstances that will cause an extreme hardship for the family (e.g., the imminent loss of income or employment) as well as documentation supporting the request. The PHA will determine on a case-by-case basis whether to grant relief from the requirement and for what period of time. In no case will the PHA postpone termination beyond an additional 90 days.

The PHA must terminate voucher homeownership assistance for any member of family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt.

PHA Policy

The PHA will terminate a family's homeownership assistance if the family violates any of the homeowner obligations listed in Section 1, as well as for any of the reasons listed in Section 2 of Form HUD-52649, Statement of Homeowner Obligations Housing Choice Homeownership Voucher Program.

In making its decision to terminate homeownership assistance, the PHA will consider alternatives as described in Section 12-II.C and other factors described in Section 12-II.D. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate assistance.

Termination notices will be sent in accordance with the requirements and policies set forth in Section 12-II.F.

Chapter 16

PROGRAM ADMINISTRATION

INTRODUCTION

This chapter discusses administrative policies and practices that are relevant to the activities covered in this plan. The policies are discussed in seven parts as described below:

Part I: Administrative Fee Reserve. This part describes the PHA's policies with regard to oversight of expenditures from its administrative fee reserve.

Part II: Setting Program Standards and Schedules. This part describes what payment standards are, and how they are updated, as well as how utility allowances are established and revised.

Part III: Informal Reviews and Hearings. This part outlines the requirements and procedures for informal reviews and hearings, and for informal hearings regarding citizenship status.

Part IV: Owner or Family Debts to the PHA. This part describes policies for recovery of monies that the PHA has overpaid on behalf of families, or to owners, and describes the circumstances under which the PHA will offer repayment agreements to owners and families. Also discussed are the consequences for failure to make payments in accordance with a repayment agreement.

Part V: Section 8 Management Assessment Program (SEMAP). This part describes what the SEMAP scores represent, how they are established, and how those scores affect a PHA.

Part VI: Record-Keeping. All aspects of the program involve certain types of record-keeping. This part outlines the privacy rights of applicants and participants and record retention policies the PHA will follow.

Part VII: Reporting and Record Keeping for Children with Elevated Blood Lead Level. This part describes the PHA's responsibilities for reporting, data collection, and record keeping relative to children with elevated blood lead levels that are less than six years of age, and are receiving HCV assistance.

Part VIII: Determination of Insufficient Funding. This part describes the PHA's policies for determining if there is sufficient funding to issue vouchers, to approve moves to higher cost units or areas, and to continue assistance for all participant families.

Part IX: Violence against Women Act (VAWA): Notification, Documentation, Confidentiality. This part contains key terms used in VAWA and describes requirements related to notifying families and owners about their rights and responsibilities under VAWA; requesting documentation from victims of domestic violence, dating violence, sexual assault, stalking, and human trafficking; and maintaining the confidentiality of information obtained from victims.

PART I: ADMINISTRATIVE FEE RESERVE [24 CFR 982.155]

The PHA will maintain administrative fee reserves, or unrestricted net position (UNP) for the program to pay program administrative expenses in excess of administrative fees paid by HUD for a PHA fiscal year. HUD appropriations acts beginning with FFY 2004 have specified that administrative fee funding may be used only for activities related to the provision of HCV assistance, including related development activities. Notice PIH 2012-9 cites two examples of related development activities: unit modification for accessibility purposes and development of project-based voucher units. The notice makes clear that other activities may also qualify as related development activities. Administrative fees that remain in the UNP account from funding provided prior to 2004 may be used for "other housing purposes permitted by state and local law," in accordance with 24 CFR 982.155(b)(1).

In addition, as specified in Notice PIH 2022-18, PHAs may use administrative fee funding for both administrative and "other expenses" needed to employ strategies and undertake activities beyond regular administrative responsibilities to facilitate the successful leasing and use of housing choice vouchers by families, such as through the use of security deposit assistance and landlord recruitment and incentive payments, among other allowable expenses specified in the notice. PHAs are also permitted to use UNP for these expenses [Notice PIH 2022-18].

If a PHA has not adequately administered its HCV program, HUD may prohibit use of funds in the UNP Account and may direct the PHA to use funds in that account to improve administration of the program, for HCV HAP expenses, or to reimburse ineligible expenses in accordance with the regulation at 24 CFR 982.155(b)(3).

HUD requires the PHA Board of Commissioners or other authorized officials to establish the maximum amount that may be charged against the UNP account without specific approval.

PHA Policy

Expenditures from the UNP account will be made in accordance with all applicable federal requirements. Expenditures will not exceed $25,001 per occurrence without the prior approval of the Hawthorne City Council.

PART II: SETTING PROGRAM STANDARDS AND SCHEDULES

16-II.A. OVERVIEW

Although many of the program's requirements are established centrally by HUD, the HCV program's regulations recognize that some flexibility is required to allow the PHA to adapt the program to local conditions. This part discusses how the PHA establishes and updates certain schedules and standards that are used to administer the program locally. Details about how these schedules are applied to individual families are provided in other chapters. The schedules and standards discussed here include:

- *Payment Standards*, which dictate the maximum subsidy a family can receive (application of the payment standards is discussed in Chapter 6); and
- *Utility Allowances*, which specify how a family's payment should be adjusted to account for tenant-paid utilities (application of utility allowances is discussed in Chapter 6).

PHA Policy

Copies of the payment standard and utility allowance schedules are available for review in the PHA's offices during normal business hours and on the PHA's website.

Families, owners, and members of the public may submit written comments on the schedules discussed in this part, at any time, for consideration during the next revision cycle.

The PHA will maintain documentation to support its annual review of payment standards and utility allowance schedules. This documentation will be retained for at least three years.

16-II.B. PAYMENT STANDARDS [24 CFR 982.503; HCV GB, Chapter 7; and Notice PIH 2024-34]

The payment standard sets the maximum subsidy payment a family can receive from the PHA each month [24 CFR 982.505(a)]. Payment standards are based on fair market rents (FMRs) published annually by HUD. FMRs are set at a percentile within the rent distribution of standard quality rental housing units in each FMR area. For most jurisdictions FMRs are set at the 40th percentile of gross rents in the market area.

In the HCV program, the FMR may be established at the ZIP code level, metropolitan market area level, or nonmetropolitan county level. Within each FMR area, the applicable FMR is the HUD-published:

- Small Area FMR (SAFMR);
  - For any metropolitan area designated as an SAFMR area; or
  - Anywhere a PHA has notified HUD it will voluntarily use SAFMRs;
- Metropolitan FMR for any other metropolitan area; or
- FMR for any other non-metropolitan county.

The PHA must establish a payment standard schedule that establishes payment standard amounts for each FMR area within the PHA's jurisdiction and for each unit size within each of the FMR areas. In many cases a single FMR area will cover the PHA's entire jurisdiction. Some PHAs' jurisdictions include more than one FMR area. The PHA's established payment standards within the payment standard area always must be within the basic range of the applicable FMR area, or any HUD-approved exception payment standard. Program regulations and this policy refer to the "applicable FMR." The "applicable FMR" is the HUD-published SAFMR for PHAs in mandatory SAFMR areas or for those PHAs that have opted-in to using the SAFMR, both of which are discussed below.

Small Area FMR PHAs (Mandatory and Opt-In) [Notice PIH 2018-01; Notice PIH 2023-32; Notice PIH 2024-34; and Implementing Small Area Fair Market Rents (SAFMR) Guidebook]

SAFMRs are FMRs calculated at the ZIP Code level, rather than for an entire metropolitan or non-metropolitan county.

HUD identifies which metropolitan areas are required to use SAFMRs based on significant voucher concentration challenges and market conditions. PHAs administering the HCV program in those areas are required to use the SAFMRs when establishing payment standards (mandatory SAFMR PHAs). Mandatory SAFMR PHAs must use the SAFMR for any part of their jurisdiction located in the SAFMR area.

Upon notification to HUD, PHAs not located in mandatory SAFMR areas may opt-in and voluntarily adopt SAFMRs for one or more of the FMR areas in which the PHA administers vouchers (opt-in PHAs). A PHA that exercises this option in one metropolitan area or non-metropolitan county is not required to exercise this option in other metropolitan areas or non-metropolitan counties. A PHA that opts in to SAFMRs may subsequently opt out through revision of the administrative plan and notification to HUD.

Alternatively, PHAs may elect to use SAFMRs only as the basis for exception payment standards in some or all of those non-mandatory SAFMR areas that cover or are within their jurisdictions. These PHAs are not considered opt-in PHAs.

When applicable, SAFMRs apply to all tenant-based vouchers in the PHA's jurisdiction, including special vouchers such as the Veterans Affairs Supportive Housing (VASH) program, the Family Unification Program (FUP), and special housing types such as Single Room Occupancies (SROs) and homeownership vouchers. SAFMRs do not apply to manufactured home space rental.

PHA Policy

The PHA is a mandatory SAFMR PHA.

The Basic Range [24 CFR 982.503(c) and Notice PIH 2024-34]

The PHA may establish a payment standard within the "basic range" established by HUD—between 90 and 110 percent of the published FMR for each unit size—without HUD approval or prior notification to HUD. For each payment standard area, the PHA must establish a payment standard amount for each unit size which may be based on the same percentage of the published FMR (for example, all units at 100 percent of FMR), or the PHA may set different payment standards for different unit sizes (for example, 1-bedrooms at 90 percent and 2-bedrooms at 100 percent of the FMR).

Designated Payment Standard Areas [24 CFR 982.503(a)(3) and Notice PIH 2024-34]

The PHA may establish designated payment standard areas within each FMR area where the PHA establishes different payment standards, provided each area is no smaller than a census tract block group. If the PHA designates payment standard areas, then it must include the criteria used to determine the designated areas and the payment standard amounts for those areas in the administrative plan.

PHA Policy

The PHA has not established any designated payment standard areas.

Exception Payment Standards [24 CFR 982.503(d), Notice PIH 2018-01, Notice PIH 2024-34, and FR Notice 9/27/21]

There are several options available to increase payment standards above the basic range. These are known as *exception payment standards,* which are payment standards that exceed 110 percent of the published FMR. The following are types of exception payment standards:

- Payment standards based on SAFMRs in ZIP codes where the SAFMR is higher than the applicable metropolitan or non-metropolitan county FMR
- Payment standards greater than 110 percent up to 120 percent of the applicable FMR
- Payment standards over 120 percent of the applicable FMR
- Payment standards up to 120 percent of the FMR for Veterans Affairs Supportive Housing (HUD-VASH)
- Payment standards necessary as a reasonable accommodation

Payment Standards based on SAFMRs in ZIP codes where the SAFMR is Higher than the FMR: Upon notification to HUD, a PHA that is not located in a SAFMR area or that has not opted to voluntarily adopt SAFMRs may establish an exception payment standard for a ZIP code area that exceeds the basic range for the metropolitan area or county FMR of up to and including 110 percent of the SAFMR for that ZIP code area. If an exception area crosses one or more FMR boundaries, then the maximum exception payment standard amount that a PHA may adopt for the area without HUD approval is 110 percent of the ZIP code area with the lowest SAFMR amount. A PHA that adopts an exception payment standard pursuant to this authority must apply it to the entire ZIP code area.

Payment Standards Greater than 110 Percent Up to 120 Percent: Upon notification to HUD, a PHA may establish exception payment standards between 110 percent and 120 percent of the applicable FMR if the PHA meets one of the following criteria:

- Success rate: Fewer than 75 percent of families to which the PHA has issued tenant-based vouchers during the most recent 12-month period for which there is success rate data available have become participants on the program; or
- Rent burden: More than 40 percent of families with tenant-based assistance pay more than 30 percent of their adjusted income as their family share.

The PHA may revert back to the basic range at any time without notification to HUD.

PHAs may combine exception payment standards based on the SAFMR and exception payment standards greater than 110 and up to 120 percent.

Other Exception Payment Standards: PHAs may request HUD approval to establish exception payment standards up to 120 percent of the FMR when the above criteria do not apply or in order to establish exception payment standards that exceed 120 percent of the FMR. Requests may be made for an entire FMR area or a designated part of the FMR area.

Exception Payment Standards for VASH: In addition, HUD allows PHAs to establish a HUD-Veterans Affairs Supportive Housing (HUD-VASH) exception payment standard. PHAs may go up to but no higher than 120 percent of the FMR or SAFMR specifically for VASH families. PHAs who want to establish a VASH exception payment standard over 120 percent must still request a waiver from HUD (See Section 19-III.E.).

Once exception payment standards are adopted, the PHA may use the exception payment standard for all units, or for only units of a particular size. The exception payment standard may be established for a designated part of the FMR area (called an "exception area") or for the entire FMR area. Exception areas are typically county, city, town, ZIP code, or census tract areas. However, so long as the exception area is no smaller than census tract block group, the PHA may determine the area for the exception area.

PHA Policy

The PHA will establish an exception to payment standards when funding allows for all programs.

Reasonable Accommodation [24 CFR 982.503(d)(5), 24 CFR 982.505(d), Notice PIH 2024-34, and Notice PIH 2010-26]

Unit-by-unit exceptions to the PHA's payment standards generally are not permitted. However, an exception may be made on a case-by-case basis as a reasonable accommodation for a family that includes a person with disabilities. (See Chapter 2 for a discussion of reasonable accommodations.) This type of exception does not affect the PHA's payment standard schedule.

If required as a reasonable accommodation, the PHA may make an exception to the payment standard without HUD approval if the exception amount does not exceed 120 percent of the applicable FMR/SAFMR for the unit size (or in the case of VASH, up to 140 percent of the FMR/SAFMR). The PHA may request HUD approval for an exception to the payment standard for a particular family if the required amount exceeds 120 percent of the FMR/SAFMR.

PHA Policy

A family that requires a reasonable accommodation may request a higher payment standard at the time the Request for Tenancy Approval (RTA) is submitted. The family must document the need for the exception. In order to approve an exception, or request an exception from HUD, the PHA must determine that:

There is a shortage of affordable units that would be appropriate for the family;

The family share would otherwise exceed 40 percent of adjusted monthly income; and

The rent for the unit is reasonable.

Payment Standard below the Basic Range [24 CFR 982.503(e) and Notice PIH 2024-34]

The PHA must request HUD approval to establish a payment standard amount that is lower than the basic range. At HUD's sole discretion, HUD may approve establishment of a payment standard lower than the basic range. HUD will consider rent burden on families assisted under the program.

Updating Payment Standards [24 CFR 982.503(c)(3) and Notice PIH 2023-24]

HUD publishes FMRs in the *Federal Register* and also makes them available on the HUD website with an effective date of October 1. When HUD updates FMRs, the PHA must revise its payment standard amounts and schedule no later than three months following the effective date of the published FMR if revisions are necessary to stay within the basic range. HUD may require the PHA to make further adjustments if it determines that rent burdens for assisted families in the PHA's jurisdiction are unacceptably high [24 CFR 982.503(h)]. PHAs must include a copy of the payment standard schedule in the voucher briefing materials, and HUD strongly encourages PHAs to post their payment standard schedule on their website.

PHA Policy

The PHA will review the appropriateness of the payment standards on an annual basis when the new FMR is published, and at other times as determined necessary. In addition to ensuring the payment standards are always within the "basic range," the PHA will consider the following factors when determining whether an adjustment should be made to the payment standard schedule:

Funding Availability: The PHA will review projected HAP expenditures to determine the impact projected subsidy adjustments will have on funding available for the program and the number of families served. The PHA will compare the number of families who could be served under revised payment standard amounts with the number assisted under current payment standard amounts.

Rent Burden of Participating Families: Rent burden will be determined by identifying the percentage of families, for each unit size, that are paying more than 30 percent of their monthly adjusted income as the family share. When 40 percent or more of families, for any given unit size, are paying more than 30 percent of adjusted monthly income as the family share, the PHA will consider increasing the payment standard. In evaluating rent burdens, the PHA will not include families renting a larger unit than their family unit size.

Quality of Units Selected: The PHA may review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that payment standard increases are only made when needed to reach the mid-range of the market.

Changes in Rent to Owner: The PHA may review a sample of the units to determine how often owners are increasing or decreasing rents and the average percent of increases and decreases by bedroom size.

Unit Availability: The PHA may review the availability of units for each unit size, particularly in areas with low concentrations of poor and minority families.

Lease-up Time and Success Rate: The PHA may consider the percentage of families that are unable to locate suitable housing before the voucher expires and whether families are leaving the jurisdiction to find affordable housing.

Effective dates of changes to payment standard amounts will be determined at the time of update. The PHA will always ensure the payment standards will be within the basic range. The PHA will post its payment standards schedule on the PHA's website and include a copy in the voucher briefing materials.

16-II.C. UTILITY ALLOWANCES [24 CFR 982.517]

A PHA-established utility allowance schedule is used in determining family share and PHA subsidy. The PHA must maintain a utility allowance schedule for (1) all tenant-paid utilities, (2) the cost of tenant-supplied refrigerators and ranges, and (3) other tenant-paid housing services such as trash collection. The PHA must maintain an area-wide utility allowance schedule. The utility allowance schedule must be determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. In developing the schedule, the PHA must use normal patterns of consumption for the community as a whole, and current utility rates.

The utility allowance must include the utilities and services that are necessary in the locality to provide housing that complies with housing quality standards. Costs for telephone, cable/satellite television, and internet services are not included in the utility allowance schedule.

In the utility allowance schedule, the PHA must classify utilities and other housing services according to the following general categories: space heating; air conditioning; cooking; water heating; water; sewer; trash collection; other electric; cost of tenant-supplied refrigerator; cost of tenant-supplied range; applicable surcharges; and other specified housing services.

The cost of each utility and housing service must be stated separately by unit size and type. Chapter 18 of the *HCV Guidebook* provides detailed guidance to the PHA about establishing utility allowance schedules.

The PHA must state its policy for utility allowance payments in the administrative plan and apply it consistently to all households. The PHA must provide a copy of the utility allowance schedule to HUD.

Energy Efficient Utility Allowance [24 CFR 982.517(b)(2)(ii)]

In addition to the area-wide utility allowance standard, the PHA may maintain an area-wide, energy efficient utility allowance schedule to be used for units that are in a building that meets Leadership in Energy and Environmental Design (LEED) or Energy Star standards.

PHA Policy

The PHA will not maintain an energy efficient utility allowance schedule.

Air Conditioning [24 CFR 982.517(b)(1)(iii)]

The PHA must provide a utility allowance for air-conditioning when the majority of housing units in the market provide central air-conditioning or are wired for tenant-installed air conditioners.

PHA Policy

The PHA has included an allowance for air-conditioning in its schedule. Central air-conditioning or a portable air conditioner must be present in a unit before the PHA will apply this allowance to a family's rent and subsidy calculations.

Reasonable Accommodation and Individual Relief

Upon request from a family that includes a person with disabilities, the PHA must approve a utility allowance which is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation to make the program accessible and usable by the family member with a disability [24 CFR 982.517(e)]. See Chapter 2 for policies regarding the request and approval of reasonable accommodations.

Further, the PHA may grant requests for relief from charges in excess of the utility allowance on reasonable grounds, such as special needs of the elderly, ill, or residents with disabilities, or special factors not within control of the resident, as the PHA deems appropriate. The family must request the higher allowance and provide the PHA with an explanation of the need for the individual relief and information about the amount of additional allowance required [see HCV GB, p. 18-8].

PHAs should develop criteria for granting individual relief and to notify residents about the availability of individual relief, and also to notify participants about the availability of individual relief programs (sometimes referred to as “Medical Baseline discounts”) offered by the local utility company. Policies for granting exception utility allowances can be found in Section 6-III.D. of this plan.

Utility Allowance Revisions

The PHA must review its schedule of utility allowances each year and must revise the schedule if there has been a change of 10 percent or more in any utility rate since the last time the allowance for that utility was revised [24 CFR 982.517(c)(1)].

The PHA must maintain information supporting its annual review of utility allowance and any revisions made in its utility allowance schedule.

PART III: INFORMAL REVIEWS AND HEARINGS

16-III.A. OVERVIEW

Both applicants and participants have the right to disagree with, and appeal, certain decisions of the PHA that may adversely affect them. PHA decisions that may be appealed by applicants and participants are discussed in this section.

The process for applicant appeals of PHA decisions is called the "informal review." For participants (or applicants denied admission because of citizenship issues), the appeal process is called an "informal hearing." PHAs are required to include informal review procedures for applicants and informal hearing procedures for participants in their administrative plans [24 CFR 982.54(d)(12) and (13)].

16-III.B. INFORMAL REVIEWS

Informal reviews are provided for program applicants. An applicant is someone who has applied for admission to the program but is not yet a participant in the program. Informal reviews are intended to provide a "minimum hearing requirement" [24 CFR 982.554] and need not be as elaborate as the informal hearing requirements [*Federal Register* 60, no. 127 (3 July 1995): 34690].

Decisions Subject to Informal Review [24 CFR 982.554(a) and (c)]

The PHA must give an applicant the opportunity for an informal review of a decision denying assistance [24 CFR 982.554(a)]. Denial of assistance may include any or all of the following [24 CFR 982.552(a)(2)]:

- Denying listing on the PHA waiting list
- Denying or withdrawing a voucher
- Refusing to enter into a HAP contract or approve a lease
- Refusing to process or provide assistance under portability procedures

Informal reviews are *not* required for the following reasons [24 CFR 982.554(c)]:

- Discretionary administrative determinations by the PHA
- General policy issues or class grievances
- A determination of the family unit size under the PHA subsidy standards
- A PHA determination not to approve an extension of a voucher term
- A PHA determination not to grant approval of the tenancy
- A PHA determination that the unit is not in compliance with the housing quality standards
- A PHA determination that the unit does not meet space standards

PHA Policy

The PHA will only offer an informal review to applicants for whom assistance is being denied. Denial of assistance includes denying listing on the PHA waiting list; denying or withdrawing a voucher; refusing to enter into a HAP contract or approve a lease; refusing to process or provide assistance under portability procedures.

Notice to the Applicant [24 CFR 982.554(a)]

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

Scheduling an Informal Review

PHA Policy

A request for an informal review must be made in writing and delivered to the PHA either in person or by first class mail, by the close of the business day, no later than 10 business days from the date of the PHA's denial of assistance.

The PHA must schedule and send written notice of the informal review within 10 business days of the family's request.

If the informal review will be conducted remotely, at the time the PHA notifies the family of the informal review, the family will be informed:

Regarding the processes to conduct a remote informal review;

That, if needed, the PHA will provide technical assistance prior to and during the informal review; and

That if the family or any individual witness has any technological, resource, or accessibility barriers preventing them from fully accessing the remote informal review, the family may inform the PHA and the PHA will assist the family in either resolving the issues or allow the family to participate in an in-person informal review, as appropriate.

Informal Review Procedures [24 CFR 982.554(b)]

The informal review must be conducted by a person other than the one who made or approved the decision under review, or a subordinate of this person.

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

Remote Informal Reviews [Notice PIH 2020-32]

There is no requirement that informal reviews be conducted in-person and, as such, HUD allows PHAs to conduct all or a portion of their informal review remotely either over the phone, via video conferencing, or through other virtual platforms. If the PHA chooses to conduct remote informal reviews, applicants may still request an in-person informal review, as applicable.

PHA Policy

The PHA has the sole discretion to require that informal reviews be conducted remotely in case of local, state, or national physical distancing orders, and in cases of inclement weather or natural disaster.

In addition, the PHA will conduct an informal review remotely upon request of the applicant as a reasonable accommodation for a person with a disability, if an applicant does not have childcare or transportation that would enable them to attend the informal review, or if the applicant believes an in-person informal review would create an undue health risk. The PHA will consider other reasonable requests for a remote informal review on a case-by-case basis.

Ensuring Accessibility for Persons with Disabilities and LEP Individuals

As with in-person informal reviews, the platform for conducting remote informal reviews must be accessible to persons with disabilities and the informal review must be conducted in accordance with Section 504 and accessibility requirements. This includes ensuring any information, websites, emails, digital notifications, and other virtual platforms are accessible for persons with vision, hearing, and other disabilities. Further, providing effective communication in a digital context may require the use of individualized auxiliary aids or services, such as audio description, captioning, sign language and other types of interpreters, keyboard accessibility, accessible documents, screen reader support, and transcripts. Auxiliary aids or services must be provided in accessible formats, in a timely manner, and in such a way to protect the privacy and independence of the individual. PHAs may never request or require that individuals with disabilities provide their own auxiliary aids or services, including for remote informal hearings.

PHAs are required to make reasonable accommodations in policies, practices, and procedures to ensure persons with disabilities have a full and equal opportunity to participate in and benefit from all aspects of the informal review process. See Chapter 2 for a more detailed discussion of reasonable accommodation requirements.

If no method of conducting a remote informal review is available that appropriately accommodates an individual's disability, the PHA may not hold against the individual their inability to participate in the remote informal review, and the PHA should consider whether postponing the remote informal review to a later date is appropriate or whether there is a suitable alternative.

Due to the individualized nature of disability, the appropriate auxiliary aid or service necessary, or reasonable accommodation, will depend on the specific circumstances and requirements.

As with in-person reviews, Limited English Proficiency (LEP) requirements also apply to remote informal reviews, including the use of interpretation services and document translation. See Chapter 2 for a more thorough discussion of accessibility and LEP requirements, all of which apply in the context of remote informal reviews.

Conducting Remote Informal Reviews

The PHA must ensure that the lack of technology or inability to use technology for remote informal reviews does not pose a disadvantage to families that may not be apparent to the PHA. The PHA should determine through a survey or other means if these barriers exist prior to conducting the remote informal review and, if the family does not have the proper technology to fully participate, either postpone the informal review or provide an alternative means of access.

As with in-person informal reviews, the PHA must provide all materials presented, whether paper or electronic, to the family prior to the remote informal review. The family must also be provided with an accessible means by which to transmit their own evidence.

The PHA must ensure that the applicant has the right to hear and be heard. All PHA policies and processes for remote informal reviews must be conducted in accordance with due process requirements and be in compliance with HUD regulations at 24 CFR 982.554 and guidance specified in Notice PIH 2020-32.

PHA Policy

The PHA will conduct remote informal reviews via a video conferencing platform, when available. If, after attempting to resolve any barriers, applicants are unable to adequately access the video conferencing platform at any point, or upon applicant request, the informal review will be conducted by telephone conferencing call-in. If the family is unable to adequately access the telephone conferencing call-in at any point, the remote informal review will be postponed, and an in-person alternative will be provided promptly within a reasonable time.

At least five business days prior to the scheduled remote review, the PHA will provide the family with login information and/or conferencing call-in information and an electronic and/or physical copy of all materials being presented via first class mail and/or email. The notice will advise the family of technological requirements for the informal review and request the family notify the PHA of any known barriers. The PHA will resolve any barriers using the guidance in Section 6 of Notice PIH 2020-32, including offering the family the opportunity to attend an in-person informal review.

If the informal review is to be conducted remotely, the PHA will require the family to provide any documents directly relevant to the informal review at least 24 hours before the scheduled review through the mail, via email, or text. The PHA will scan and email copies of these documents to the PHA representative the same day.

Documents will be shared electronically whenever possible.

The PHA will follow up the email with a phone call and/or email to the applicant at least one business day prior to the remote informal review to ensure that the applicant received all information and is comfortable accessing the video conferencing or call-in platform.

The PHA will ensure that all electronic information stored or transmitted with respect to the informal review is secure, including protecting personally identifiable information (PII), and meets the requirements for accessibility for persons with disabilities and persons with LEP.

Informal Review Decision [24 CFR 982.554(b)]

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

PHA Policy

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

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

The validity of the grounds for denial of assistance. If the grounds for denial are not specified in the regulations, then the decision to deny assistance will be overturned.

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

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

The PHA will notify the applicant of the final decision, including a statement explaining the reason(s) for the decision. The notice will be mailed within 10 business days of the informal review, to the applicant and their representative, if any, along with proof of mailing.

If the decision to deny is overturned as a result of the informal review, processing for admission will resume.

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

16-III.C. INFORMAL HEARINGS FOR PARTICIPANTS [24 CFR 982.555]

PHAs must offer an informal hearing for certain PHA determinations relating to the individual circumstances of a participant family. A participant is defined as a family that has been admitted to the PHA's HCV program and is currently assisted in the program. The purpose of the informal hearing is to consider whether the PHA's decisions related to the family's circumstances are in accordance with the law, HUD regulations and PHA policies.

The PHA is not permitted to terminate a family's assistance until the time allowed for the family to request an informal hearing has elapsed, and any requested hearing has been completed. Termination of assistance for a participant may include any or all of the following:

- Refusing to enter into a HAP contract or approve a lease
- Terminating housing assistance payments under an outstanding HAP contract
- Refusing to process or provide assistance under portability procedures

Decisions Subject to Informal Hearing

Circumstances for which the PHA must give a participant family an opportunity for an informal hearing are as follows:

- A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment
- A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the PHA utility allowance schedule
- A determination of the family unit size under the PHA's subsidy standards
- A determination to terminate assistance for a participant family because of the family's actions or failure to act
- A determination to terminate assistance because the participant has been absent from the assisted unit for longer than the maximum period permitted under PHA policy and HUD rules

PHA Policy

The PHA will also give participant families an opportunity for an informal hearing for:

Any denial of a request for a reasonable accommodation for a person with disabilities (see Chapter 2).

Families participating in the Family Self-Sufficiency (FSS) program, when the PHA withholds the coordination of supportive services or terminates a family's participation in the FSS program because the PHA determines the FSS family has failed to comply without good cause with the requirements of the FSS Contract of Participation in accordance with the FSS Action Plan [24 CFR 984.303(i)].

Circumstances for which an informal hearing is not required are as follows:

- Discretionary administrative determinations by the PHA
- General policy issues or class grievances
- Establishment of the PHA schedule of utility allowances for families in the program
- A PHA determination not to approve an extension of a voucher term
- A PHA determination not to approve a unit or tenancy
- A PHA determination that a unit selected by the applicant is not in compliance with NSPIRE standards
- A PHA determination that the unit is not in accordance with space standards because of family size
- A determination by the PHA to exercise or not to exercise any right or remedy against an owner under a HAP contract

Remote Informal Hearings [Notice PIH 2020-32]

There is no requirement that informal hearings be conducted in-person, and as such, HUD allows PHAs to conduct all or a portion of their informal hearings remotely either over the phone, via video conferencing, or through other virtual platforms. If the PHA chooses to conduct remote informal hearings, applicants may still request an in-person informal hearing, as applicable.

PHA Policy

The PHA has the sole discretion to require that informal hearings be conducted remotely in case of local, state, or national physical distancing orders, and in cases of inclement weather or natural disaster.

In addition, the PHA will conduct an informal hearing remotely upon request as a reasonable accommodation for a person with a disability, if a participant does not have childcare or transportation that would enable them to attend the informal hearing, or if the participant believes an in-person hearing would create an undue health risk. The PHA will consider other reasonable requests for a remote informal hearing on a case-by-case basis.

Ensuring Accessibility for Persons with Disabilities and LEP Individuals

As with in-person informal hearings, the platform for conducting remote informal hearings must be accessible to persons with disabilities and the informal hearings must be conducted in accordance with Section 504 and accessibility requirements. This includes ensuring any information, websites, emails, digital notifications, and other virtual platforms are accessible for persons with vision, hearing, and other disabilities. Further, providing effective communication in a digital context may require the use of individualized auxiliary aids or services, such as audio description, captioning, sign language and other types of interpreters, keyboard accessibility, accessible documents, screen reader support, and transcripts. Auxiliary aids or services must be provided in accessible formats, in a timely manner, and in such a way to protect the privacy and independence of the individual. PHAs may never request or require that individuals with disabilities provide their own auxiliary aids or services, including for remote informal hearings.

PHAs are required to make reasonable accommodations in policies, practices, and procedures to ensure persons with disabilities have a full and equal opportunity to participate in and benefit from all aspects of the informal hearing process. See Chapter 2 for a more detailed discussion of reasonable accommodation requirements.

If no method of conducting a remote informal hearing is available that appropriately accommodates an individual's disability, the PHA may not hold against the individual their inability to participate in the remote informal hearing, and the PHA should consider whether postponing the remote hearing to a later date is appropriate or whether there is a suitable alternative.

Due to the individualized nature of disability, the appropriate auxiliary aid or service necessary, or reasonable accommodation will depend on the specific circumstances and requirements.

As with in-person reviews, Limited English Proficiency (LEP) requirements also apply to remote informal hearings, including the use of interpretation services and document translation. See Chapter 2 for a more thorough discussion of accessibility and LEP requirements, all of which apply in the context of remote informal hearings.

Conducting Informal Hearings Remotely

The PHA must ensure that the lack of technology or inability to use technology for remote informal hearings does not pose a disadvantage to families that may not be apparent to the PHA. The PHA should determine through a survey or other means if these barriers exist prior to conducting the remote informal hearing and, if the family does not have the proper technology to fully participate, either postpone the informal hearing or provide an alternative means of access.

As with in-person informal hearings, the PHA must provide all materials presented, whether paper or electronic, to the family prior to the remote informal hearing. The family must also be provided with an accessible means by which to transmit their own evidence.

The PHA's essential responsibility is to ensure informal hearings meet the requirements of due process and comply with HUD regulations. Therefore, all PHA policies and processes for remote informal hearings will be conducted in accordance with due process requirements and will be in compliance with HUD regulations at 24 CFR 982.555 and the guidance for conducting remote hearings specified in Notice PIH 2020-32.

PHA Policy

The PHA will conduct remote informal hearings via a video conferencing platform, when available. If, after attempting to resolve any barriers, participants are unable to adequately access the video conferencing platform at any point, or upon request, the informal hearing will be conducted by telephone conferencing call-in. If the family is unable to adequately access the telephone conferencing call-in at any point, the remote informal hearing will be postponed, and an in-person alternative will be provided promptly within a reasonable time.

At least five business days prior to the scheduled remote hearing, the PHA will provide the family with login information and/or conferencing call-in information and an electronic copy of all materials being presented via first class mail and/or email. The notice will advise the family of technological requirements for the hearing and request the family notify the PHA of any known barriers. The PHA will resolve any barriers using the guidance in Section 6 of Notice PIH 2020-32, including offering the family the opportunity to attend an in-person hearing.

The PHA will follow up with a phone call and/or email to the family at least one business day prior to the remote informal hearing to ensure that the family received all information and is comfortable accessing the video conferencing or call-in platform.

The PHA will ensure that all electronic information stored or transmitted with respect to the informal hearing is secure, including protecting personally identifiable information (PII), and meets the requirements for accessibility for persons with disabilities and persons with LEP.

Informal Hearing Procedures

Notice to the Family [24 CFR 982.555(c)]

When the PHA makes a decision that is subject to informal hearing procedures, the PHA must inform the family of its right to an informal hearing at the same time that it informs the family of the decision.

For decisions related to the family's annual or adjusted income, the determination of the appropriate utility allowance, and the determination of the family unit size, the PHA must notify the family that they may ask for an explanation of the basis of the determination, and that if they do not agree with the decision, they may request an informal hearing on the decision.

For decisions related to the termination of the family's assistance, or the denial of a family's request for an exception to the PHA's subsidy standards, the notice must contain a brief statement of the reasons for the decision, a statement that if the family does not agree with the decision, the family may request an informal hearing on the decision, and a statement of the deadline for the family to request an informal hearing.

PHA Policy

In cases where the PHA makes a decision for which an informal hearing must be offered, the notice to the family will include all of the following:

The proposed action or decision of the PHA.

A brief statement of the reasons for the decision, including the regulatory reference.

The date the proposed action will take place.

A statement of the family's right to an explanation of the basis for the PHA's decision.

A statement that if the family does not agree with the decision the family may request an informal hearing of the decision.

A deadline for the family to request the informal hearing.

To whom the hearing request should be addressed.

A copy of the PHA's hearing procedures.

That the family may request a remote informal hearing.

Scheduling an Informal Hearing **[24 CFR 982.555(d)]**

When an informal hearing is required, the PHA must proceed with the hearing in a reasonably expeditious manner upon the request of the family.

PHA Policy

A request for an informal hearing must be made in writing and delivered to the PHA either in person or by first class mail, by the close of the business day, no later than 10 business days from the date of the PHA's decision or notice to terminate assistance.

The PHA must schedule and send written notice of the informal hearing to the family within 10 business days of the family's request.

If the PHA hearing will be conducted remotely, at the time the notice is sent to the family, the family will be notified:

Regarding the processes involved in a remote informal hearing;

That the PHA will provide technical assistance prior to and during the informal hearing, if needed; and

That if the family or any individual witness has any technological, resource, or accessibility barriers, the family may inform the PHA and the PHA will assist the family in either resolving the issue or allow the family to participate in an in-person hearing, as appropriate.

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

If the family does not appear within 20 minutes of the scheduled time, and was unable to reschedule the hearing in advance due to the nature of the conflict, the family must contact the PHA within 24 hours of the scheduled hearing date, excluding weekends and holidays. The PHA will reschedule the hearing only if the family can show good cause for the failure to appear, or if it is needed as a reasonable accommodation for a person with disabilities. If the family cannot show good cause for the failure to appear, or a rescheduling is not needed as a reasonable accommodation, the PHA's decision will stand.

Pre-Hearing Right to Discovery **[24 CFR 982.555(e)]**

Participants and the PHA are permitted pre-hearing discovery rights. The family must be given the opportunity to examine before the hearing any PHA documents that are directly relevant to the hearing. The family must be allowed to copy any such documents at their own expense. If the PHA does not make the document available for examination on request of the family, the PHA may not rely on the document at the hearing.

For the purpose of informal hearings, *documents* include records and regulations.

PHA Policy

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

If the hearing will be conducted remotely, the PHA will compile a hearing packet, consisting of all documents the PHA intends to produce at the informal hearing. The PHA will mail copies of the hearing packet to the family, the family's representatives, if any, and the hearing officer at least three days before the scheduled remote informal hearing. The original hearing packet will be in the possession of the PHA representative and retained by the PHA.

Documents will be shared electronically whenever possible.

The PHA hearing procedures may provide that the PHA must be given the opportunity to examine at the PHA offices before the hearing any family documents that are directly relevant to the hearing. The PHA must be allowed to copy any such document at the PHA's expense. If the family does not make the document available for examination on request of the PHA, the family may not rely on the document at the hearing.

PHA Policy

For in-person hearings, the PHA will not require pre-hearing discovery by the PHA of family documents directly relevant to the hearing.

If the informal hearing is to be conducted remotely, the PHA will require the family to provide any documents directly relevant to the informal hearing at least 24 hours before the scheduled hearing through the mail, via email, or text. The PHA will scan and email copies of these documents to the hearing officer and the PHA representative the same day.

Documents will be shared electronically whenever possible.

Participant's Right to Bring Counsel **[24 CFR 982.555(e)(3)]**

At its own expense, the family may be represented by a lawyer or other representative at the informal hearing.

Informal Hearing Officer **[24 CFR 982.555(e)(4)]**

Informal hearings will be conducted by a person or persons approved by the PHA, other than the person who made or approved the decision or a subordinate of the person who made or approved the decision.

Attendance at the Informal Hearing

PHA Policy

Hearings may be attended by a hearing officer and the following applicable persons:

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

The participant and any witnesses for the participant

The participant's counsel or other representative

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

Conduct at Hearings

The person who conducts the hearing may regulate the conduct of the hearing in accordance with the PHA's hearing procedures [24 CFR 982.555(4)(ii)].

PHA Policy

The hearing officer is responsible to manage the order of business and to ensure that hearings are conducted in a professional and businesslike manner. Attendees are expected to comply with all hearing procedures established by the hearing officer and guidelines for conduct. Any person demonstrating disruptive, abusive or otherwise inappropriate behavior will be excused from the hearing at the discretion of the hearing officer.

***Evidence* [24 CFR 982.555(e)(5)]**

The PHA and the family must be given the opportunity to present evidence and question any witnesses. In general, all evidence is admissible at an informal hearing. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

PHA Policy

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

Oral evidence: the testimony of witnesses

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

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

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

Hearsay Evidence is evidence based not on a witness' personal knowledge. In and of itself, hearsay evidence carries no weight when making a finding of fact. The hearing officer may include hearsay evidence when considering their decision if it is corroborated by other evidence. Even though hearsay evidence is generally admissible in a hearing, the hearing officer will not base a hearing decision on hearsay alone unless there is clear probative value and credibility of the evidence, and the party seeking the change has met the burden of proof.

If either the PHA (or the family, if required in a remote hearing) fail to comply with the discovery requirements described above, the hearing officer will refuse to admit such evidence.

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

Procedures for Rehearing or Further Hearing

PHA Policy

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

Hearing Officer's Decision [24 CFR 982.555(e)(6)]

The person who conducts the hearing must issue a written decision, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family must be based on a preponderance of evidence presented at the hearing.

PHA Policy

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

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

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

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

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

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

Hearing information:

Name of the participant;

Date, time and place of the hearing;

Name of the hearing officer;

Name of the PHA representative; and

Name of family representative (if any).

Background: A brief, impartial statement of the reason for the hearing.

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

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

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

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

Issuance of Decision **[24 CFR 982.555(e)(6)]**

A copy of the hearing order must be furnished promptly to the family.

PHA Policy

The hearing officer will mail a "Notice of Hearing Decision" to the PHA and to the participant on the same day. This notice will be sent by first-class mail. The participant will be mailed the original "Notice of Hearing Decision" and a copy of the proof of mailing. A copy of the "Notice of Hearing Decision" will be maintained in the PHA's file.

Effect of Final Decision **[24 CFR 982.555(f)]**

The PHA is not bound by the decision of the hearing officer for matters in which the PHA is not required to provide an opportunity for a hearing, decisions that exceed the authority of the hearing officer, decisions that conflict with or contradict HUD regulations, requirements, or are otherwise contrary to federal, state, or local laws.

If the PHA determines it is not bound by the hearing officer's decision in accordance with HUD regulations, the PHA must promptly notify the family of the determination and the reason for the determination.

PHA Policy

The Executive Director has the authority to determine that the PHA is not bound by the decision of the hearing officer because the PHA was not required to provide a hearing, the decision exceeded the authority of the hearing officer, the decision conflicted with or contradicted HUD regulations, requirements, or the decision was otherwise contrary to federal, state, or local laws.

In such a case, the PHA will mail a "Notice of Final Decision" to the PHA program director and the participant on the same day. The "Notice of Final Decision" will be sent by first-class mail. A copy of this notice will be maintained in the PHA's file.

16-III.D. HEARING AND APPEAL PROVISIONS FOR NONCITIZENS [24 CFR 5.514]

Denial or termination of assistance based on immigration status is subject to special hearing and notice rules. Applicants who are denied assistance due to immigration status are entitled to an informal hearing, not an informal review.

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

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

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

The notice of denial or termination of assistance for noncitizens must advise the family:

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

USCIS Appeal Process [24 CFR 5.514(e)]

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

PHA Policy

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

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

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

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

PHA Policy

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

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

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

The informal hearing procedures for applicant families are described below.

Informal Hearing Officer

The PHA must provide an informal hearing before an impartial individual, other than a person who made or approved the decision under review, and other than a person who is a subordinate of the person who made or approved the decision. See Section 16-III.C. for a listing of positions that serve as informal hearing officers.

Evidence

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

PHA Policy

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

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

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

Representation and Interpretive Services

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

The family is entitled to request an interpreter. Upon request, the PHA will provide competent interpretation services, free of charge.

Recording of the Hearing

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

PHA Policy

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

Hearing Decision

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

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

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

For the informal hearing procedures that apply to participant families whose assistance is being terminated based on immigration status, see Section 16-III.C.

Retention of Documents [24 CFR 5.514(h)]

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

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

PART IV: OWNER OR FAMILY DEBTS TO THE PHA

16-IV.A. OVERVIEW

PHAs are required to include in the administrative plan, policies concerning repayment by a family of amounts owed to the PHA [24 CFR 982.54]. If the family breaches an agreement with the PHA to pay amounts owed to a PHA, or amounts paid to an owner by a PHA, the PHA, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to a PHA or amounts paid to an owner by a PHA. The PHA may prescribe the terms of the agreement [24 CFR 982.552(c)(1)(vii). This part describes the PHA's policies for recovery of monies owed to the PHA by families or owners.

PHA Policy

When an action or inaction of an owner or participant results in the overpayment of housing assistance, the PHA holds the owner or participant liable to return any overpayments to the PHA.

The PHA will enter into repayment agreements in accordance with the policies contained in this part as a means to recover overpayments.

16-IV.B. REPAYMENT POLICY

Owner Debts to the PHA

PHA Policy

Any amount due to the PHA by an owner must be repaid by the owner within 30 days of the PHA determination of the debt.

If the owner fails to repay the debt within the required time frame and is entitled to future HAP payments, the PHA will reduce the future HAP payments by the amount owed until the debt is paid in full.

If the owner is not entitled to future HAP payments the PHA may, in its sole discretion, offer to enter into a repayment agreement on terms prescribed by the PHA.

If the owner refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, the PHA will ban the owner from future participation in the program and pursue other modes of collection.

When an owner refuses to repay monies owed to the PHA, the PHA will utilize other available collection alternatives including, but not limited to, the following:

Collection agencies

Small claims court

Civil lawsuit

State income tax set-off program

Family Debts to the PHA

Families are required to reimburse the PHA if they were charged less rent than required because the family either underreported or failed to report income. PHAs are required to determine retroactive rent amounts as far back as the PHA has documentation of family unreported income [Notice PIH 2018-18].

PHA Policy

The PHA shall determine the final balance owed to the PHA within 60 days of identifying the debt. Any amount owed to the PHA by an HCV family must be repaid by the family. If the family is unable to repay the debt within 30 days, the PHA will offer to enter into a repayment agreement in accordance with the policies below.

Criminal Prosecution for Program Fraud/Abuse

Local, state or federal criminal prosecution should be considered by the PHA in flagrant cases, if the abuse was committed over several years, the fraud and/or underpayments are substantial and the PHA documents that a family and/or owner willfully intended to misrepresent the truth [HUD OIG Integrity Bulletin, Summer 2015].

PHA Policy

The PHA will consult with the HUD Field Office and regional OIG Special Agent in Charge (SAC) to determine whether it will refer the matter to the state or local district attorney to pursue criminal fraud charges.

Refusal to Enter into an Agreement

If the family refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, the PHA must terminate assistance [Notice PIH 2018-18].

PHA Policy

When a family refuses to repay monies owed to the PHA, in addition to termination of program assistance, the PHA will utilize other available collection alternatives including, but not limited to, the following:

Collection agencies

Small claims court

Civil lawsuit

State income tax set-off program

Repayment Agreement [24 CFR 792.103]

The term *repayment agreement* refers to a formal written document signed by a tenant or owner and provided to the PHA in which a tenant or owner acknowledges a debt in a specific amount and agrees to repay the amount due at specific time periods.

General Repayment Agreement Guidelines for Families

Down Payment Requirement

PHA Policy

Before executing a repayment agreement with a family, the PHA will generally require a down payment of 10 percent of the total amount owed. If the family can provide evidence satisfactory to the PHA that a down payment of 10 percent would impose an undue hardship, the PHA may, in its sole discretion, require a lesser percentage or waive the requirement.

Payment Thresholds

Notice PIH 2018-18 recommends that the total amount that a family must pay each month—the family's monthly share of rent plus the monthly debt repayment amount—should not exceed 40 percent of the family's monthly adjusted income. However, a family may already be paying 40 per cent or more of its monthly adjusted income in rent. Moreover, Notice PIH 2018-18 acknowledges that PHAs have the discretion to establish "thresholds and policies" for repayment agreements with families [24 CFR 982.552(c)(1)(vii)].

PHA Policy

The PHA has established the following thresholds for repayment of debts:

Amounts over $3,000 must be repaid within 36 months.

Amounts between $2,000 and $2,999 must be repaid within 30 months.

Amounts between $1,000 and $1,999 must be repaid within 24 months.

Amounts under $1,000 must be repaid within 12 months.

If a family can provide evidence satisfactory to the PHA that the threshold applicable to the family's debt would impose an undue hardship, the PHA may, in its sole discretion, determine that a lower monthly payment amount is reasonable. In making its determination, the PHA will consider all relevant information, including the following:

The amount owed by the family to the PHA

The reason for the debt, including whether the debt was the result of family action/inaction or circumstances beyond the family's control

The family's current and potential income and expenses

The family's current family share, as calculated under 24 CFR 982.515

The family's history of meeting its financial responsibilities

Execution of the Agreement

All repayment agreements must be in writing, dated, and signed by both the family and the PHA [Notice PIH 2018-18].

PHA Policy

Any repayment agreement between the PHA and a family must be signed and dated by the PHA and by the head of household and spouse/cohead (if applicable).

Due Dates

PHA Policy

All payments are due by the close of business on the 15th day of the month. If the 15th does not fall on a business day, the due date is the close of business on the first business day after the 15th.

Late or Missed Payments

PHA Policy

If a payment is not received by the end of the business day on the date due, and prior approval for the missed payment has not been given by the PHA, the PHA will send the family a delinquency notice giving the family 10 business days to make the late payment. If the payment is not received by the due date of the delinquency notice, it will be considered a breach of the agreement and the PHA will terminate assistance in accordance with the policies in Chapter 12.

If a family receives three delinquency notices for unexcused late payments in a 12-month period, the repayment agreement will be considered in default, and the PHA will terminate assistance in accordance with the policies in Chapter 12.

No Offer of Repayment Agreement

PHA Policy

The PHA will not enter into a repayment agreement with a family if there is already a repayment agreement in place with the family or if the PHA, in consultation with HUD and local law enforcement, determine to pursue criminal charges in connection with the conduct and the amounts owed.

Repayment Agreement Terms

All repayment agreements must be in writing, dated, signed by both the family and the PHA, include the total retroactive rent amount owed, any amount of lump sum payment made at time of execution, if applicable, and the monthly repayment amount. Notice PIH 2018-18 requires certain provisions, at a minimum, be included in any repayment agreement involving amounts owed by a family because it underreported or failed to report income:

- A reference to the items in the family briefing packet that state the family's obligation to provide true and complete information at every reexamination and the grounds on which the PHA may terminate assistance because of a family's action or failure to act
- A statement clarifying that each month the family not only must pay to the PHA the monthly payment amount specified in the agreement but must also pay to the owner the family's monthly share of the rent to owner
- A statement that the terms of the repayment agreement may be renegotiated if the family's income decreases or increases
- A statement that late or missed payments constitute default of the repayment agreement and may result in termination of assistance

Writing off Debts

Debts will be written off if:

- The debtor's whereabouts are unknown and the debt is more than five years old.
- A determination is made that the debtor is judgment proof.
- The debtor is deceased.
- The debtor is confined to an institution indefinitely or for more than one year.

PART V: SECTION 8 MANAGEMENT ASSESSMENT PROGRAM (SEMAP)

16-V.A. OVERVIEW

The Section 8 Management Assessment Program (SEMAP) is a tool that allows HUD to measure PHA performance in key areas to ensure program integrity and accountability. SEMAP scores translate into a rating for each PHA as high performing, standard, or troubled. Scores on individual SEMAP indicators, as well as overall SEMAP ratings, can affect the PHA in several ways.

- High-performing PHAs can be given a competitive advantage under notices of funding availability [24 CFR 985.103].
- PHAs with deficiencies on one or more indicators are required to correct the deficiencies and report to HUD [24 CFR 985.106].
- PHAs with an overall rating of "troubled" are subject to additional HUD oversight, including on-site reviews by HUD staff, a requirement to develop a corrective action plan, and monitoring to ensure the successful implementation of the corrective action plan. In addition, PHAs that are designated "troubled" may not use any part of the administrative fee reserve for other housing purposes [24 CFR 985.107].
- HUD may determine that a PHA's failure to correct identified SEMAP deficiencies or to prepare and implement a corrective action plan required by HUD constitutes a default under the ACC [24 CFR 985.109].

16-V.B. SEMAP CERTIFICATION [24 CFR 985.101]

PHAs must submit the HUD-required SEMAP certification form within 60 calendar days after the end of its fiscal year. The certification must be approved by PHA board resolution and signed by the PHA executive director. If the PHA is a unit of local government or a state, a resolution approving the certification is not required, and the certification must be executed by the Section 8 program director.

PHAs with less than 250 voucher units are only required to be assessed every other PHA fiscal year. HUD will assess such PHAs annually if the PHA elects to have its performance assessed on an annual basis; or is designated as "troubled" [24 CFR 985.105].

Failure of a PHA to submit its SEMAP certification within the required time frame will result in an overall performance rating of "troubled."

A PHA's SEMAP certification is subject to HUD verification by an on-site confirmatory review at any time. For small PHAs, HUD may conduct a remote confirmatory review.

Upon receipt of the PHA's SEMAP certification, HUD will rate the PHA's performance under each SEMAP indicator in accordance with program requirements.

HUD Verification Method

Several of the SEMAP indicators are scored based on a review of a quality control sample selected for this purpose. The PHA or the Independent Auditor must select an unbiased sample that provides an adequate representation of the types of information to be assessed, in accordance with SEMAP requirements [24 CFR 985.2].

If the HUD verification method for the indicator relies on data in the Form-50058 module (formerly known as MTCS) in the PIH Information Center (PIC), and HUD determines that those data are insufficient to verify the PHA's certification on the indicator due to the PHA's failure to adequately report family data, HUD will assign a zero rating for the indicator [24 CFR 985.3].

16-V.C. SEMAP INDICATORS [24 CFR 985.3 and Form HUD-52648]

The table below lists each of the SEMAP indicators, contains a description of each indicator, and explains the basis for points awarded under each indicator.

A PHA that expends less than $300,000 in Federal awards and whose Section 8 programs are not audited by an independent auditor, is not to be rated under SEMAP indicators 1-7.

SEMAP Indicators
Indicator 1: Selection from the waiting list **Maximum Score: 15** • This indicator shows whether the PHA has written policies in its administrative plan for selecting applicants from the waiting list and whether the PHA follows these policies when selecting applicants from the waiting list. • Points are based on the percent of families that are selected from the waiting list in accordance with the PHA's written policies, according to the PHA's quality control samples.
Indicator 2: Rent reasonableness **Maximum Score: 20** • This indicator shows whether the PHA has and implements a reasonable written method to determine and document for each unit leased that the rent to owner is reasonable based on current rents for comparable unassisted units at the required times. • Points are based on the percent of units for which the PHA follows its written method to determine reasonable rent and has documented its determination that the rent to owner is reasonable, according to the PHA's quality control sample.
Indicator 3: Determination of adjusted income **Maximum Score: 20** • This indicator measures whether the PHA verifies and correctly determines adjusted income for each assisted family, and where applicable, uses the appropriate utility allowances for the unit leased in determining the gross rent. • Points are based on the percent of files that are calculated and verified correctly, according to the PHA's quality control sample.
Indicator 4: Utility allowance schedule **Maximum Score: 5** • This indicator shows whether the PHA maintains an up-to-date utility allowance schedule. • Points are based on whether the PHA has reviewed the utility allowance schedule and adjusted it when required, according to the PHA's certification.

Indicator 5: NSPIRE quality control inspections
Maximum Score: 5

- This indicator shows whether a PHA supervisor reinspects a sample of units under contract during the PHA fiscal year, which meets the minimum sample size requirements for quality control of NSPIRE inspections.
- Points are based on whether the required quality control reinspections were completed, according to the PHA's certification.

Indicator 6: NSPIRE enforcement
Maximum Score: 10

- This indicator shows whether, following each inspection of a unit under contract where the unit fails to meet NSPIRE standards, any cited life-threatening deficiencies are corrected within 24 hours from the inspection and all other deficiencies are corrected within no more than 30 calendar days from the inspection or any PHA-approved extension.
- Points are based on whether the PHA corrects all deficiencies in accordance with required time frames, according to the PHA's certification.

Indicator 7: Expanding housing opportunities
Maximum Points: 5

- Only applies to PHAs with jurisdiction in metropolitan FMR areas.
- This indicator shows whether the PHA has adopted and implemented a written policy to encourage participation by owners of units located outside areas of poverty or minority concentration; informs voucher holders of the full range of areas where they may lease units both inside and outside the PHA's jurisdiction; and supplies a list of landlords or other parties who are willing to lease units or help families find units, including units outside areas of poverty or minority concentration.
- Points are based on whether the PHA has adopted and implemented written policies in accordance with SEMAP requirements, according to the PHA's certification.

Indicator 8: FMR limit and payment standards
Maximum Points: 5 points

- This indicator shows whether the PHA has adopted a payment standard schedule that establishes payment standard amounts by unit size for each FMR area in the PHA's jurisdiction, that are within the basic range of 90 to 110 percent of the published FMR.
- Points are based on whether the PHA has appropriately adopted a payment standard schedule(s), according to the PHA's certification.

Indicator 9: Annual reexaminations
Maximum Points: 10

- This indicator shows whether the PHA completes a reexamination for each participating family at least every 12 months.
- Points are based on the percent of reexaminations that are less than two months overdue, according to data from PIC.

Indicator 10: Correct tenant rent calculations
Maximum Points: 5

- This indicator shows whether the PHA correctly calculates the family's share of the rent to owner.
- Points are based on the percent of correct calculations of family share of the rent, according to data from PIC.

Indicator 11: Pre-contract inspections
Maximum Points: 5

- This indicator shows whether newly leased units pass inspection on or before the effective date of the assisted lease and HAP contract.
- Points are based on the percent of newly leased units that passed inspection on or before the effective date of the lease and HAP contract, according to data from PIC.

Indicator 12: Annual inspections
Maximum Points: 10

- This indicator shows whether the PHA inspects each unit under contract at least annually.
- Points are based on the percent of annual inspections of units under contract that are more than 2 months overdue, according to data from PIC.

Indicator 13: Lease-up
Maximum Points: 20 points

- This indicator shows whether the PHA enters HAP contracts for at least 98 percent of the number of the PHA's baseline voucher units in the ACC for the calendar year ending on or before the PHA's fiscal year, or whether the PHA has expended at least 98 percent of its allocated budget authority for the same calendar year. The PHA can receive 15 points if 95 to 97 percent of vouchers are leased or budget authority is utilized.
- Points are based on utilization of vouchers and HAP expenditures as reported in the voucher management system (VMS) for the most recently completed calendar year.

Indicator 14: Family self-sufficiency (FSS) enrollment and escrow account balances
Maximum Points: 10

- Only applies to PHAs with mandatory FSS programs.
- This indicator shows whether the PHA has enrolled families in the FSS program as required and measures the percent of current FSS participants that have had increases in earned income which resulted in escrow account balances.
- Points are based on the percent of mandatory FSS slots that are filled and the percent of families with escrow account balances, according to data from PIC.

Success Rate of Voucher Holders
Maximum Points: 5

- Only applies to PHAs that have received approval to establish success rate payment standard amounts, and isn't effective until the second full PHA fiscal year following the date of HUD approval of success rate payment standard amounts.
- This indicator shows whether voucher holders were successful in leasing units with voucher assistance.
- Points are based on the percent of families that were issued vouchers, and that became participants in the voucher program.

Deconcentration Bonus Indicator
Maximum Points: 5

- Submission of data for this indicator is mandatory for a PHA using one or more payment standard amount(s) that exceed(s) 100 percent of the published FMR set at the 50th percentile rent, starting with the second full PHA fiscal year following initial use of payment standard amounts based on the FMRs set at the 50th percentile.
- Additional points are available to PHAs that have jurisdiction in metropolitan FMR areas and that choose to submit the required data.
- Points are based on whether the data that is submitted meets the requirements for bonus points.

PART VI: RECORD KEEPING

16-VI.A. OVERVIEW

The PHA must maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a speedy and effective audit. All such records must be made available to HUD or the Comptroller General of the United States upon request.

In addition, the PHA must ensure that all applicant and participant files are maintained in a way that protects an individual's privacy rights.

16-VI.B. RECORD RETENTION [24 CFR 982.158; 24 CFR 908.101]

During the term of each assisted lease, and for at least three years thereafter, the PHA must keep:

- A copy of the executed lease;
- The HAP contract; and
- The application from the family.

In addition, the PHA must keep the following records for at least three years:

- Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants;
- An application from each ineligible family and notice that the applicant is not eligible;
- HUD-required reports;
- Unit inspection reports;
- Lead-based paint records as required by 24 CFR 35, Subpart B.
- Accounts and other records supporting PHA budget and financial statements for the program;
- Records to document the basis for PHA determination that rent to owner is a reasonable rent (initially and during the term of a HAP contract); and
- Other records specified by HUD.

The PHA must keep the last three years of the Form HUD-50058 and supporting documentation during the term of each assisted lease, and for a period of at least three years from the end of participation (EOP) date [24 CFR 908.101].

The PHA must maintain Enterprise Income Verification (EIV) system Income Reports in the tenant file for the duration of the tenancy but for a period not to exceed three years from the EOP date [Notice PIH 2018-18].

Notice PIH 2014-20 requires PHAs to keep records of all complaints, investigations, notices, and corrective actions related to violations of the Fair Housing Act or the equal access final rule.

PHA Policy

The PHA will keep for at least three years records of all complaints, investigations, notices, and corrective actions related to violations of the Fair Housing Act, the equal access final rule, or VAWA.

The PHA must keep confidential records of all emergency transfer requested by victims of domestic violence, dating violence, sexual assault, stalking, and human trafficking under the PHA's Emergency Transfer Plan, as well as the outcomes of such requests, and retain the records for a period of three years [see 24 CFR 5.2002(e)(12)].

If an informal hearing to establish a family's citizenship status is held, longer retention requirements apply for some types of documents. For specific requirements, see Section 16-III.D., Retention of Documents.

16-VI.C. RECORDS MANAGEMENT

PHAs must maintain applicant and participant files and information in accordance with the regulatory requirements described below.

PHA Policy

All applicant and participant information will be kept in a secure location and access will be limited to authorized PHA staff.

PHA staff will not discuss personal family information unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

Privacy Act Requirements [24 CFR 5.212 and Form-9886-A]

The collection, maintenance, use, and dissemination of social security numbers (SSN), employer identification numbers (EIN), any information derived from these numbers, and income information of applicants and participants must be conducted, to the extent applicable, in compliance with the Privacy Act of 1974, and all other provisions of Federal, State, and local law.

Applicants and participants, including all adults in the household, are required to sign a consent form, HUD-9886-A, Authorization for Release of Information. This form incorporates the Federal Privacy Act Statement and describes how the information collected using the form may be used, and under what conditions HUD or the PHA may release the information collected.

Upfront Income Verification (UIV) Records

PHAs that access UIV data through HUD's Enterprise Income Verification (EIV) system are required to adopt and follow specific security procedures to ensure that all EIV data is protected in accordance with federal laws, regardless of the media on which the data is recorded (e.g. electronic, paper). These requirements are contained in the HUD-issued document, *Enterprise Income Verification (EIV) System, Security Procedures for Upfront Income Verification data.*

PHA Policy

Prior to utilizing HUD's EIV system, the PHA will adopt and implement EIV security procedures required by HUD.

Criminal Records

The PHA may only disclose the criminal conviction records which the PHA receives from a law enforcement agency to officers or employees of the PHA, or to authorized representatives of the PHA who have a job-related need to have access to the information [24 CFR 5.903(e)].

The PHA must establish and implement a system of records management that ensures that any criminal record received by the PHA from a law enforcement agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the PHA action without institution of a challenge or final disposition of any such litigation [24 CFR 5.903(g)].

The PHA must establish and implement a system of records management that ensures that any sex offender registration information received by the PHA from a State or local agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the PHA action without institution of a challenge or final disposition of any such litigation. However, a record of the screening, including the type of screening and the date performed must be retained [Notice PIH 2012-28]. This requirement does not apply to information that is public information or is obtained by a PHA other than under 24 CFR 5.905.

Medical/Disability Records

PHAs are not permitted to inquire about the nature or extent of a person's disability. The PHA may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If the PHA receives a verification document that provides such information, the PHA should not place this information in the tenant file. The PHA should destroy the document.

Documentation of Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking

For requirements and PHA policies related to management of documentation obtained from victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking see section 16-IX.E.

PART VII: REPORTING AND RECORD KEEPING FOR CHILDREN WITH ELEVATED BLOOD LEAD LEVEL

16-VII.A. OVERVIEW

The PHA has certain responsibilities relative to children with elevated blood lead levels that are receiving HCV assistance. The notification, verification, and hazard reduction requirements are discussed in Chapter 8. This part deals with the reporting requirements, and data collection and record keeping responsibilities that the PHA is subject to.

16-VII.B. REPORTING REQUIREMENT [24 CFR 35.1225(e); Notice PIH 2017-13]

The owner must report the name and address of a child identified as having an elevated blood lead level to the public health department within five business days of being so notified by any other medical health care professional. The owner must also notify the HUD field office and the HUD Office of Lead Hazard Control and Healthy Homes (OLHCHH) of the child's address within five business days. The PHA may collaborate with the owner on the notification process, such as by agreeing with the owner to provide the required notifications on the owner's behalf.

PHA Policy

Upon notification by the owner, the PHA will provide the public health department written notice of the name and address of any child identified as having an elevated blood lead level within five business days.

Upon notification by the owner, the PHA will notify the HUD field office and the HUD Office of Lead Hazard Control and Healthy Homes (OLHCHH) of the child's address within five business days.

16-VII.C. DATA COLLECTION AND RECORD KEEPING [24 CFR 35.1225(f)]

At least quarterly, the PHA must attempt to obtain from the public health department(s) with a similar area of jurisdiction, the names and/or addresses of children less than 6 years old with an elevated blood lead level.

If the PHA obtains names and addresses of elevated blood lead level children from the public health department(s), the PHA must match this information with the names and addresses of families receiving HCV assistance, unless the public health department performs such a procedure. If a match occurs, the PHA must carry out the notification, verification, and hazard reduction requirements discussed in Chapter 8, and the reporting requirement discussed above.

At least quarterly, the PHA must also report an updated list of the addresses of units receiving assistance under the HCV program to the same public health department(s), unless the public health department(s) states that it does not wish to receive such a report.

PHA Policy

The public health department(s) has stated they **do not** wish to receive a report of an updated list of the addresses of units receiving assistance under the HCV program, on a quarterly basis. Therefore, the PHA is not providing such a report.

PART VIII: DETERMINATION OF INSUFFICIENT FUNDING

16-VIII.A. OVERVIEW

The HCV regulations allow PHAs to deny families permission to move and to terminate Housing Assistance Payments (HAP) contracts if funding under the consolidated ACC is insufficient to support continued assistance [24 CFR 982.354(e)(1) and 982.454]. If a PHA denies a family a portability move based on insufficient funding, the PHA is required to notify the local HUD office within 10 business days [24 CFR 982.354]. Insufficient funding may also impact the PHA's ability to issue vouchers to families on the waiting list. This part discusses the methodology the PHA will use to determine whether or not the PHA has sufficient funding to issue vouchers, approve moves, and to continue subsidizing all families currently under a HAP contract. The PHA must identify in the administrative plan, in the event of insufficient funding, considering any cost saving measures taken by the PHA, a description of the factors the PHA will consider when determining which HAP contracts to terminate first. See Chapter 12 for a description of these factors.

16-VIII.B. METHODOLOGY

PHA Policy

The PHA will determine whether there is adequate funding to issue vouchers, approve moves to higher cost units and areas, and continue subsidizing all current participants by comparing the PHA's annual budget authority to the annual total HAP needs on a monthly basis. The total HAP needs for the calendar year will be projected by establishing the actual HAP costs year to date. To that figure, the PHA will add anticipated HAP expenditures for the remainder of the calendar year. Projected HAP expenditures will be calculated by multiplying the projected number of units leased per remaining months by the most current month's average HAP. The projected number of units leased per month will take into account the average monthly turnover of participant families. If the total annual HAP needs equal or exceed the annual budget authority and funding reserves, or if the PHA cannot support the cost of the proposed subsidy commitment (voucher issuance or move) based on the funding analysis, the PHA will be considered to have insufficient funding.

PART IX: VIOLENCE AGAINST WOMEN ACT (VAWA): NOTIFICATION, DOCUMENTATION, CONFIDENTIALITY

16-IX.A. OVERVIEW

The Violence Against Women Act (VAWA) provides special protections for victims of domestic violence, dating violence, sexual assault, stalking, and human trafficking who are applying for or receiving assistance under the housing choice voucher (HCV) program. If your state or local laws provide greater protection for such victims, those laws apply in conjunction with VAWA.

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

In addition to definitions of key terms used in VAWA, this part contains general VAWA requirements and PHA policies in three areas: notification, documentation, and confidentiality. Specific VAWA requirements and PHA policies are located primarily in the following sections: 3-I.C, "Family Breakup and Remaining Member of Tenant Family"; 3-III.H, "Prohibition against Denial of Assistance to Victims of Domestic Violence, Dating Violence, Sexual Assault, Stalking and Human Trafficking"; 10-I.A, "Allowable Moves"; 10-I.B, "Restrictions on Moves"; 12-II.E, "Terminations Related to Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking"; and 12-II.F, "Termination Notice."

16-IX.B. DEFINITIONS [24 CFR 5.2003, 42 USC 13925]

As used in VAWA:

- The term *affiliated individual* means, with respect to a person:
  - A spouse, parent, brother or sister, or child of that individual, or an individual to whom that individual stands in the position or place of a parent; or
  - Any other individual, tenant, or lawful occupant living in the household of the victim of domestic violence, dating violence, sexual assault, or stalking.
- The term *bifurcate* means, with respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.
- The term *dating violence* means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:
  - The length of the relationship
  - The type of relationship
  - The frequency of interaction between the persons involved in the relationship

- The term *domestic violence* includes felony or misdemeanor crimes committed by a current or former spouse or intimate partner of the victim under the family or domestic violence laws of the jurisdiction receiving grant funding, and in the case of victim services, includes the user or attempted use of physical abuse or sexual abuse, or a pattern of any other coercive behavior committed, enabled, or solicited to gain or maintain power and control over a victim, including verbal, psychological, economic, or technological abuse that may or may not constitute criminal behavior, by a person who is:
  - The current or former spouse or intimate partner of the victim, or person similarly situated to a spouse or intimate partner of the victim
  - A person who is cohabitating or has cohabitated with the victim as a spouse or intimate partner
  - A person with whom the victim shares a child in common
  - A person who commits acts against an youth or adult victim who is protected from those acts under the domestic or family violence laws of the jurisdiction
- The term *economic abuse* means behavior that is coercive, deceptive, or unreasonably controls or restrains a person's ability to acquire, use, or maintain economic resources to which they are entitled, including using coercion, fraud, and manipulation to:
  - Restrict a person's access to money, assets, credit, or financial information
  - Unfairly use a person's personal economic resources, including money, assets, and credit, for one's own advantage
  - Exert undue influence over a person's financial and economic behavior or decisions, including forcing default on joint or other financial obligations, exploiting powers of attorney, guardianship, or conservatorship, or to whom one has a fiduciary duty
- The term *sexual assault* means:
  - Any nonconsensual sexual act proscribed by federal, tribal, or state law, including when the victim lacks the capacity to consent
- The term *stalking* means:
  - To engage in a course of conduct directed at a specific person that would cause a reasonable person to fear for their safety or the safety of others, or suffer substantial emotional distress.

- The term *technological abuse* means an act or pattern of behavior that occurs within domestic violence, dating violence, sexual assault, or stalking and is intended to harm, threaten, intimidate, control, stalk, harass, impersonate, exploit, extort, or monitor another person, except as otherwise permitted by law, that occurs using any form of technology, including but not limited to:
  - Internet enabled devices
  - Online spaces and platforms
  - Computers
  - Mobile devices
  - Cameras and imaging programs
  - Apps
  - Location tracking devices
  - Communication technologies
  - Any other emergency technologies

16-IX.C. NOTIFICATION [24 CFR 5.2005(a)]

Notification to Public

The PHA adopts the following policy to help ensure that all actual and potential beneficiaries of its HCV program are aware of their rights under VAWA.

PHA Policy

The PHA will post the following information regarding VAWA in its offices and on its website. It will also make the information readily available to anyone who requests it.

A copy of Form HUD-5380, Notice of Occupancy Rights under VAWA, to housing choice voucher program applicants and participants who are or have been victims of domestic violence, dating violence, sexual assault, or stalking (Exhibit 16-1)

A copy of Form HUD-5382, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking and Alternate Documentation (Exhibit 16-2)

A copy of the PHA's emergency transfer plan (Exhibit 16-3)

A copy of Form HUD-5383, HUD's Emergency Transfer Request for Certain Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking (Exhibit 16-4)

The National Domestic Violence Hot Line: 1-800-799-SAFE (7233) or 1-800-787-3224 (TTY) (included in Exhibits 16-1 and 16-2)

Contact information for local victim advocacy groups or service providers

Notification to Program Applicants and Participants [24 CFR 5.2005(a)(1)]

PHAs are required to inform program applicants and participants of their rights under VAWA, including their right to confidentiality and the limits thereof, when they are denied assistance, when they are admitted to the program, and when they are notified of an eviction or termination of housing benefits.

PHA Policy

The PHA will provide all applicants with information about VAWA at the time they request an application for housing assistance, as part of the written briefing packet, and at the time the family is admitted to the program. The PHA will also include information about VAWA in all notices of denial of assistance (see section 3-III.H).

The PHA will provide all participants with information about VAWA at the time of admission (see section 5-I.B) and at annual reexamination. The PHA will also include information about VAWA in notices of termination of assistance, as provided in section 12-II.F.

The VAWA information provided to applicants and participants will consist of the notices in Exhibits 16-1 and 16-2.

The PHA is not limited to providing VAWA information at the times specified in the above policy. If the PHA decides to provide VAWA information to a participant following an incident of domestic violence, Notice PIH 2017-08 cautions against sending the information by mail, since the abuser may be monitoring the mail. The notice recommends that in such cases the PHA make alternative delivery arrangements that will not put the victim at risk.

PHA Policy

Whenever the PHA has reason to suspect that providing information about VAWA to a participant might place a victim of domestic violence at risk, it will attempt to deliver the information by hand directly to the victim or by having the victim come to an office or other space that may be safer for the individual, making reasonable accommodations as necessary. For example, the PHA may decide not to send mail regarding VAWA protections to the victim's unit if the PHA believes the perpetrator may have access to the victim's mail, unless requested by the victim.

When discussing VAWA with the victim, the PHA will take reasonable precautions to ensure that no one can overhear the conversation, such as having conversations in a private room.

The victim may, but is not required to, designate an attorney, advocate, or other secure contact for communications regarding VAWA protections.

Notification to Owners and Managers

While PHAs are no longer required by regulation to notify owners and managers participating in the HCV program of their rights and obligations under VAWA, the PHA may still choose to inform them.

PHA Policy

The PHA will provide owners and managers with information about their rights and obligations under VAWA when they begin their participation in the program and at least annually thereafter.

The VAWA information provided to owners will consist of the notice in Exhibit 16-5 and a copy of Form HUD-5382, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking and Alternate Documentation.

16-IX.D. DOCUMENTATION [24 CFR 5.2007]

A PHA presented with a claim for initial or continued assistance based on status as a victim of domestic violence, dating violence, sexual assault, stalking, human trafficking, or criminal activity related to any of these forms of abuse may—but is not required to—request that the individual making the claim document the abuse. Any request for documentation must be in writing, and the individual must be allowed at least 14 business days after receipt of the request to submit the documentation. The PHA may extend this time period at its discretion. [24 CFR 5.2007(a)]

The individual may satisfy the PHA's request by providing any one of the following three forms of documentation [24 CFR 5.2007(b)]:

(1) A completed and signed HUD-approved certification form (HUD-5382, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), which must include the name of the perpetrator only if the name of the perpetrator is safe to provide and is known to the victim. The form may be filled out and submitted on behalf of the victim.

(2) A federal, state, tribal, territorial, or local police report or court record, or an administrative record

(3) Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, sexual assault, stalking, human trafficking, or the effects of such abuse. This person may be an employee, agent, or volunteer of a victim service provider; an attorney; a mental health professional; or a medical professional. The person signing the documentation must attest under penalty of perjury to the person's belief that the incidents in question are bona fide incidents of abuse. The victim must also sign the documentation.

The PHA may not require third-party documentation (forms 2 and 3) in addition to certification (form 1), except as specified below under "Conflicting Documentation," nor may it require certification in addition to third-party documentation [FR Notice 11/16/16].

PHA Policy

Any request for documentation of domestic violence, dating violence, sexual assault, stalking, or human trafficking will be in writing, will specify a deadline of 14 business days following receipt of the request, will describe the three forms of acceptable documentation, will provide explicit instructions on where and to whom the documentation must be submitted, and will state the consequences for failure to submit the documentation or request an extension in writing by the deadline.

The PHA may, in its discretion, extend the deadline for 10 business days. In determining whether to extend the deadline, the PHA will consider factors that may contribute to the victim's inability to provide documentation in a timely manner, including cognitive limitations, disabilities, limited English proficiency, absence from the unit, administrative delays, the danger of further violence, and the victim's need to address health or safety issues. Any extension granted by the PHA will be in writing.

Once the victim provides documentation, the PHA will acknowledge receipt of the documentation within 10 business days.

Conflicting Documentation [24 CFR 5.2007(e)]

In cases where the PHA receives conflicting certification documents from two or more members of a household, each claiming to be a victim and naming one or more of the other petitioning household members as the perpetrator, the PHA may determine which is the true victim by requiring each to provide acceptable third-party documentation, as described above (forms 2 and 3). The PHA may also request third-party documentation when submitted documentation contains information that conflicts with existing information already available to the PHA. Individuals have 30 calendar days to return third-party verification to the PHA. If the PHA does not receive third-party documentation, and the PHA will deny or terminate assistance as a result, the PHA must hold separate hearings for the tenants [Notice PIH 2017-08].

The PHA must honor any court orders issued to protect the victim or to address the distribution of property.

PHA Policy

If presented with conflicting certification documents from members of the same household, the PHA will attempt to determine which is the true victim by requiring each of them to provide third-party documentation in accordance with 24 CFR 5.2007(e) and by following any HUD guidance on how such determinations should be made.

When requesting third-party documents, the PHA will provide contact information for local domestic violence and legal aid offices. In such cases, applicants or tenants will be given 30 calendar days from the date of the request to provide such documentation.

If the PHA does not receive third-party documentation within the required timeframe (and any extensions) the PHA will deny VAWA protections and will notify the applicant or tenant in writing of the denial. If, as a result, the applicant or tenant is denied or terminated from the program, the PHA will hold separate hearings for the applicants or tenants.

Discretion to Require No Formal Documentation [24 CFR 5.2007(d)]

The PHA has the discretion to provide benefits to an individual based solely on the individual's statement or other corroborating evidence—i.e., without requiring formal documentation of abuse in accordance with 24 CFR 5.2007(b). HUD recommends documentation in a confidential manner when a verbal statement or other evidence is accepted.

PHA Policy

If the PHA accepts an individual's statement or other corroborating evidence (as determined by the victim) of domestic violence, dating violence, sexual assault, stalking, or human trafficking, the PHA will document acceptance of the statement or evidence in the individual's file.

Failure to Provide Documentation [24 CFR 5.2007(c)]

In order to deny relief for protection under VAWA, a PHA must provide the individual requesting relief with a written request for documentation of abuse. If the individual fails to provide the documentation within 14 business days from the date of receipt, or such longer time as the PHA may allow, the PHA may deny relief for protection under VAWA.

16-IX.E. CONFIDENTIALITY [24 CFR 5.2007(b)(4)]

All information provided to the PHA regarding domestic violence, dating violence, sexual assault, stalking, or human trafficking, including the fact that an individual is a victim, must be retained in confidence. This means that the PHA (1) may not enter the information into any shared database, (2) may not allow employees or others to access the information unless they are explicitly authorized to do so and have a need to know the information for purposes of their work, and (3) may not provide the information to any other entity or individual, except to the extent that the disclosure is (a) requested or consented to by the individual in writing, (b) required for use in an eviction proceeding, or (c) otherwise required by applicable law.

PHA Policy

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, the PHA will inform the victim before disclosure occurs so that safety risks can be identified and addressed.

EXHIBIT 16-1: SAMPLE NOTICE OF OCCUPANCY RIGHTS UNDER THE VIOLENCE AGAINST WOMEN ACT, FORM HUD-5380

Hawthorne Housing Authority

Notice of Occupancy Rights under the Violence Against Women Act[1]

To all Tenants and Applicants

The Violence Against Women Act (VAWA) provides protections for victims of domestic violence, dating violence, sexual assault, or stalking. VAWA protections are not only available to women, but are available equally to all individuals regardless of sex, gender identity, or sexual orientation.[2] The U.S. Department of Housing and Urban Development (HUD) is the federal agency that oversees that the housing choice voucher program is in compliance with VAWA. This notice explains your rights under VAWA. A HUD-approved certification form is attached to this notice. You can fill out this form to show that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking, and that you wish to use your rights under VAWA."

Protections for Applicants

If you otherwise qualify for assistance under the housing choice voucher program**,** you cannot be denied admission or denied assistance because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

Protections for Tenants

If you are receiving assistance under the housing choice voucher program**,** you may not be denied assistance, terminated from participation, or be evicted from your rental housing because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

Also, if you or an affiliated individual of yours is or has been the victim of domestic violence, dating violence, sexual assault, or stalking by a member of your household or any guest, you may not be denied rental assistance or occupancy rights under the housing choice voucher program solely on the basis of criminal activity directly relating to that domestic violence, dating violence, sexual assault, or stalking.

Affiliated individual means your spouse, parent, brother, sister, or child, or a person to whom you stand in the place of a parent or guardian (for example, the affiliated individual is in your care, custody, or control); or any individual, tenant, or lawful occupant living in your household.

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[1] Despite the name of this law, VAWA protection is available regardless of sex, gender identity, or sexual orientation.

[2] Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

Removing the Abuser or Perpetrator from the Household

The PHA may divide (bifurcate) your lease in order to evict the individual or terminate the assistance of the individual who has engaged in criminal activity (the abuser or perpetrator) directly relating to domestic violence, dating violence, sexual assault, or stalking.

If the PHA chooses to remove the abuser or perpetrator, the PHA may not take away the rights of eligible tenants to the unit or otherwise punish the remaining tenants. If the evicted abuser or perpetrator was the sole tenant to have established eligibility for assistance under the program, the PHA must allow the tenant who is or has been a victim and other household members to remain in the unit for a period of time, in order to establish eligibility under the program or under another HUD housing program covered by VAWA, or, find alternative housing.

In removing the abuser or perpetrator from the household, the PHA must follow federal, state, and local eviction procedures. In order to divide a lease, the PHA may, but is not required to, ask you for documentation or certification of the incidences of domestic violence, dating violence, sexual assault, or stalking.

Moving to Another Unit

Upon your request, the PHA may permit you to move to another unit, subject to the availability of other units, and still keep your assistance. In order to approve a request, the PHA may ask you to provide documentation that you are requesting to move because of an incidence of domestic violence, dating violence, sexual assault, or stalking. If the request is a request for emergency transfer, the housing provider may ask you to submit a written request or fill out a form where you certify that you meet the criteria for an emergency transfer under VAWA. The criteria are:

1. **You are a victim of domestic violence, dating violence, sexual assault, or stalking.** If your housing provider does not already have documentation that you are a victim of domestic violence, dating violence, sexual assault, or stalking, your housing provider may ask you for such documentation, as described in the documentation section below.
2. **You expressly request the emergency transfer.** Your housing provider may choose to require that you submit a form, or may accept another written or oral request.
3. **You reasonably believe you are threatened with imminent harm from further violence if you remain in your current unit.** This means you have a reason to fear that if you do not receive a transfer you would suffer violence in the very near future.

   OR

   You are a victim of sexual assault and the assault occurred on the premises during the 90-calendar-day period before you request a transfer. If you are a victim of sexual assault, then in addition to qualifying for an emergency transfer because you reasonably believe you are threatened with imminent harm from further violence if you remain in your unit, you may qualify for an emergency transfer if the sexual assault occurred on the premises of the property from which you are seeking your transfer, and that assault happened within the 90-calendar-day period before you expressly request the transfer.

The PHA will keep confidential requests for emergency transfers by victims of domestic violence, dating violence, sexual assault, or stalking, and the location of any move by such victims and their families.

The PHA's emergency transfer plan provides further information on emergency transfers, and the PHA must make a copy of its emergency transfer plan available to you if you ask to see it.

Documenting You Are or Have Been a Victim of Domestic Violence, Dating Violence, Sexual Assault or Stalking

The PHA can, but is not required to, ask you to provide documentation to "certify" that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking. Such request from the PHA must be in writing, and the PHA must give you at least 14 business days (Saturdays, Sundays, and federal holidays do not count) from the day you receive the request to provide the documentation. The PHA may, but does not have to, extend the deadline for the submission of documentation upon your request.

You can provide one of the following to the PHA as documentation. It is your choice which of the following to submit if the PHA asks you to provide documentation that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

- A complete HUD-approved certification form given to you by the PHA with this notice, that documents an incident of domestic violence, dating violence, sexual assault, or stalking. The form will ask for your name, the date, time, and location of the incident of domestic violence, dating violence, sexual assault, or stalking, and a description of the incident. The certification form provides for including the name of the abuser or perpetrator if the name of the abuser or perpetrator is known and is safe to provide.
- A record of a Federal, State, tribal, territorial, or local law enforcement agency, court, or administrative agency that documents the incident of domestic violence, dating violence, sexual assault, or stalking. Examples of such records include police reports, protective orders, and restraining orders, among others.
- A statement, which you must sign, along with the signature of an employee, agent, or vounteer of a victim service provider, an attorney, a medical professional or a mental helth professional (collectively, "professional") from whom you sought assistance in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse, and with the professional selected by you attesting under penalty of perjury that they believe that the incident or incidents of domestic violence, dating violence, sexual assault, or stalking are grounds for protection.
- Any other statement or evidence that the PHA has agreed to accept.

If you fail or refuse to provide one of these documents within the 14 business days, the PHA does not have to provide you with the protections contained in this notice.

If the PHA receives conflicting evidence that an incident of domestic violence, dating violence, sexual assault, or stalking has been committed (such as certification forms from two or more members of a household each claiming to be a victim and naming one or more of the other petitioning household members as the abuser or perpetrator), the PHA has the right to request that you provide third-party documentation within thirty 30 calendar days in order to resolve the conflict. If you fail or refuse to provide third-party documentation where there is conflicting evidence, the PHA does not have to provide you with the protections contained in this notice.

Confidentiality

The PHA must keep confidential any information you provide related to the exercise of your rights under VAWA, including the fact that you are exercising your rights under VAWA.

The PHA must not allow any individual administering assistance or other services on behalf of the PHA (for example, employees and contractors) to have access to confidential information unless for reasons that specifically call for these individuals to have access to this information under applicable Federal, State, or local law.

The PHA must not enter your information into any shared database or disclose your information to any other entity or individual. The PHA, however, may disclose the information provided if:

- You give written permission to the PHA to release the information on a time limited basis.
- The PHA needs to use the information in an eviction or termination proceeding, such as to evict your abuser or perpetrator or terminate your abuser or perpetrator from assistance under this program.
- A law requires the PHA or your landlord to release the information.

VAWA does not limit the PHA's duty to honor court orders about access to or control of the property. This includes orders issued to protect a victim and orders dividing property among household members in cases where a family breaks up.

Reasons a Tenant Eligible for Occupancy Rights under VAWA May Be Evicted or Assistance May Be Terminated

You can be evicted and your assistance can be terminated for serious or repeated lease violations that are not related to domestic violence, dating violence, sexual assault, or stalking committed against you. However, the PHA cannot hold tenants who have been victims of domestic violence, dating violence, sexual assault, or stalking to a more demanding set of rules than it applies to tenants who have not been victims of domestic violence, dating violence, sexual assault, or stalking.

The protections described in this notice might not apply, and you could be evicted and your assistance terminated, if the PHA can demonstrate that not evicting you or terminating your assistance would present a real physical danger that:

1. Would occur within an immediate time frame, and
2. Could result in death or serious bodily harm to other tenants or those who work on the property.

If the PHA can demonstrate the above, the PHA should only terminate your assistance or evict you if there are no other actions that could be taken to reduce or eliminate the threat.

Other Laws

VAWA does not replace any federal, state, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault, or stalking. You may be entitled to additional housing protections for victims of domestic violence, dating violence, sexual assault, or stalking under other Federal laws, as well as under State and local laws.

Non-Compliance with The Requirements of This Notice

You may report a covered housing provider's violations of these rights and seek additional assistance, if needed, by contacting or filing a complaint with **The City of Hawthorne, City Manager's Office, 4455 W 126th St, Hawthorne, CA 90250** or **Los Angeles Field Office, 300 North Los Angeles Street, STE. 4054, Los Angeles, CA 90012**.

For Additional Information

You may view a copy of HUD's final VAWA rule at: https://www.gpo.gov/fdsys/pkg/FR-2016-11-16/pdf/2016-25888.pdf.

Additionally, the PHA must make a copy of HUD's VAWA regulations available to you if you ask to see them.

For questions regarding VAWA, please contact your assigned Housing Assistant.

For help regarding an abusive relationship, you may call the National Domestic Violence Hotline at 1-800-799-7233 or, for persons with hearing impairments, 1-800-787-3224 (TTY). You may also contact **New Star Justice Center at 424-336-9470**.

For tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at https://www.victimsofcrime.org/our-programs/stalking-resource-center.

For help regarding sexual assault, you may contact **New Star Justice Center at 424-336-9470**

Victims of stalking seeking help may contact **New Star Justice Center at 424-336-9470**

Attachment: Certification Form HUD-5382 **[form approved for this program to be included]**

EXHIBIT 16-2: CERTIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING AND ALTERNATE DOCUMENTATION, FORM HUD-5382

CERTIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING, AND ALTERNATE DOCUMENTATION

U.S. Department of Housing and Urban Development

OMB Approval No. 2577-0286
Exp. 06/30/2017

Purpose of Form: The Violence Against Women Act ("VAWA") protects applicants, tenants, and program participants in certain HUD programs from being evicted, denied housing assistance, or terminated from housing assistance based on acts of domestic violence, dating violence, sexual assault, or stalking against them. Despite the name of this law, VAWA protection is available to victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

Use of This Optional Form: If you are seeking VAWA protections from your housing provider, your housing provider may give you a written request that asks you to submit documentation about the incident or incidents of domestic violence, dating violence, sexual assault, or stalking.

In response to this request, you or someone on your behalf may complete this optional form and submit it to your housing provider, or you may submit one of the following types of third-party documentation:

(1) A document signed by you and an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional (collectively, "professional") from whom you have sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse. The document must specify, under penalty of perjury, that the professional believes the incident or incidents of domestic violence, dating violence, sexual assault, or stalking occurred and meet the definition of "domestic violence," "dating violence," "sexual assault," or "stalking" in HUD's regulations at 24 CFR 5.2003.

(2) A record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency; or

(3) At the discretion of the housing provider, a statement or other evidence provided by the applicant or tenant.

Submission of Documentation: The time period to submit documentation is 14 business days from the date that you receive a written request from your housing provider asking that you provide documentation of the occurrence of domestic violence, dating violence, sexual assault, or stalking. Your housing provider may, but is not required to, extend the time period to submit the documentation, if you request an extension of the time period. If the requested information is not received within 14 business days of when you received the request for the documentation, or any extension of the date provided by your housing provider, your housing provider does not need to grant you any of the VAWA protections. Distribution or issuance of this form does not serve as a written request for certification.

Confidentiality: All information provided to your housing provider concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking shall be kept confidential and such details shall not be entered into any shared database. Employees of your housing provider are not to have access to these details unless to grant or deny VAWA protections to you, and such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release; (ii) required for use in an eviction proceeding or hearing regarding termination of assistance; or (iii) otherwise required by applicable law.

TO BE COMPLETED BY OR ON BEHALF OF THE VICTIM OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING

1. Date the written request is received by victim: _____

2. Name of victim: _____

3. Your name (if different from victim's):_____

4. Name(s) of other family member(s) listed on the lease:_____

_____

5. Residence of victim: _____

6. Name of the accused perpetrator (if known and can be safely disclosed):_____

_____

7. Relationship of the accused perpetrator to the victim:_____

8. Date(s) and times(s) of incident(s) (if known):_____

_____

10. Location of incident(s):_____

In your own words, briefly describe the incident(s):

_____

_____

_____

This is to certify that the information provided on this form is true and correct to the best of my knowledge and recollection, and that the individual named above in Item 2 is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature _____Signed on (Date) _____

Public Reporting Burden: The public reporting burden for this collection of information is estimated to average 1 hour per response. This includes the time for collecting, reviewing, and reporting the data. The information provided is to be used by the housing provider to request certification that the applicant or tenant is a victim of domestic violence, dating violence, sexual assault, or stalking. The information is subject to the confidentiality requirements of VAWA. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget control number.

EXHIBIT 16-3: EMERGENCY TRANSFER PLAN FOR VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING (HCV VERSION)

Attachment: Certification form HUD-5382

Hawthorne Housing Authority

Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

Housing Choice Voucher Program

Emergency Transfers

The PHA is concerned about the safety of its tenants, and such concern extends to tenants who are victims of domestic violence, dating violence, sexual assault, or stalking. In accordance with the Violence Against Women Act (VAWA),[3] the PHA allows tenants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant's current unit to another unit. The ability to request a transfer is available regardless of sex, gender identity, or sexual orientation.[4] The ability of the PHA to honor such request for tenants currently receiving assistance, however, may depend upon a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and on whether the PHA has another dwelling unit that is available and is safe to offer the tenant for temporary or more permanent occupancy.

This plan identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security. This plan is based on a model emergency transfer plan published by the U.S. Department of Housing and Urban Development (HUD), the federal agency that oversees that the **public housing and housing choice voucher (HCV) programs** are in compliance with VAWA.

Eligibility for Emergency Transfers

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L, is eligible for an emergency transfer if the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault, the tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.

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[3]Despite the name of this law, VAWA protection is available to all victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

[4]Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan.

Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

Emergency Transfer Request Documentation

To request an emergency transfer, the tenant shall notify the PHA's management office and submit a written request for a transfer to **any PHA office**. The PHA will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:

1. A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under the PHA's program; OR
2. A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.

Confidentiality

The PHA will keep confidential any information that the tenant submits in requesting an emergency transfer, and information about the emergency transfer, unless the tenant gives the PHA written permission to release the information on a time-limited basis, or disclosure of the information is required by law or required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program. This includes keeping confidential the new location of the dwelling unit of the tenant, if one is provided, from the person or persons that committed an act of domestic violence, dating violence, sexual assault, or stalking against the tenant. See the Notice of Occupancy Rights under the Violence against Women Act for All Tenants for more information about the PHA's responsibility to maintain the confidentiality of information related to incidents of domestic violence, dating violence, sexual assault, or stalking.

Emergency Transfer Timing and Availability

The PHA cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. The PHA will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. The PHA may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

If the PHA has no safe and available units for which a tenant who needs an emergency transfer is eligible, the PHA will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move. At the tenant's request, the PHA will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

Emergency Transfers: Housing Choice Voucher (HCV) Program

Tenant-based assistance: If you are a participant in the tenant-based HCV program and request an emergency transfer as described in this plan, the PHA will assist you to move to a safe unit quickly using your existing voucher assistance. The PHA will make exceptions to program regulations restricting moves as required.

At your request, the PHA will refer you to organizations that may be able to further assist you.

Project-based assistance: If you are assisted under the project-based voucher (PBV) program, you may request an emergency transfer under the following programs for which you are not required to apply:

- Tenant-based voucher, if available
- Project-based assistance in the same project (if a vacant unit is available and you determine that the vacant unit is safe)
- Project-based assistance in another development owned by the PHA

Emergency transfers under VAWA will take priority over waiting list admissions for these types of assistance.

You may also request an emergency transfer under the following programs for which you are required to apply:

- Public housing program
- PBV assistance in another development not owned by the PHA

Emergency transfers will not take priority over waiting list admissions for these programs. At your request, the PHA will refer you to organizations that may be able to further assist you.

Safety and Security of Tenants

Pending processing of the transfer and the actual transfer, if it is approved and occurs, the tenant is urged to take all reasonable precautions to be safe.

Tenants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY).

Tenants who have been victims of sexual assault may call the Rape, Abuse, and Incest National Network's National Sexual Assault Hotline at 1-800-656-HOPE, or visit the online hotline at: https://ohl.rainn.org/online/.

Tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at: https://www.victimsofcrime.org/our-programs/stalking-resource-center.

Attachment: Local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking.

EXHIBIT 16-4: EMERGENCY TRANSFER REQUEST FOR CERTAIN VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING, FORM HUD-5383

EMERGENCY TRANSFER REQUEST FOR CERTAIN VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING

U.S. Department of Housing and Urban Development

OMB Approval No. 2577-0286
Exp. 06/30/2017

Purpose of Form: If you are a victim of domestic violence, dating violence, sexual assault, or stalking, and you are seeking an emergency transfer, you may use this form to request an emergency transfer and certify that you meet the requirements of eligibility for an emergency transfer under the Violence Against Women Act (VAWA). Although the statutory name references women, VAWA rights and protections apply to all victims of domestic violence, dating violence, sexual assault or stalking. Using this form does not necessarily mean that you will receive an emergency transfer. See your housing provider's emergency transfer plan for more information about the availability of emergency transfers.

The requirements you must meet are:

(1) You are a victim of domestic violence, dating violence, sexual assault, or stalking. If your housing provider does not already have documentation that you are a victim of domestic violence, dating violence, sexual assault, or stalking, your housing provider may ask you for such documentation. In response, you may submit Form HUD-5382, or any one of the other types of documentation listed on that Form.

(2) You expressly request the emergency transfer. Submission of this form confirms that you have expressly requested a transfer. Your housing provider may choose to require that you submit this form, or may accept another written or oral request. Please see your housing provider's emergency transfer plan for more details.

(3) You reasonably believe you are threatened with imminent harm from further violence if you remain in your current unit. This means you have a reason to fear that if you do not receive a transfer you would suffer violence in the very near future.

OR

You are a victim of sexual assault and the assault occurred on the premises during the 90-calendar-day period before you request a transfer. If you are a victim of sexual assault, then in addition to qualifying for an emergency transfer because you reasonably believe you are threatened with imminent harm from further violence if you remain in your unit, you may qualify for an emergency transfer if the sexual assault occurred on the premises of the property from which you are seeking your transfer, and that assault happened within the 90-calendar-day period before you submit this form or otherwise expressly request the transfer.

Submission of Documentation: If you have third-party documentation that demonstrates why you are eligible for an emergency transfer, you should submit that documentation to your housing provider if it is safe for you to do so. Examples of third party documentation include, but are not limited to: a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom you have sought assistance; a current restraining order; a recent court order or other court records; a law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts.

Confidentiality: All information provided to your housing provider concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking, and concerning your request for an emergency transfer shall be kept confidential. Such details shall not be entered into any shared database. Employees of your housing provider are not to have access to these details unless to grant or deny VAWA protections or an emergency transfer to you. Such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release; (ii) required for use in an eviction proceeding or hearing regarding termination of assistance; or (iii) otherwise required by applicable law.

TO BE COMPLETED BY OR ON BEHALF OF THE PERSON REQUESTING A TRANSFER

1. Name of victim requesting an emergency transfer: _____

2. Your name (if different from victim's)_____

3. Name(s) of other family member(s) listed on the lease:_____

_____

4. Name(s) of other family member(s) who would transfer with the victim:_____

_____

5. Address of location from which the victim seeks to transfer: _____

6. Address or phone number for contacting the victim:_____

7. Name of the accused perpetrator (if known and can be safely disclosed):_____

8. Relationship of the accused perpetrator to the victim:_____

9. Date(s), Time(s) and location(s) of incident(s):_____

_____

10. Is the person requesting the transfer a victim of a sexual assault that occurred in the past 90 days on the premises of the property from which the victim is seeking a transfer? If yes, skip question 11. If no, fill out question 11. _____

11. Describe why the victim believes they are threatened with imminent harm from further violence if they remain in their current unit.

_____

_____

12. If voluntarily provided, list any third-party documentation you are providing along with this notice: _____

This is to certify that the information provided on this form is true and correct to the best of my knowledge, and that the individual named above in Item 1 meets the requirement laid out on this form for an emergency transfer. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature _____Signed on (Date) _____

EXHIBIT 16-5: MODEL OWNER NOTIFICATION OF RIGHTS AND OBLIGATIONS

Hawthorne Housing Authority

NOTIFICATION OF YOUR RIGHTS AND OBLIGATIONS

UNDER THE VIOLENCE AGAINST WOMEN ACT (VAWA)

VAWA provides protections for Section 8 Housing Choice Voucher (HCV) and PBV applicants, tenants, and participants from being denied assistance on the basis or as a direct result of being a victim of domestic violence, dating violence, sexual assault, stalking and human trafficking.

Purpose

Many of VAWA's protections to victims of domestic violence, dating violence, sexual assault stalking, and human trafficking involve action by the public housing agency (PHA), but some situations involve action by owners of assisted housing. The purpose of this notice (herein called "Notice") is to explain your rights and obligations under VAWA, as an owner of housing assisted through **Hawthorne Housing Authority's** HCV program. Each component of this Notice also provides citations to HUD's applicable regulations.

Denial of Tenancy

Protections for applicants: Owners cannot deny tenancy based on the applicant having been or currently being a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking. However, the applicant must be otherwise eligible for tenancy. (See 24 Code of Federal Regulations (CFR) 982.452(b)(1).)

Eviction

*Protections for HCV participants***:** Incidents or threats of domestic violence, dating violence, sexual assault, stalking, or human trafficking will not be considered a serious or repeated lease violation by the victim, or good cause to terminate the tenancy of the victim (see 24 CFR 5.2005(c)). Protection also applies to criminal activity related directly to domestic violence, dating violence, sexual assault, stalking, or human trafficking, conducted by a member of a tenant's household or any guest or other person under the tenant's control, if the tenant or an affiliated individual of the tenant is the victim or threatened victim of such domestic violence, dating violence, sexual assault, stalking, or human trafficking (24 CFR 5.2005(b)(2)).

Limitations of VAWA protections:

a. Nothing in VAWA limits the authority of an owner, when notified of a court order, to comply with a court order with respect to (24 CFR 5.2005(d)(1)):

1) The rights of access or control of property, including civil protection orders issued to protect a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking; or

2) The distribution or possession of property among members of a household in a case.

b. Nothing in VAWA limits an owner from evicting a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking for a lease violation that is not premised on an act of domestic violence, dating violence, sexual assault, stalking, or human trafficking, as long as the owner does not subject the victim to more demanding standards than other tenants when deciding whether to evict. (See 24 CFR 5.2005(d)(2).)

c. Nothing in VAWA limits an owner from evicting a tenant (including the victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking) if the owner can demonstrate an actual and imminent threat to other tenants or those employed at or providing services to the HCV property would be present if the tenant or lawful occupant is not evicted. (See 24 CFR 5.2005(d)(3).)

i. In this context, words, gestures, actions, or other indicators will be considered an "actual and imminent threat" if they meet the following standards: An actual and imminent threat consists of a physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include: the duration of the risk, the nature and severity of the potential harm, the likelihood that the potential harm will occur, and the length of time before the potential harm would occur. (See 24 CFR 5.2003.)

ii. Any eviction due to "actual and imminent threat" should be utilized by an owner only when there are no other actions that could be taken to reduce or eliminate the threat, including, but not limited to, transferring the victim to a different unit, barring the perpetrator from the property, contacting law enforcement to increase police presence or develop other plans to keep the property safe, or seeking other legal remedies to prevent the perpetrator from acting on a threat. Restrictions predicated on public safety cannot be based on stereotypes, but must be tailored to particularized concerns about individual residents. (See 24 CFR 5.2005(d)(4).)

Documentation of Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking

If an applicant or tenant requests VAWA protection based on status as a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking, the owner has the option to request that the victim document or provide written evidence to demonstrate that the violence occurred. However, nothing in HUD's regulation requires a covered housing provider to request this documentation. (See 24 CFR 5.2007(b)(3).)

If the owner chooses to request this documentation, the owner must make such request in writing. The individual may satisfy this request by providing any one document type listed under 24 CFR 5.2007(b)(1):

a. Form HUD-55383 (Self-Certification Form); or

b. A document: 1) Signed by an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional or a mental health professional (collectively, "professional") from whom the victim has sought assistance relating to domestic violence, dating violence, sexual assault, stalking, or human trafficking, or the effects of abuse:

2) Signed by the applicant or tenant; and

3) That specifies, under penalty of perjury, that the professional believes in the occurrence of the incident of domestic violence, dating violence, sexual assault, stalking, or human trafficking that is the ground for protection and remedies under 24 CFR part 5, subpart L, and that the incident meets the applicable definition of domestic violence, dating violence, sexual assault, stalking, or human trafficking under 24 CFR 5.2003; or

c. A record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency; or

d. At the discretion of a covered housing provider, a statement or other evidence provided by the applicant or tenant.

The owner must accept any of the above items (a – c). The owner has discretion to accept a statement or other evidence (d).

The owner is prohibited from requiring third-party documentation of the domestic violence, dating violence, sexual assault, stalking, or human trafficking, unless the submitted documentation contains conflicting information.

If the owner makes a written request for documentation, the owner may require submission of that documentation within 14 business days after the date that the individual received the written request for documentation. (24 CFR 5.2007(a)(2)). The owner may extend this time period at its discretion. During the 14 business day period and any granted extensions of that time, no adverse actions, such as evictions or terminations, can be taken against the individual requesting VAWA protection.

Once a victim provides documentation of domestic violence, dating violence, sexual assault, stalking, or human trafficking, the owner is encouraged to acknowledge receipt of the documentation in a timely manner.

If the applicant or tenant fails to provide documentation that meets the criteria in 24 CFR 5.2007 within 14 business days after receiving the written request for that documentation or within the designated extension period, nothing in VAWA may be construed to limit the authority of the covered housing provider to:

a. Deny admission by the applicant or tenant to the housing or program;

b. Deny assistance under the covered housing program to the applicant or tenant;

c. Terminate the participation of the tenant in the covered housing program; or

d. Evict the tenant, or a lawful occupant that commits a violation of a lease.

An individual's failure to timely provide documentation of domestic violence, dating violence, sexual assault, stalking, or human trafficking does not result in a waiver of the individual's right to challenge the denial of assistance or termination, nor does it preclude the individual's ability to raise an incident of domestic violence, dating violence, sexual assault, stalking, or human trafficking at eviction or termination proceedings.

Owners may not coerce, intimidate, threaten, interfere with, or retaliate against any person who exercises or assists or encourages a person to exercise any rights or protections under VAWAs (See FR Notice 1/4/23.)

Moves

A victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking may move in violation of their lease if the move is required to protect their safety. If a move results in the termination of the Housing Assistance Payment Contract, the lease is automatically terminated.

Lease Bifurcation

Owners may choose to bifurcate a lease, or remove a household member from a lease in order to evict, remove, terminate occupancy rights, or terminate assistance to such member who engages in criminal activity directly relating to domestic violence, dating violence, sexual assault, stalking, or human trafficking against an affiliated individual or other individual. (See 24 CFR 5.2009(a).) If an owner chooses to bifurcate the lease, the owner must comply with the reasonable time to establish eligibility under the covered housing program or find alternative housing following lease bifurcation provision in 24 CFR 5.2009(b). VAWA protections, including bifurcation, do not apply to guests or unreported members of a household or anyone else residing in a household who is not a tenant.

Eviction, removal, termination of occupancy rights, or termination of assistance must be effected in accordance with the procedures prescribed by federal, state, or local law for termination of leases.

To avoid unnecessary delay in the bifurcation process, HUD recommends that owners seek court-ordered eviction of the perpetrator pursuant to applicable laws. This process results in the underlying lease becoming null and void once the owner regains possession of the unit. The owner would then execute a new lease with the victim.

Evictions Due to "Actual and Imminent Threat" or Violations Not Premised on Abuse

VAWA generally prohibits eviction on the basis or as a direct result of the fact that the applicant or tenant is or has been a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking, if the applicant or tenant otherwise qualifies for assistance, participation or occupancy. (See 24 CFR 5.2005.)

However, VAWA does not prohibit an owner from evicting a tenant for any violation not premised on an act of domestic violence, dating violence, sexual assault, stalking, or human trafficking that is in question against the tenant or an affiliated individual of the tenant. Nor does VAWA prohibit an owner from evicting a tenant if the owner can demonstrate an actual and imminent threat to other tenants or those employed at or providing services to property of the owner would be present if that tenant or lawful occupant is not evicted or terminated from assistance. (See 5.2005(d)(2) and (3).)

In order to demonstrate an actual and imminent threat to other tenants or employees at the property, the covered housing provider must have objective evidence of words, gestures, actions, or other indicators that meet the standards in the following definition:

Actual and imminent threat refers to a physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include:

- The duration of the risk;
- The nature and severity of the potential harm;
- The likelihood that the potential harm will occur; and
- The length of time before the potential harm would occur.

(See 24 CFR 5.2003 and 5.2005(d)(2).)

Confidentiality

Any information submitted to a covered housing provider under 24 CFR 5.2007, including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking, must be maintained in strict confidence by the covered housing provider. (See 24 CFR 5.2007(c).)

Employees of the owner (or those within their employ, e.g., contractors) must not have access to the information unless explicitly authorized by the owner for reasons that specifically call for these individuals to have access to this information under applicable federal, state, or local law (e.g., the information is needed by an employee to provide the VAWA protections to the victim).

The owner must not enter this information into any shared database, or disclose this information to any other entity or individual, except to the extent that disclosure is:

a. Requested or consented to in writing by the individual (victim) in a time-limited release;

b. Required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program; or

c. Otherwise required by applicable law.

When communicating with the victim, owners must take precautions to ensure compliance with these confidentiality requirements.

Service Providers

Hawthorne Housing Authority has extensive relationships with local service providers. **Hawthorne Housing Authority** staff are available to provide referrals to shelters, counselors, and advocates. These resources are also provided in **Hawthorne Housing Authority** Annual and 5-Year Plan, Administrative Plan, VAWA Notice of Occupancy Rights, and Emergency Transfer Plan. A list of local service providers is attached to this Notice.

Definitions

Actual and imminent threat refers to a physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include: the duration of the risk, the nature and severity of the potential harm, the likelihood that the potential harm will occur, and the length of time before the potential harm would occur.

Affiliated individual, with respect to an individual, means:
(1) A spouse, parent, brother, sister, or child of that individual, or a person to whom that individual stands in the place of a parent or guardian (for example, the affiliated individual is a person in the care, custody, or control of that individual); or
(2) Any individual, tenant, or lawful occupant living in the household of that individual.

Bifurcate means to divide a lease as a matter of law, subject to the permissibility of such process under the requirements of the applicable HUD-covered program and State or local law, such that certain tenants or lawful occupants can be evicted or removed and the remaining tenants or lawful occupants can continue to reside in the unit under the same lease requirements or as may be revised depending upon the eligibility for continued occupancy of the remaining tenants and lawful occupants.

Dating violence means violence committed by a person:

(1) Who is or has been in a social relationship of a romantic or intimate nature with the victim; and

(2) Where the existence of such a relationship shall be determined based on a consideration of the following factors:

(i) The length of the relationship;

(ii) The type of relationship; and

(iii) The frequency of interaction between the persons involved in the relationship.

Domestic violence includes felony or misdemeanor crimes of committed by a current or former spouse or intimate partner of the victim under the family or domestic violence laws of the jurisdiction receiving grant funding, and in the case of victim services, includes the user or attempted use of physical abuse or sexual abuse, or a pattern of any other coercive behavior committed, enabled, or solicited to gain or maintain power and control over a victim, including verbal, psychological, economic, or technological abuse that may or may not constitute criminal behavior, by a person who is:

- The current or former spouse or intimate partner of the victim, or person similarly situated to a spouse or intimate partner of the victim
- A person who is cohabitating or has cohabitated with the victim as a spouse or intimate partner
- A person with whom the victim shares a child in common
- A person who commits acts against a youth or adult victim who is protected from those acts under the domestic or family violence laws of the jurisdiction

Sexual assault means any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent.

Stalking means engaging in a course of conduct directed at a specific person that would cause a reasonable person to:
(1) Fear for the person's individual safety or the safety of others; or
(2) Suffer substantial emotional distress.

VAWA means the Violence Against Women Act of 1994, as amended (42 U.S.C. 13925 and 42 U.S.C. 14043e et seq.).

Attached:
Legal services and the domestic violence resources for the Metro area
Form HUD-5382 Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking
Hawthorne Housing Authority VAWA Notice of Occupancy Rights

Temporary Policy Supplement

EMERGENCY HOUSING VOUCHERS (EHVs)

INTRODUCTION

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (ARP) (P.L. 117-2). Section 3202 of the ARP appropriated $5 billion for the creation, administration, and renewal of new incremental emergency housing vouchers (EHVs) and other eligible expenses related to COVID-19.

On May 5, 2021, HUD issued Notice PIH 2021-15, which described HUD's process for allocating approximately 70,000 EHVs to eligible PHAs and set forth the operating requirements for PHAs who administer them. Based on criteria outlined in the notice, HUD notified eligible PHAs of the number of EHVs allocated to their agency, and PHAs were able to accept or decline the invitation to participate in the program.

PHAs may not project-base EHVs; EHVs are exclusively tenant-based assistance.

All applicable nondiscrimination and equal opportunity requirements apply to the EHV program, including requirements that the PHA grant reasonable accommodations to persons with disabilities, effectively communicate with persons with disabilities, and ensure meaningful access for persons with limited English proficiency (LEP).

This chapter describes HUD regulations and PHA policies for administering EHVs. The policies outlined in this chapter are organized into seven sections, as follows:

Part I: Funding

Part II: Partnering Agencies

Part III: Waiting List Management

Part IV: Family Eligibility

Part V: Housing Search and Leasing

Part VI: Use of Funds, Reporting, and Financial Records

Except as addressed by this chapter and as required under federal statute and HUD requirements, the general requirements of the HCV program apply to EHVs.

PART I: FUNDING

TPS-I.A. FUNDING OVERVIEW

The American Rescue Plan Act of 2021 (ARP) provides administrative fees and funding for the costs of administering emergency housing vouchers (EHVs) and other eligible expenses defined in Notice PIH 2021-15. These fees may only be used for EHV administration and other eligible expenses and must not be used for or applied to other PHA programs or vouchers. The PHA must maintain separate financial records from its regular HCV funding for all EHV funding.

Housing Assistance Payments (HAP) Funding

ARP funding obligated to the PHA as housing assistance payments (HAP) funding may only be used for eligible EHV HAP expenses (i.e., rental assistance payments). EHV HAP funding may not be used for EHV administrative expenses or for the eligible uses under the EHV services fee.

The initial funding term will expire December 31, 2022. HUD will provide renewal funding to the PHA for the EHVs on a calendar year (CY) basis commencing with CY 2023. The renewal funding allocation will be based on the PHA's actual EHV HAP costs in leasing, similar to the renewal process for the regular HCV program. EHV renewal funding is not part of the annual HCV renewal funding formula; EHVs are renewed separately from the regular HCV program. All renewal funding for the duration of the EHV program has been appropriated as part of the ARP funding.

Administrative Fee and Funding

The following four types of fees and funding are allocated as part of the EHV program:

- **Preliminary fees** support immediate start-up costs that the PHA will incur in implementing alternative requirements under EHV, such as outreach and coordination with partnering agencies:
  - $400 per EHV allocated to the PHA, once the consolidated annual contributions contract (CACC) is amended.
  - This fee may be used for any eligible administrative expenses related to EHVs.
  - The fee may also be used to pay for any eligible activities under EHV service fees (TPS-I.B).

- **Placement fees/expedited issuance reporting fees** will support initial lease-up costs and the added cost and effort required to expedite leasing of EHVs:
  - $100 for each EHV initially leased, if the PHA reports the voucher issuance date in Public Housing Information Center–Next Generation (PIC–NG) system within 14 days of voucher issuance or the date the system becomes available for reporting.
  - Placement fees:
    - $500 for each EHV family placed under a HAP contract effective within four months of the effective date of the ACC funding increment; or
    - $250 for each EHV family placed under a HAP contract effective after four months but less than six months after the effective date of the ACC funding increment.
    - HUD will determine placement fees in the event of multiple EHV allocations and funding increment effective dates.
  - Placement/expedited issuance fees only apply to the initial leasing of the voucher; they are not paid for family moves or to turnover vouchers.
- **Ongoing administrative fees,** which are calculated in the same way as the standard HCV program:
  - PHAs are allocated administrative fees using the full column A administrative fee amount for each EHV under contract as of the first day of each month.
  - Ongoing EHV administrative fees may be subject to proration in future years, based on available EHV funding.
- **Services fees,** which are a one-time fee to support PHAs' efforts to implement and operate an effective EHV services program in its jurisdiction (TPS-I.B):
  - The fee is allocated once the PHA's CACC is amended to reflect EHV funding.
  - The amount allocated is $3,500 for each EHV allocated.

TPS-I.B. SERVICE FEES

Services fee funding must be initially used for defined eligible uses and not for other administrative expenses of operating the EHV program. Service fees fall into four categories:

- Housing search assistance
- Security deposit/utility deposit/rental application/holding fee uses
- Owner-related uses
- Other eligible uses such as moving expenses or tenant-readiness services

The PHA must establish the eligible uses and the parameters and requirements for service fees in the PHA's administrative plan.

PHA Policy

The eligible uses for service fees include:

Housing search assistance, which may include activities such as, but not limited to, helping a family identify and visit potentially available units during their housing search, helping to find a unit that meets the household's disability-related needs, providing transportation and directions, assisting with the completion of rental applications and PHA forms, and helping to expedite the EHV leasing process for the family.

Application fees/non-refundable administrative or processing fees/refundable application deposit assistance. The PHA may choose to assist the family with some or all these expenses.

Holding fees are fees an owner requests that are rolled into the security deposit after an application is accepted but before a lease is signed. The PHA may cover part or all of the holding fee for units where the fee is required by the owner after a tenant's application has been accepted but before the lease signing. The PHA and owner must agree how the holding fee gets rolled into the deposit, and under what conditions the fee will be returned. In general, owners need to accept responsibility for making needed repairs to a unit required by the initial housing quality standards (HQS) inspections and can only keep the holding fee if the client is at fault for not entering into a lease.

Security deposit assistance. The amount of the security deposit assistance may not exceed the lesser of two months' rent to owner, the maximum security deposit allowed under applicable state and/or local law, or the actual security deposit required by the owner. The PHA may pay the security deposit assistance directly to the owner or may pay the assistance to the family. If paid to the family, the PHA will require documentation that the family paid the security deposit.

Utility deposit assistance/utility arrears. The PHA may provide utility deposit assistance for some or all of the family's utility deposit expenses. Assistance can be provided for deposits (including connection fees) required for the utilities to be supplied by the tenant under the lease. The PHA may pay the utility deposit assistance directly to the utility company or may pay the assistance to the family. If paid to the family, the PHA will require documentation the family paid the utility deposit. The PHA will require the utility supplier or family to return the utility deposit assistance to the PHA at such time the deposit is returned by the utility supplier (less any amounts retained by the utility supplier). In addition, some families may have large balances with gas, electric, water, sewer, or trash companies that will make it difficult if not impossible to establish services for tenant-supplied utilities. The PHA may also provide the family with assistance to help address these utility arrears to facilitate leasing. Utility deposit assistance returned to the PHA will be used for either services fee eligible uses or other EHV administrative costs, as required by HUD.

Owner recruitment and outreach for EHVs. The PHA may use the service fee funding to conduct owner recruitment and outreach specifically for EHVs. In addition to traditional owner recruitment and outreach, activities may include conducting pre-inspections or otherwise expediting the inspection process, providing enhanced customer service, and offering owner incentive and/or retention payments.

Owner incentive and/or retention payments. The PHA may make incentive or retention payments to owners that agree to initially lease their unit to an EHV family and/or renew the lease of an EHV family.

Payments will be made as a single payment at the beginning of the assisted lease term (or lease renewal if a retention payment). Owner incentive and retentions payments are not housing assistance payments, are not part of the rent to owner, and are not taken into consideration when determining whether the rent for the unit is reasonable.

Moving expenses (including move-in fees and deposits). The PHA may provide assistance for some or all of the family's reasonable moving expenses when they initially lease a unit with the EHV. The PHA will not provide moving expenses assistance for subsequent moves unless the family is required to move for reasons other than something the family did or failed to do (e.g., the PHA is terminating the HAP contract because the owner did not fulfill the owner responsibilities under the HAP contract or the owner is refusing to offer the family the opportunity to enter a new lease after the initial lease term, as opposed to the family choosing to terminate the tenancy in order to move to another unit), or a family has to move due to domestic violence, dating violence, sexual assault, or stalking.

Tenant-readiness services. The PHA may use fees to help create a customized plan to address or mitigate barriers that individual families may face in renting a unit with an EHV, such as negative credit, lack of credit, negative rental or utility history, or to connect the family to other community resources (including COVID-related resources) that can assist with rental arrears.

Essential household items. The PHA may use services fee funding to assist the family with some or all of the costs of acquiring essential household items such as tableware, cooking equipment, beds or bedding, and essential sanitary products such as soap and toiletries.

Renter's insurance if required by the lease. The PHA may choose to assist the family with some or all this cost.

Any services fee assistance that is returned to the PHA after its initial or subsequent use may only be applied to the eligible services fee uses defined in Notice PIH 2021-15 (or subsequent notice) or other EHV administrative costs. Any amounts not expended for these eligible uses when the PHA's EHV program ends must be remitted to HUD.

PART II: PARTNERING AGENCIES

TPS-II.A. CONTINUUM OF CARE (CoC)

PHAs that accept an allocation of EHVs are required to enter into a Memorandum of Understanding (MOU) with the Continuum of Care (CoC) to establish a partnership for the administration of EHVs.

PHA Policy

The PHA has entered into an MOU with ***[insert name of the Continuum of Care (CoC) agency].*** See Exhibit TPS-1 for a copy of the MOU.

TPS-II.B. OTHER PARTNERING ORGANIZATIONS

The PHA may, but is not required to, partner with other organizations trusted by persons experiencing homelessness, such as victim services providers (VSPs) and other community partners. If the PHA chooses to partner with such agencies, the PHA must either enter into an MOU with the partnering agency or the partnering agency may be added to the MOU between the PHA and CoC.

PHA Policy

The PHA has added ***[insert name of the partnering agency]*** to the MOU between the PHA and CoC. See Exhibit TPS-1 for a copy of the MOU.

TPS-II.C. REFERRALS

CoC and Partnering Agency Referrals

The primary responsibility of the CoC under the MOU with the PHA is to make direct referrals of qualifying individuals and families to the PHA. The PHA must generally refer a family that is seeking EHV assistance directly from the PHA to the CoC or other referring agency for initial intake, assessment, and possible referral for EHV assistance. Partner CoCs are responsible for determining whether the family qualifies under one of the four eligibility categories for EHVs. The CoC or other direct referral partner must provide supporting documentation to the PHA of the referring agency's verification that the family meets one of the four eligible categories for EHV assistance.

PHA Policy

The CoC or partnering agency must establish and implement a system to identify EHV-eligible individuals and families within the agency's caseload and make referrals to the PHA. The CoC or other partnering agency must certify that the EHV applicants they refer to the PHA meet at least one of the four EHV eligibility criteria. The PHA will maintain a copy of the referral or certification from the CoC or other partnering agency in the participant's file along with other eligibility paperwork. Homeless service providers may, but are not required to, use the certification form found in Exhibit TPS-2 of this chapter. Victim services providers may, but are not required to, use the certification form found in Exhibit TPS-3 of this chapter when identifying eligible families who qualify as victims of human trafficking.

As part of the MOU, the PHA and CoC or other partnering agency will identify staff positions to serve as lead EHV liaisons. These positions will be responsible for transmission and acceptance of referrals. The CoC or partnering agency must commit sufficient staff and resources to ensure eligible individuals and families are identified and determined eligible in a timely manner.

The PHA liaison responsible for acceptance of referrals will contact the CoC or partnering agency liaison via email indicating the number of vouchers available and requesting an appropriate number of referrals. No more than five business days from the date the CoC or partnering agency receives this notification, the CoC or partnering agency liaison will provide the PHA with a list of eligible referrals including the name, address, and contact phone number for each adult individual who is being referred; a completed release form for each adult family member; and a written certification for each referral indicating they are EHV-eligible.

Offers of Assistance with CoC Referral

The PHA may make an EHV available without a referral from the CoC or other partnering organization in order to facilitate an emergency transfer under VAWA in accordance with the PHA's Emergency Transfer Plan (ETP) in Chapter 16.

The PHA must also take direct referrals from outside the CoC if:

- The CoC does not have a sufficient number of eligible families to refer to the PHA; or
- The CoC does not identify families that may be eligible for EHV assistance because they are fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking or human trafficking.

If at any time the PHA is not receiving enough referrals or is not receiving referrals in a timely manner from the CoC or other partner referral agencies (or the PHA and CoC cannot identify any such alternative referral partner agencies), HUD may permit the PHA on a temporary or permanent basis to take EHV applications directly from applicants and admit eligible families to the EHV program in lieu of or in addition to direct referrals in those circumstances.

PART III: WAITING LIST MANAGEMENT

TPS-III. A. HCV WAITING LIST

The regulation that requires the PHA to admit applicants as waiting list admissions or special admissions in accordance with admission policies in Chapter 4 does not apply to PHAs operating the EHV program. Direct referrals are not added to the PHA's HCV waiting list.

The PHA must inform families on the HCV waiting list of the availability of EHVs by, at a minimum, either by posting the information to their website or providing public notice in their respective communities in accordance with the requirements listed in Notice PIH 2021-15.

PHA Policy

The PHA will post information about the EHV program for families on the PHA's HCV waiting list on their website. The notice will:

Describe the eligible populations to which EHVs are limited

Clearly state that the availability of these EHVs is managed through a direct referral process

Advise the family to contact the CoC (or any other PHA referral partner, if applicable) if the family believes they may be eligible for EHV assistance

The PHA will ensure effective communication with persons with disabilities, including those with vision, hearing, and other communication-related disabilities in accordance with Chapter 2. The PHA will also take reasonable steps to ensure meaningful access for persons with limited English proficiency (LEP) in accordance with Chapter 2.

TPS-III.B. EHV WAITING LIST

The HCV regulations requiring the PHA to operate a single waiting list for admission to the HCV program do not apply to PHAs operating the EHV program. Instead, when the number of applicants referred by the CoC or partnering agency exceeds the EHVs available, the PHA must maintain a separate waiting list for EHV referrals, both at initial leasing and for any turnover vouchers that may be issued prior to September 30, 2023.

Further, the EHV waiting list is not subject to PHA policies in Chapter 4 regarding opening and closing the HCV waiting list. The PHA will work directly with its CoC and other referral agency partners to manage the number of referrals and the size of the EHV waiting list.

TPS-III.C. PREFERENCES

HCV Waiting List Preferences

If local preferences are established by the PHA for HCV, they do not apply to EHVs. However, if the PHA has a homeless preference or a VAWA preference for the HCV waiting list, the PHA must adopt additional policies related to EHVs in accordance with Notice PIH 2021-15.

PHA Policy

The PHA does not offer either a homeless or a VAWA preference for the HCV waiting list.

EHV Waiting List Preferences

With the exception of a residency preference, the PHA may choose, in coordination with the CoC and other referral partners, to establish separate local preferences for EHVs. The PHA may, however, choose to not establish any local preferences for the EHV waiting list.

PHA Policy

No local preferences have been established for the EHV waiting list.

PART IV: FAMILY ELIGIBLTY

TPS-IV.A. OVERVIEW

The CoC or referring agency determines whether the individual or family meets any one of the four eligibility criteria described in Notice PIH 2021-15 and then refers the family to the PHA. The PHA determines that the family meets other eligibility criteria for the HCV program, as modified for the EHV program and outlined below.

TPS-IV.B. REFERRING AGENCY DETERMINATION OF ELIGIBLITY

In order to be eligible for an EHV, an individual or family must meet one of four eligibility criteria:

- Homeless as defined in 24 CFR 578.3;
- At risk of homelessness as defined in 24 CFR 578.3;
- Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking (as defined in Notice PIH 2021-15), or human trafficking (as defined in the 22 U.S.C. Section 7102); or
- Recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability as determined by the CoC or its designee in accordance with the definition in Notice PIH 2021-15.

As applicable, the CoC or referring agency must provide documentation to the PHA of the referring agency's verification that the family meets one of the four eligible categories for EHV assistance. The PHA must retain this documentation as part of the family's file.

TPS-IV.C. PHA SCREENING

Overview

HUD waived 24 CFR 982.552 and 982.553 in part for the EHV applicants and established alternative requirement for mandatory and permissive prohibitions of admissions. Except where applicable, PHA policies regarding denials in Chapter 3 of this policy do not apply to screening individuals and families for eligibility for an EHV. Instead, the EHV alternative requirement listed in this section will apply to all EHV applicants.

The mandatory and permissive prohibitions listed in Notice PIH 2021-15 and in this chapter, however, apply only when screening the individual or family for eligibility for an EHV. When adding a family member after the family has been placed under a HAP contract with EHV assistance, the regulations at 24 CFR 982.551(h)(2) apply. Other than the birth, adoption, or court-awarded custody of a child, the PHA must approve additional family members and may apply its regular HCV screening criteria in Chapter 3 in doing so.

Mandatory Denials

Under alternative requirements for the EHV program, mandatory denials for EHV applicants include:

- 24 CFR 982.553(a)(1)(ii)(C), which prohibits admission if any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.
- 24 CFR 982.553(a)(2)(i), which prohibits admission to the program if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program.

The PHA must deny admission to the program if any member of the family fails to sign and submit consent forms for obtaining information as required by 24 CFR 982.552(b)(3) but should notify the family of the limited EHV grounds for denial of admission first.

PHA Policy

While the PHA will deny admission to the program if any adult member (or head of household or spouse, regardless of age) fails to sign and submit consent forms, the PHA will first notify the family of the limited EHV grounds for denial of admission as part of the notice of denial that will be mailed to the family.

Permissive Denial

Notice PIH 2021-15 lists permissive prohibitions for which the PHA may, but is not required to, deny admission to EHV families. The notice also lists prohibitions that, while allowable under the HCV program, may not be used to deny assistance for EHV families.

If the PHA intends to establish permissive prohibition policies for EHV applicants, the PHA must first consult with its CoC partner to understand the impact that the proposed prohibitions may have on referrals and must take the CoC's recommendations into consideration.

PHA Policy

In consultation with the CoC, the PHA will apply permissive prohibition to the screening of EHV applicants. Determinations using permissive prohibitions will be made based on an individualized assessment of relevant mitigating information in accordance with policies in Section 3-III.E.

The PHA will establish the following permissive prohibitions:

If the PHA determines that any household member is currently engaged in, or has engaged in within the previous 12 months:

Violent criminal activity

Other criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity

If any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program within the previous 12 months.

If the family engaged in or threatened abusive or violent behavior toward PHA personnel within the previous 12 months.

The PHA will also deny assistance to household members already receiving assistance from another program in accordance with Section 9.h. of Notice PIH 2021-15.

Prohibitions based on criminal activity for the eligible EHV populations regarding drug possession will be considered apart from criminal activity against persons (i.e., violent criminal activity).

In compliance with PIH 2021-15, the PHA **will not** deny an EHV applicant admission regardless of whether:

Any member of the family has been evicted from federally assisted housing in the last five years;

A PHA has ever terminated assistance under the program for any member of the family;

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

The family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease;

The family breached an agreement with the PHA to pay amounts owed to a PHA, or amounts paid to an owner by a PHA;

The family would otherwise be prohibited admission under alcohol abuse standards established by the PHA in accordance with 24 CFR 982.553(a)(3);

The PHA determines that any household member is currently engaged in or has engaged in during a reasonable time before the admission, drug-related criminal activity.

TPS-IV.D. INCOME VERIFICATION AT ADMISSION

Self-Certification at Admission

The requirement to obtain third-party verification of income in accordance with Notice PIH 2018-18 does not apply to the EHV program applicants at admission, and alternatively, PHAs may consider self-certification the highest form of income verification at admission. As such, PHA policies related to the verification of income in Section 7-I.B. do not apply to EHV families at admission. Instead, applicants must submit an affidavit attesting to their reported income, assets, expenses, and other factors that would affect an income eligibility determination.

Additionally, applicants may provide third-party documentation that represents the applicant's income within the 60-day period prior to admission or voucher issuance but is not dated within 60 days of the PHA's request.

PHA Policy

Any documents used for verification must be the original (not photocopies) and dated within the 60-day period prior to admission. The documents must not be damaged, altered, or in any way illegible.

Printouts from webpages are considered original documents.

Any family self-certifications must be made in a format acceptable to the PHA and must be signed by the family member whose information or status is being verified.

The PHA will incorporate additional procedures to remind families of the obligation to provide true and complete information in accordance with Chapter 14. The PHA will address any material discrepancies (i.e., unreported income or a substantial difference in reported income) that may arise later. The PHA may, but is not required to, offer the family a repayment agreement in accordance with Chapter 16. If the family fails to repay the excess subsidy, the PHA will terminate the family's assistance in accordance with the policies in Chapter 12.

Recently Conducted Income Determinations

PHAs may accept income calculations and verifications from third-party providers or from an examination that the PHA conducted on behalf of the family for another subsidized housing program in lieu of conducting an initial examination of income as long as:

- The income was calculated in accordance with rules outlined at 24 CFR Part 5 and within the last six months; and
- The family certifies there has been no change in income or family composition in the interim.

PHA Policy

The PHA will accept income calculations and verifications from third-party providers provided they meet the criteria outlined above.

The family certification must be made in a format acceptable to the PHA and must be signed by all adult family members whose information or status is being verified.

At the time of the family's annual reexamination the PHA must conduct the annual reexamination of income as outlined at 24 CFR 982.516 and PHA policies in Chapter 11.

EIV Income Validation

Once HUD makes the EIV data available to PHAs under this waiver and alternative requirement, the PHA must:

- Review the EIV Income and Income Validation Tool (IVT) reports to confirm and validate family-reported income within 90 days of the PIC submission date;
- Print and maintain copies of the EIV Income and IVT Reports in the tenant file; and
- Resolve any income discrepancy with the family within 60 days of the EIV Income or IVT Report dates.

Prior to admission, PHAs must continue to use HUD's EIV system to search for all household members using the Existing Tenant Search in accordance with PHA policies in Chapter 3.

If a PHA later determines that an ineligible family received assistance, the PHA must take steps to terminate that family from the program in accordance with Chapter 12.

TPS-IV.E. SOCIAL SECURITY NUMBER AND CITIZENSHIP STATUS VERIFICATION

For the EHV program, the PHA is not required to obtain and verify SSN documentation and documentation evidencing eligible noncitizen status before admitting the family to the EHV program. Instead, PHAs may adopt policies to admit EHV applicants who are unable to provide the required SSN or citizenship documentation during the initial eligibility determination. As an alternative requirement, such individuals must provide the required documentation within 180 days of admission to be eligible for continued assistance, pending verification, unless the PHA provides an extension based on evidence from the family or confirmation from the CoC or other partnering agency that the family has made a good-faith effort to obtain the documentation.

If a PHA determines that an ineligible family received assistance, the PHA must take steps to terminate that family from the program.

PHA Policy

The PHA will admit EHV applicants who are unable to provide the required SSN or citizenship documentation during the initial eligibility determination. These individuals must provide the required documentation in accordance with policies in Chapter 7 within 180 days of admission. The PHA may provide an additional 60-day extension based on evidence from the family or confirmation from the CoC or other partnering agency that the family has made a good-faith effort to obtain the documentation.

If the PHA determines that an ineligible family received assistance, the PHA will take steps to terminate that family from the program in accordance with policies in Chapter 12.

TPS-IV.F. AGE AND DISABILITY VERIFICATION

PHAs may accept self-certification of date of birth and disability status if a higher level of verification is not immediately available. If self-certification is used, the PHA must obtain a higher level of verification within 90 days of admission or verify the information in EIV.

If a PHA determines that an ineligible family received assistance, the PHA must take steps to terminate that family from the program.

PHA Policy

The PHA will accept self-certification of date of birth and disability status if a higher form of verification is not immediately available. The certification must be made in a format acceptable to the PHA and must be signed by the family member whose information or status is being verified. If self-certification is accepted, within 90 days of admission, the PHA will verify the information in EIV or through other third-party verification if the information is not available in EIV. The PHA will note the family's file that self-certification was used as initial verification and include an EIV printout or other third-party verification confirming the applicant's date of birth and/or disability status.

If the PHA determines that an ineligible family received assistance, the PHA will take steps to terminate that family from the program in accordance with policies in Chapter 12.

TPS-IV.G. INCOME TARGETING

The PHA must determine income eligibility for EHV families in accordance with 24 CFR 982.201 and PHA policy in Chapter 3; however, income targeting requirements do not apply for EHV families. The PHA may still choose to include the admission of extremely low-income EHV families in its income targeting numbers for the fiscal year in which these families are admitted.

PHA Policy

The PHA will not include the admission of extremely low-income EHV families in its income targeting numbers for the fiscal year in which these families are admitted.

PART V: HOUSING SEARCH AND LEASING

TPS-V.A. INITIAL VOUCHER TERM

Unlike the standard HCV program, which requires an initial voucher term of at least 60 days, EHV vouchers must have an initial search term of at least 120 days. PHA policies on extensions as outlined in Section 5-II.E. will apply.

PHA Policy

All EHVs will have an initial term of 120 calendar days.

The family must submit a Request for Tenancy Approval and proposed lease within the 120-day period unless the PHA grants an extension.

TPS-V.B. HOUSING SEARCH ASSISTANCE

The PHA must ensure housing search assistance is made available to EHV families during their initial housing search. The housing search assistance may be provided directly by the PHA or through the CoC or another partnering agency or entity.

At a minimum, housing search assistance must:

- Help individual families identify potentially available units during their housing search, including physically accessible units with features for family members with disabilities, as well as units in low-poverty neighborhoods;
- Provide transportation assistance and directions to potential units;
- Conduct owner outreach;
- Assist with the completion of rental applications and PHA forms; and
- Help expedite the EHV leasing process for the family

PHA Policy

As identified in the MOU between the PHA and CoC, the following housing search assistance will be provided to each EHV family:

The PHA will:

Conduct owner outreach in accordance with policies in Chapter 13

Provide directions to potential units as part of the EHV briefing packet

Expedite the EHV leasing process for the family to the extent practicable and in accordance with policies in this chapter

At least every 30 days, conduct proactive check-ins via email and telephone with families who are searching with an EHV and remind them of their voucher expiration date

Assign a dedicated landlord liaison for EHV voucher families

The CoC will:

Help families identify potentially available units during their housing search, including physically accessible units with features for family members with disabilities, as well as units in low-poverty neighborhoods

Provide transportation assistance to potential units

Assist the family with the completion of rental applications and PHA forms

TPS-V.C. HQS PRE-INSPECTIONS

To expedite the leasing process, PHAs may pre-inspect available units that EHV families may be interested in leasing in order to maintain a pool of eligible units.

PHA Policy

To expedite the leasing process, the PHA may pre-inspect available units that EHV families may be interested in leasing to maintain a pool of eligible units. If an EHV family selects a unit that passed a HQS pre-inspection (without intervening occupancy) within 45 days of the date of the Request for Tenancy Approval, the unit may be approved provided that it meets all other conditions under 24 CFR 982.305.

The family will be free to select his or her unit.

When a pre-inspected unit is not selected, the PHA will make every effort to fast-track the inspection process, including adjusting the normal inspection schedule for any required reinspections.

TPS-V.D. INITIAL LEASE TERM

Unlike in the standard the HCV program, EHV voucher holders may enter into an initial lease that is for less than 12 months, regardless of the PHA policy in Section 9-I.E., Term of Assisted Tenancy.

TPS-V.E. PORTABILITY

The normal HCV portability procedures and requirements outlined in Chapter 10 generally apply to EHVs. Exceptions are addressed below.

Nonresident Applicants

Under EHV, applicant families may move under portability even if the family did not have legal residency in the jurisdiction of the initial PHA when they applied, regardless of PHA policy in Section 10-II.B.

Billing and Absorption

A receiving PHA cannot refuse to assist an incoming EHV family, regardless of whether the PHA administers EHVs under its own ACC.

- If the EHV family moves under portability to another PHA that administers EHVs under its own ACC:
  - The receiving PHA may only absorb the incoming EHV family with an EHV (assuming it has an EHV voucher available to do so).
  - If the PHA does not have an EHV available to absorb the family, it must bill the initial PHA. The receiving PHA must allow the family to lease the unit with EHV assistance and may not absorb the family with a regular HCV when the family leases the unit.
  - Regardless of whether the receiving PHA absorbs or bills the initial PHA for the family's EHV assistance, the EHV administration of the voucher is in accordance with the receiving PHA's EHV policies.
- If the EHV family moves under portability to another PHA that does not administer EHV under its own ACC, the receiving PHA may absorb the family into its regular HCV program or may bill the initial PHA.

Family Briefing

In addition to the applicable family briefing requirements at 24 CFR 982.301(a)(2) as to how portability works and how portability may affect the family's assistance, the initial PHA must inform the family how portability may impact the special EHV services and assistance that may be available to the family.

The initial PHA is required to help facilitate the family's portability move to the receiving PHA and inform the family of this requirement in writing, taking reasonable steps to ensure meaningful access for persons with limited English proficiency (LEP).

PHA Policy

In addition to following PHA policy on briefings in Chapter 5, as part of the briefing packet for EHV families, the PHA will include a written notice that the PHA will assist the family with moves under portability.

For limited English proficient (LEP) applicants, the PHA will provide interpretation services in accordance with the PHA's LEP plan (See Chapter 2).

Coordination of Services

If the portability move is in connection with the EHV family's initial lease-up, the receiving PHA and the initial PHA must consult and coordinate on the EHV services and assistance that will be made available to the family.

PHA Policy

For EHV families who are exercising portability, when the PHA contacts the receiving PHA in accordance with Section 10-II.B. Preapproval Contact with Receiving PHA, the PHA will consult and coordinate with the receiving PHA to ensure there is no duplication of EHV services and assistance, and ensure the receiving PHA is aware of the maximum amount of services fee funding that the initial PHA may provide to the receiving PHA on behalf of the family.

Services Fee

Standard portability billing arrangements apply for HAP and ongoing administrative fees for EHV families.

For service fees funding, the amount of the service fee provided by the initial PHA may not exceed the lesser of the actual cost of the services and assistance provided to the family by the receiving PHA or $1,750, unless the initial PHA and receiving PHA mutually agree to change the $1,750 cap. Service fees are paid as follows:

- If the receiving PHA, in consultation and coordination with the initial PHA, will provide eligible services or assistance to the incoming EHV family, the receiving PHA may be compensated for those costs by the initial PHA, regardless of whether the receiving PHA bills or absorbs.
- If the receiving PHA administers EHVs, the receiving PHA may use its own services fee and may be reimbursed by the initial PHA, or the initial PHA may provide the services funding upfront to the receiving PHA for those fees and assistance.
- If the receiving PHA does not administer EHVs, the initial PHA must provide the services funding upfront to the receiving PHA. Any amounts provided to the receiving PHA that are not used for services or assistance on behalf of the EHV family must promptly be returned by the receiving PHA to the initial PHA.

Placement Fee/Issuance Reporting Fee

If the portability lease-up qualifies for the placement fee/issuance reporting fee, the receiving PHA receives the full amount of the placement component of the placement fee/issuing reporting fee. The receiving PHA is eligible for the placement fee regardless of whether the receiving PHA bills the initial PHA or absorbs the family into its own program at initial lease-up. The initial PHA qualifies for the issuance reporting component of the placement fee/issuance reporting fee, as applicable.

TPS-V.F. PAYMENT STANDARDS

Payment Standard Schedule

For the EHV program, HUD has waived the regulation requiring a single payment standard for each unit size. Instead, the PHA may, but is not required to, establish separate higher payment standards for EHVs. Lower EHV payment standards are not permitted. If the PHA is increasing the regular HCV payment standard, the PHA must also increase the EHV payment standard if it would be otherwise lower than the new regular HCV payment standard. The separate EHV payment standard must comply with all other HCV requirements with the exception of the alternative requirements discussed below.

Further, if the PHA chooses to establish higher payments standards for EHVs, HUD has provided other regulatory waivers:

- Defining the "basic range" for payment standards as between 90 and 120 percent of the published Fair Market Rent (FMR) for the unit size (rather than 90 to 110 percent).
- Allowing a PHA that is not in a designated Small Area FMR (SAFMR) area or has not opted to voluntarily implement SAFMRs to establish exception payment standards for a ZIP code area above the basic range for the metropolitan FMR based on the HUD published SAFMRs. The PHA may establish an exception payment standard up to 120 percent (as opposed to 110 percent) of the HUD published Small Area FMR for that ZIP code area. The exception payment standard must apply to the entire ZIP code area.
    - The PHA must notify HUD if it establishes an EHV exception payment standard based on the SAFMR.

      PHA Policy

      The PHA will not establish a higher payment standard amount for EHVs. The PHA will use the same payment standards for HCV and EHV.

Rent Reasonableness

All rent reasonableness requirements apply to EHV units, regardless of whether the PHA has established an alternative or exception EHV payment standard.

Increases in Payment Standards

The requirement that the PHA apply increased payment standards at the family's first regular recertification on or after the effective date of the increase does not apply to EHV. The PHA may, but is not required to, establish an alternative policy on when to apply the increased payment standard, provided the increased payment standard is used to calculate the HAP no later than the effective date of the family's first regular reexamination following the change.

PHA Policy

The PHA will not establish an alternative policy for increases in the payment standard. PHA policy in Section 11-III.B. governing increases in payment standards will apply to EHV.

TPS-V.G. TERMINATION OF VOUCHERS

After September 30, 2023, a PHA may not reissue EHVs when assistance for an EHV-assisted family ends. This means that when an EHV participant (a family that is receiving rental assistance under a HAP contract) leaves the program for any reason, the PHA may not reissue that EHV to another family unless it does so no later than September 30, 2023.

If an applicant family that was issued the EHV is unsuccessful in finding a unit and the EHV expires after September 30, 2023, the EHV may not be reissued to another family.

All EHVs under lease on or after October 1, 2023, may not under any circumstances be reissued to another family when the participant leaves the program for any reason.

An EHV that has never been issued to a family may be initially issued and leased after September 30, 2023, since this prohibition only applies to EHVs that are being reissued upon turnover after assistance to a family has ended. However, HUD may direct PHAs administering EHVs to cease leasing any unleased EHVs if such action is determined necessary by HUD to ensure there will be sufficient funding available to continue to cover the HAP needs of currently assisted EHV families.

PART VI: USE OF FUNDS, REPORTING, AND FINANCIAL RECORDS

EHV funds allocated to the PHA for HAP (both funding for the initial allocation and HAP renewal funding) may only be used for eligible EHV HAP purposes. EHV HAP funding obligated to the PHA may not be used for EHV administrative expenses or the other EHV eligible expenses under this notice. Likewise, EHV administrative fees and funding obligated to the PHA are to be used for those purposes and must not be used for HAP.

The appropriated funds for EHVs are separate from the regular HCV program and may not be used for the regular HCV program but may only be expended for EHV eligible purposes. EHV HAP funds may not roll into the regular HCV restricted net position (RNP) and must be tracked and accounted for separately as EHV RNP. EHV administrative fees and funding for other eligible expenses permitted by Notice PIH 2021-15 may only be used in support of the EHVs and cannot be used for regular HCVs. EHV funding may not be used for the repayment of debts or any amounts owed to HUD by HUD program participants including, but not limited to, those resulting from Office of Inspector General (OIG), Quality Assurance Division (QAD), or other monitoring review findings.

The PHA must comply with EHV reporting requirements in the Voucher Management System (VMS) and Financial Data Schedule (FDS) as outlined in Notice PIH 2021-15.

The PHA must maintain complete and accurate accounts and other records for the program and provide HUD and the Comptroller General of the United States full and free access to all accounts and records that are pertinent the administration of the EHVs in accordance with the HCV program requirements at 24 CFR 982.158.

Exhibit TPS-1: MEMORANDUM OF UNDERSTANDING (MOU)

Attachment 2 of Notice PIH 2021-15 - Sample MOU Template

Memorandum of Understanding

[** ***This sample document demonstrates the Memorandum of Understanding requirements for the administration Emergency Housing Voucher. Unless otherwise noted, all elements are required.*** **]

This Memorandum of Understanding (MOU) has been created and entered into on [** ***Insert execution date.*** **].

[PHA Name and Address]

[CoC Name and Address]

I. Introduction and Goals (the following elements, listed in a. – c., are required elements of the MOU):

   a. PHA and CoC's commitment to administering the EHVs in accordance with all program requirements.

   b. PHA goals and standards of success in administering the program.

   c. Identification of staff position at the PHA and CoC who will serve as the lead EHV liaisons.

      Lead HCV Liaison:

      [Name and title of PHA staff position]

      Responsibilities of the PHA EHV liaison [**Optional**].

      [Name and title of CoC staff position]

      Responsibilities of the CoC EHV liaison [**Optional**].

II. Define the populations eligible for EHV assistance to be referred by CoC.

III. Services to be provided to eligible EHV families

1. List the services to be provided to assist individuals and families have success in the program and who will provide them.

[**The following services are listed for example purposes. **]

1. Partnering service providers will support individuals and families in completing applications and obtaining necessary supporting documentation to support referrals and applications for assistance; while aiding households in addressing barriers.
2. Partnering service providers will support PHAs in ensuring appointment notifications to eligible individuals and families and will assist eligible households in getting to meetings with the PHA.
3. PHAs will establish windows of time for EHV applicants to complete intake interviews for EHV.
4. Partnering service providers will provide housing search assistance for eligible individuals and families.
5. Partnering service providers will provide counseling on compliance with rental lease requirements.
6. Partnering service providers will assess individuals and families who may require referrals for assistance on security deposits, utility hook-up fees, and utility deposits.
7. Partnering service providers will assess and refer individuals and families to benefits and supportive services, where applicable.

IV. PHA Roles and Responsibilities

[**The following responsibilities are listed for example purposes. **]

1. Coordinate and consult with the CoC in developing the services and assistance to be offered under the EHV services fee.
2. Accept direct referrals for eligible individuals and families through the CoC Coordinated Entry System.
3. Commit a sufficient number of staff and necessary resources to ensure that the application, certification, and voucher issuance processes are completed in a timely manner.
4. Commit a sufficient number of staff and resources to ensure that inspections of units are completed in a timely manner.
5. Designate a staff to serve as the lead EHV liaison.
6. Comply with the provisions of this MOU.

V. CoC Roles and Responsibilities

[**The following responsibilities are listed for example purposes. **]

1. Designate and maintain a lead EHV liaison to communicate with the PHA.
2. Refer eligible individuals and families to PHA using the community's coordinated entry system.
3. Support eligible individuals and households in completing and applying for supportive documentation to accompany admissions application to the PHA (i.e. self-certifications, birth certificate, social security card, etc.).
4. Attend EHV participant briefings when needed.
5. Assess all households referred for EHV for mainstream benefits and supportive services available to support eligible individuals and families through their transition.
6. Identify and provide supportive services to EHV families. (While EHV participants are not required to participate in services, the CoC should assure that services are available and accessible.)
7. Comply with the provisions of this MOU.

VI. Third Party Entity Roles Responsibilities

[**The following responsibilities are listed for example purposes. **]

1. Describe how the State, local, philanthropic, faith-based organizations, Victim Service Providers or CoC recipients it designates will fulfill each of the following responsibilities:
    a. Outline resource and/or service being provided in support of the community's EHV Program. Commit a sufficient number of staff and necessary resources to ensure that the application, certification and voucher issuance processes are completed in a timely manner.
    b. Comply with the provisions of this MOU. VII. Program Evaluation

The PHA, and CoC or designated CoC recipient agree to cooperate with HUD, provide requested data to HUD or HUD-approved contractor delegated the responsibility of program evaluation protocols established by HUD or HUD-approved contractor, including possible random assignment procedures.

[Signed and dated by the official representatives of the PHA, CoC, CoC Contractor organization (if applicable), and third-party entities (if applicable.]

Signed by

Executive Director, PHA	Date
CoC Executive Director	Date

Exhibit TPS-2: HOMELESS PROVIDER'S CERTIFICATION

Attachment 3 of Notice PIH 2021-15 Example of a Homeless Provider's Certification

Emergency Housing Voucher (EHV)

HOMELESS CERTIFICATION

EHV Applicant Name: _____

☐ Household without dependent children (complete one form for each adult in the household)

☐ Household with dependent children (complete one form for household)

Number of persons in the household: ____

This is to certify that the above named individual or household meets the following criteria based on the check mark, other indicated information, and signature indicating their current living situation-

Check only one box and complete only that section

Living Situation: place not meant for human habitation (e.g., cars, parks, abandoned buildings, streets/sidewalks)

☐ The person(s) named above is/are currently living in (or, if currently in hospital or other institution, was living in immediately prior to hospital/institution admission) a public or private place not designed for, or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus station, airport, or camp ground.

Description of current living situation:

_____

_____

_____

Homeless Street Outreach Program
Name:_____

This certifying agency must be recognized by the local Continuum of Care (CoC) as an agency that has a program designed to serve persons living on the street or other places not meant for human habitation. Examples may be street outreach workers, day shelters, soup kitchens, Health Care for the Homeless sites, etc.

Authorized Agency Representative Signature: _____
Date: _____

Living Situation: Emergency Shelter

☐ The person(s) named above is/are currently living in (or, if currently in hospital or other institution, was living in immediately prior to hospital/institution admission) a supervised publicly or privately operated shelter as follows:

Emergency Shelter Program Name:

_____

This emergency shelter must appear on the CoC's Housing Inventory Chart submitted as part of the most recent CoC Homeless Assistance application to HUD or otherwise be recognized by the CoC as part of the CoC inventory (e.g., newly established Emergency Shelter).

Authorized Agency Representative Signature: _____ Date: _____

Living Situation: Recently Homeless

☐ The person(s) named above is/are currently receiving financial and supportive services for persons who are homeless. Loss of such assistance would result in a return to homelessness (ex. Households in Rapid Rehousing Programs, residents of Permanent Supportive Housing Programs participating in Moving On, etc.)
Authorized Agency Representative Signature:

_____

This referring agency must appear on the CoC's Housing Inventory Chart submitted as part of the most recent CoC Homeless Assistance application to HUD or otherwise be recognized by the CoC as part of the CoC inventory.

Immediately prior to entering the household's current living situation, the person(s) named above was/were residing in:

☐ emergency shelter OR ☐ a place unfit for human habitation

Authorized Agency Representative Signature: _____
Date: _____

Exhibit TPS-3: EXAMPLE OF A VICTIM SERVICES PROVIDER'S CERTIFICATION

Attachment 4 of Notice PIH 2021-15: Example of a Victim Services Provider's Certification

Emergency Housing Voucher (EHV)

SAMPLE HUMAN TRAFFICKING CERTIFICATION

Purpose of Form:

The Victims of Trafficking and Violence Protection Act of 2000 provides assistance to victims of trafficking making housing, educational health care, job training and other Federally-funded social service programs available to assist victims in rebuilding their lives.

Use of This Optional Form:

In response to this request, the service provider may complete this form and submit it to the Public Housing Agency (PHA) to certify eligibility for EHV assistance.

Confidentiality: All information provided to the service provider concerning the incident(s) of human trafficking shall be kept confidential and such details shall not be entered into any shared database. Employees of the PHA will not have access to these details, and such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release; (ii) required for use in an eviction proceeding or hearing regarding termination of assistance; or (iii) otherwise required by applicable law.

TO BE COMPLETED ON BEHALF OF HUMAN TRAFFICKING SURVIVOR

EHV Applicant Name: _____

This is to certify that the above named individual or household meets the definition for persons who are fleeing or attempting to flee human trafficking under section 107(b) of the Trafficking Victims Protection Act of 2000.

Immediately prior to entering the household's current living situation, the person(s) named above was/were residing in:

_____

_____

This is to certify that the information provided on this form is true and correct to the best of my knowledge and recollection, and that the individual(s) named above is/has been a victim of human trafficking. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Authorized Agency Representative Signature:_____ **Date:** _____

GLOSSARY

A. ACRONYMS USED IN THE HOUSING CHOICE VOUCHER (HCV) PROGRAM

ACC	Annual contributions contract
ADA	Americans with Disabilities Act of 1990
AIDS	Acquired immune deficiency syndrome
BR	Bedroom
CDBG	Community Development Block Grant (Program)
CFR	Code of Federal Regulations (published federal rules that define and implement laws; commonly referred to as "the regulations")
CPI	Consumer price index (published monthly by the Department of Labor as an inflation indicator)
EIV	Enterprise Income Verification
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration (HUD Office of Housing)
FHEO	Fair Housing and Equal Opportunity (HUD Office of)
FICA	Federal Insurance Contributions Act (established Social Security taxes)
FMR	Fair market rent
FR	Federal Register
FSS	Family Self-Sufficiency (Program)
FY	Fiscal year
FYE	Fiscal year end
GAO	Government Accountability Office
GR	Gross rent
HA	Housing authority or housing agency
HAP	Housing assistance payment
HCV	Housing choice voucher
HIP	Housing Information Portal
HOTMA	Housing Opportunity through Modernization Act of 2016
HQS	Housing quality standards
HUD	Department of Housing and Urban Development
HUDCLIPS	HUD Client Information and Policy System

IPA	Independent public accountant
IRA	Individual retirement account
IRS	Internal Revenue Service
IVT	Income Validation Tool
JTPA	Job Training Partnership Act
LBP	Lead-based paint
LEP	Limited English proficiency
MSA	Metropolitan statistical area (established by the U.S. Census Bureau)
MTW	Moving to Work
NOFA	Notice of funding availability
NSPIRE	National Standards for the Physical Inspection of Real Estate
OGC	HUD's Office of General Counsel
OIG	HUD's Office of Inspector General
OMB	Office of Management and Budget
PASS	Plan to Achieve Self-Support
PBV	Project-based voucher
PHA	Public housing agency
PIH	(HUD Office of) Public and Indian Housing
PS	Payment standard
QC	Quality control
RAD	Rental Assistance Demonstration Program
REAC	(HUD) Real Estate Assessment Center
RFP	Request for proposals
RTA	Request for tenancy approval
RIGI	Regional inspector general for investigation (handles fraud and program abuse matters for HUD at the regional office level)
RVI	Remote Video Inspection
SEMAP	Section 8 Management Assessment Program
SRO	Single room occupancy
SSA	Social Security Administration
SSI	Supplemental security income
SWICA	State wage information collection agency

TANF	Temporary assistance for needy families
TPV	Tenant protection vouchers
TR	Tenant rent
TTP	Total tenant payment
UA	Utility allowance
UFAS	Uniform Federal Accessibility Standards
UIV	Upfront income verification
URP	Utility reimbursement payment
VAWA	Violence Against Women Act
VCA	Voluntary Compliance Agreement
VMS	Voucher Management System

B. GLOSSARY OF SUBSIDIZED HOUSING TERMS

Abatement. Stopping HAP payments to an owner with no potential for retroactive payment.

Absorption. In portability (under subpart H of this part 982): the point at which a receiving PHA stops billing the initial PHA for assistance on behalf of a portability family. The receiving PHA uses funds available under the receiving PHA consolidated ACC.

Accessible. The facility or portion of the facility can be approached, entered, and used by persons with disabilities.

Adjusted income. Annual income, less allowable HUD deductions and allowances.

Administrative fee. Fee paid by HUD to the PHA for administration of the program. See §982.152.

Administrative plan. The plan that describes PHA policies for administration of the tenant-based programs. The Administrative Plan and any revisions must be approved by the PHA's board and included as a supporting document to the PHA Plan. See §982.54.

Admission. The point when the family becomes a participant in the program. The date used for this purpose is the effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program.

Affiliated individual. With respect to an individual, a spouse, parent, brother, sister, or child of that individual, or an individual to whom that individual stands in loco parentis (in the place of a parent), or any individual, tenant, or lawful occupant living in the household of that individual

Amortization payment. In a manufactured home space rental: The monthly debt service payment by the family to amortize the purchase price of the manufactured home.

Annual. Happening once a year.

Annual contributions contract (ACC). The written contract between HUD and a PHA under which HUD agrees to provide funding for a program under the 1937 Act, and the PHA agrees to comply with HUD requirements for the program.

Prior to PHA implementation of HOTMA 102/104: Annual income. The anticipated total income of an eligible family from all sources for the 12-month period following the date of determination of income, computed in accordance with the regulations.

Upon PHA implementation of HOTMA 102/104: Annual income. All amounts not specifically excluded in 24 CFR 5.609(b), received from all sources by each member of the family who is 18 years of age or older or is the head of household, spouse or cohead, plus unearned income by or on behalf of each dependent who is under 18 years of age.

Applicant (applicant family). A family that has applied for admission to a program but is not yet a participant in the program.

Area exception rent. An amount that exceeds the published FMR. See 24 CFR 982.504(b).

As-paid states. States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

Assets. (See *net family assets.*)

Authorized voucher units. The number of units for which a PHA is authorized to make assistance payments to owners under its annual contributions contract.

Auxiliary aids. Services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in, and enjoy the benefits of, programs or activities receiving federal financial assistance.

Biennial. Happening every two years.

Bifurcate. With respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.

Budget authority. An amount authorized and appropriated by the Congress for payment to PHAs under the program. For each funding increment in a PHA program, budget authority is the maximum amount that may be paid by HUD to the PHA over the ACC term of the funding increment.

Building. A structure with a roof and walls that contains one or more dwelling units.

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

Childcare expenses. Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further their education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for childcare. In the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

Citizen. *A* citizen or national of the United States.

Cohead. An individual in the household who is equally responsible for the lease with the head of household. A family may have a cohead or spouse but not both. A cohead never qualifies as a dependent. The cohead must have legal capacity to enter into a lease.

Common space. In shared housing, the space available for use by the assisted family and other occupants of the unit.

Computer match. The automated comparison of databases containing records about individuals.

Confirmatory review. An on-site review performed by HUD to verify the management performance of a PHA.

Consent form. Any consent form approved by HUD to be signed by assistance applicants and participants to obtain income information from employers and SWICAs; return information from the Social Security Administration (including wages, net earnings from self-employment, and retirement income); and return information for unearned income from the IRS. Consent forms expire after a certain time and may authorize the collection of other information to determine eligibility or level of benefits.

Congregate housing. Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing. A special housing type: see 24 CFR 982.606–609.

Contiguous MSA. In portability (under subpart H of part 982): An MSA that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.

Continuously assisted. An applicant is continuously assisted under the 1937 Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the voucher program.

Contract authority. The maximum annual payment by HUD to a PHA for a funding increment.

Cooperative (term includes mutual housing). Housing owned by a nonprofit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment, and to participate in management of the housing. A special housing type (see 24 CFR 982.619).

Covered families. Statutory term for families who are required to participate in a welfare agency economic self-sufficiency program and who may be subject to a welfare benefit sanction for noncompliance with this obligation. Includes families who receive welfare assistance or other public assistance under a program for which federal, state or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for the assistance.

Dating violence. Violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:

- The length of the relationship
- The type of relationship
- The frequency of interaction between the persons involved in the relationship

Day laborer. An individual hired and paid one day at a time without an agreement that the individual will be hired or work again in the future.

De minimis error. An error that results in a difference in the determination of a family's adjusted income of $30 or less per month.

Dependent. A member of the family (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.

Dependent child. In the context of the student eligibility restrictions, a dependent child of a student enrolled in an institution of higher education. The dependent child must also meet the definition of *dependent* as specified above.

***Disability assistance expenses*.** Reasonable expenses that, when combined with health and medical care expenses, exceed 10 percent of annual income and are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member, and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

***Disabled family*.** A family whose head, cohead, spouse, or sole member is a person with disabilities; two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

Disabled person. See *person with disabilities.*

Disallowance. Exclusion from annual income.

***Displaced family*.** A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to federal disaster relief laws.

Domestic violence. Felony or misdemeanor crimes committed by a current or former spouse or intimate partner of the victim under the family or domestic violence laws of the jurisdiction receiving grant funding, and in the case of victim services, includes the user or attempted use of physical abuse or sexual abuse, or a pattern of any other coercive behavior committed, enabled, or solicited to gain or maintain power and control over a victim, including verbal, psychological, economic, or technological abuse that may or may not constitute criminal behavior, by a person who is:

- The current or former spouse or intimate partner of the victim, or person similarly situated to a spouse or intimate partner of the victim
- A person who is cohabitating or has cohabitated with the victim as a spouse or intimate partner
- A person with whom the victim shares a child in common
- A person who commits acts against a youth or adult victim who is protected from those acts under the domestic or family violence laws of the jurisdiction

***Domicile*.** The legal residence of the household head or spouse as determined in accordance with state and local law.

Drug-related criminal activity. The illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute, or use the drug.

Earned income. Income or earnings from wages, tips, salaries, other employee compensation, and net income from self-employment. Earned income does not include any pension or annuity, transfer payments (meaning payments made or income received in which no goods or services are being paid for, such as welfare, social security, and governmental subsidies for certain benefits), or any cash or in-kind benefits.

Economic abuse. Behavior that is coercive, deceptive, or unreasonably controls or restrains a person's ability to acquire, use, or maintain economic resources to which they are entitle, including using coercion, fraud, and manipulation to:

- Restrict a person's access to money, assets, credit, or financial information
- Unfairly use a person's personal economic resources, including money, assets, and credit, for one's own advantage
- Exert undue influence over a person's financial and economic behavior or decisions, including forcing default on joint or other financial obligations, exploiting powers of attorney, guardianship, or conservatorship, or to whom one has a fiduciary duty

Economic self-sufficiency program. Any program designed to encourage, assist, train or facilitate the economic independence of assisted families, or to provide work for such families. Can include job training, employment counseling, work placement, basic skills training, education, English proficiency, Workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as treatment for drug abuse or mental health treatment). Includes any work activities as defined in the Social Security Act (42 U.S.C. 607(d)). Also see 24 CFR 5.603(c).

Elderly family. A family whose head, cohead, spouse, or sole member is a person who is at least 62 years of age; two or more persons who are at least 62 years of age living together; or one or more persons who are at least 62 years of age living with one or more live-in aides.

Elderly person. An individual who is at least 62 years of age.

Eligible family A family that is income eligible and meets the other requirements of the 1937 Act and Part 5 of 24 CFR. See also *family.*

Employer identification number (EIN). The nine-digit taxpayer identifying number that is assigned to an individual, trust, estate, partnership, association, company, or corporation.

Evidence of citizenship or eligible status. The documents which must be submitted as evidence of citizenship or eligible immigration status. See 24 CFR 5.508(b).

Extremely low-income family. A family whose annual income does not exceed the federal poverty level or 30 percent of the median income for the area, whichever number is higher. Area median income is determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30 percent of median income if HUD finds such variations are necessary due to unusually high or low family incomes. See 24 CFR 5.603.

Fair Housing Act. Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988.

Fair market rent (FMR). The rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately owned, existing, decent, safe, and sanitary rental housing of modest (non-luxury) nature with suitable amenities. In the HCV program, the FMR may be established at the ZIP code level (see definition of *Small Area Fair Market Rents*), metropolitan area level, or nonmetropolitan county level.

Family. Includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status, and can be further defined in PHA policy. Family includes a single person, who may be:

- An elderly person, displaced person, disabled person, near-elderly person, or any other single person;
- An otherwise eligible youth who has attained at least 18 years of age and not more than 24 years of age and who has left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act (42 U.S.C. 675(5)(H)), and is homeless or is at risk of becoming homeless at age 16 or older; or

Family also includes a group of persons residing together, and such group includes, but is not limited to:

- A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
- An elderly family;
- A near-elderly family;
- A disabled family;
- A displaced family; and
- The remaining member of a tenant family.

Family rent to owner. In the voucher program, the portion of rent to owner paid by the family.

Family self-sufficiency program (FSS program). The program established by a PHA within its jurisdiction to promote self-sufficiency among participating families, including the coordination of supportive services to these families (24 CFR 984.103).

Family share. The portion of rent and utilities paid by the family. For calculation of family share, see 24 CFR 982.515(a).

Family unit size. The appropriate number of bedrooms for a family, as determined by the PHA under the PHA subsidy standards.

Federal agency. A department of the executive branch of the federal government.

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

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

Foster childcare payment. A payment to eligible households by state, local, or private agencies appointed by the state to administer payments for the care of foster children.

Full-time student. A person who is attending school or vocational training on a full-time basis (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended). See 24 CFR 5.603.

Funding increment. Each commitment of budget authority by HUD to a PHA under the consolidated annual contributions contract for the PHA program.

Gender identity. Actual or perceived gender-related characteristics.

Gross rent. The sum of the rent to owner plus any utility allowance.

Group home. A dwelling unit that is licensed by a state as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide). (A special housing type: see 24 CFR 982.610–614.)

Handicap. Any condition or characteristic that renders a person an individual with handicaps. (See *person with disabilities*.)

HAP contract. The housing assistance payments contract. A written contract between the PHA and an owner for the purpose of providing housing assistance payments to the owner on behalf of an eligible family.

Head of household. The adult member of the family who is the head of the household for purposes of determining income eligibility and rent.

Health and medical care expenses. Any costs incurred in the diagnosis, cure, mitigation, treatment, or prevention of disease or payments for treatments affecting any structure or function of the body. Health and medical care expenses include medical insurance premiums and long-term care premiums that are paid or anticipated during the period for which annual income is computed.

Household. A household includes additional people other than the family who, with the PHA's permission, live in an assisted unit, such as live-in aides, foster children, and foster adults.

Housing assistance payment. The monthly assistance payment by a PHA, which includes: (1) A payment to the owner for rent to the owner under the family's lease; and (2) An additional payment to the family if the total assistance payment exceeds the rent to owner.

Housing agency (HA). See *public housing agency.*

Housing quality standards (HQS). The minimum quality standards developed by HUD in accordance with 24 CFR 5.703 for the HCV program, including any variations approved by HUD for the PHA under 24 CFR 5.705(a)(3).

HUD. The U.S. Department of Housing and Urban Development.

Human trafficking. A crime involving the exploitation of a person for labor, services, or commercial sex. The Trafficking Victims Protection Act of 2000 and its subsequent reauthorizations recognize and define two primary forms of human trafficking:

- Sex trafficking is the recruitment, harboring, transportation, provision, obtaining, patronizing, or soliciting of a person for the purpose of a commercial sex act in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age. See 22 U.S.C. § 7102(11)(A).
- Forced labor is the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery. See 22 U.S.C. § 7102(11)(B).

Imputed welfare income. An amount of annual income that is not actually received by a family as a result of a specified welfare benefit reduction, but is included in the family's annual income and therefore reflected in the family's rental contribution.

Income for eligibility. Annual income.

Independent contractor. An individual who qualifies as an independent contractor instead of an employee in accordance with the Internal Revenue Code Federal income tax requirements and whose earnings are consequently subject to the Self-Employment Tax. In general, an individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done.

Independent entity. The unit of general local government; however, if the PHA itself is the unit of general local government or an agency of such government, then only the next level of general local government (or an agency of such government) or higher may serve as the independent entity; or a HUD-approved entity that is autonomous and recognized under state law as a separate legal entity from the PHA. The entity must not be connected financially (except regarding compensation for services performed for PHA-owned units) or in any other manner that could result in the PHA improperly influencing the entity.

Individual with handicaps. See *person with disabilities.*

Inflationary index. An index based on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) used to make annual adjustments to the deduction for elderly disabled families, the cap for imputing returns on assets, the restriction on net family assets, the amount of net assets the PHA may determine based on self-certification by the family, and the dependent deduction.

Initial PHA. In portability, the term refers to both: (1) A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and (2) A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.

Initial payment standard. The payment standard at the beginning of the HAP contract term.

Initial rent to owner. The rent to owner at the beginning of the HAP contract term.

Inside. Under NSPIRE, the inside of HUD housing (or "inside areas") refers to the common areas and building systems that can be generally found within the building interior and are not inside a unit. Examples of "inside" common areas may include, basements, interior or attached garages, enclosed carports, restrooms, closets, utility rooms, mechanical rooms, community rooms, day care rooms, halls, corridors, stairs, shared kitchens, laundry rooms, offices, enclosed porches, enclosed patios, enclosed balconies, and trash collection areas. Examples of building systems include those components that provide domestic water such as pipes, electricity, elevators, emergency power, fire protection, HVAC, and sanitary services.

Institution of higher education. An institution of higher education as defined in 20 U.S.C. 1001 and 1002. See Exhibit 3-2 in this Administrative Plan.

Jurisdiction. The area in which the PHA has authority under state and local law to administer the program.

Landlord. Either the owner of the property or their representative, or the managing agent or their representative, as shall be designated by the owner.

Lease. A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the PHA.

Life-Threatening deficiency. Under NSPIRE, the life-threatening category includes deficiencies that, if evident in the home or on the property, present a high risk of death or severe illness or injury to a resident.

Live-in aide. A person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

- Is determined to be essential to the care and well-being of the persons;
- Is not obligated for the support of the persons; and
- Would not be living in the unit except to provide the necessary supportive services.

Local preference. A preference used by the PHA to select among applicant families.

Low deficiency. Under NSPIRE, deficiencies critical to habitability but not presenting a substantive health or safety risk to resident.

Low-income family. A family whose income does not exceed 80 percent of the median income for the area as determined by HUD with adjustments for smaller or larger families, except that HUD may establish income limits higher or lower than 80 percent for areas with unusually high or low incomes.

Manufactured home. A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS. (A special housing type: see 24 CFR 982.620 and 982.621.)

Manufactured home space. In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space. See 24 CFR 982.622 to 982.624.

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

Mixed family. *A* family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.

Moderate deficiency. Under NSPIRE, this includes deficiencies that, if evident in the home or on the property, present a moderate risk of an adverse medical event requiring a healthcare visit; cause temporary harm; or if left untreated, cause or worsen a chronic condition that may have long-lasting adverse health effects; or that the physical security or safety of a resident or their property could be compromised.

***Monthly adjusted income*.** One twelfth of adjusted income.

***Monthly income*.** One twelfth of annual income.

Mutual housing. Included in the definition of *cooperative.*

National. *A* person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

National Standards for the Physical Inspection of Real Estate. HUD's housing inspection approach. NSPIRE is a single inspection standard for all units under the Public Housing, HCV, Multifamily, and Community Planning and Development (CPD) programs. NSPIRE's focus is on the areas that impact residents the most, such as the dwelling unit.

***Near-elderly family*.** A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

Prior to PHA implementation of HOTMA 102/104: Net family assets. (1) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.

- In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under §5.609.
- In determining net family assets, PHAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

Net family assets. The net cash value of all assets owned by the family, after deducting reasonable costs that would be incurred in disposing real property, savings, stocks, bonds, and other forms of capital investment. In determining net family assets, PHAs or owners, as applicable, must include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives consideration not measurable in dollar terms. Negative equity in real property or other investments does not prohibit the owner from selling the property or other investments, so negative equity alone would not justify excluding the property or other investments from family assets.

Noncitizen. *A* person who is neither a citizen nor national of the United States.

Notice of funding availability (NOFA). For budget authority that HUD distributes by competitive process, the *Federal Register* document that invites applications for funding. This document explains how to apply for assistance and the criteria for awarding the funding.

Office of General Counsel (OGC). The General Counsel of HUD.

Outside. Under NSPIRE, outside of HUD housing (or "outside areas") refers to the building site, building exterior components, and any building systems located outside of the building or unit. Examples of "outside" components may include fencing, retaining walls, grounds, lighting, mailboxes, project signs, parking lots, detached garage or carport, driveways, play areas and equipment, refuse disposal, roads, storm drainage, non-dwelling buildings, and walkways. Components found on the exterior of the building are also considered outside areas, and examples may include doors, attached porches, attached patios, balconies, car ports, fire escapes, foundations, lighting, roofs, walls, and windows.

Overcrowded. A unit that does not have at least one bedroom or living/sleeping room for each two persons.

Owner. Any person or entity with the legal right to lease or sublease a unit to a participant.

PHA-owned unit. A dwelling unit in a project that is: (A) Owned by the PHA (including having a controlling interest in the entity that owns the project); (B) Owned by an entity wholly controlled by the PHA; or (C) Owned by a limited liability company or limited partnership in which the PHA (or an entity wholly controlled by the PHA) holds a controlling interest in the managing member or general partner. A controlling interest is: (A) Holding more than 50 percent of the stock of any corporation; (B) Having the power to appoint more than 50 percent of the members of the board of directors of a non-stock corporation (such as a nonprofit corporation); (C) Where more than 50 percent of the members of the board of directors of any corporation also serve as directors, officers, or employees of the PHA; (D) Holding more than 50 percent of all managing member interests in an LLC; (E) Holding more than 50 percent of all general partner interests in a partnership; or (F) Equivalent levels of control in other ownership structures.

PHA Plan. The annual plan and the 5-year plan as adopted by the PHA and approved by HUD.

PHA's quality control sample. An annual sample of files or records drawn in an unbiased manner and reviewed by a PHA supervisor (or by another qualified person other than the person who performed the original work) to determine if the work documented in the files or records conforms to program requirements. For minimum sample size see CFR 985.3.

Participant (participant family). A family that has been admitted to the PHA program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the PHA for the family (first day of initial lease term).

Payment standard. The maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family).

Person with disabilities. *For the purposes of program eligibility*. A person who has a disability as defined under the Social Security Act or Developmental Disabilities Care Act, or a person who has a physical or mental impairment expected to be of long and indefinite duration and whose ability to live independently is substantially impeded by that impairment but could be improved by more suitable housing conditions. This includes persons with AIDS or conditions arising from AIDS but excludes persons whose disability is based solely on drug or alcohol dependence. *For the purposes of reasonable accommodation.* A person with a physical or mental impairment that substantially limits one or more major life activities, a person regarded as having such an impairment, or a person with a record of such an impairment.

Portability. Renting a dwelling unit with a Section 8 housing choice voucher outside the jurisdiction of the initial PHA.

Premises. The building or complex in which the dwelling unit is located, including common areas and grounds.

Private space. In shared housing, the portion of a contract unit that is for the exclusive use of an assisted family.

Project owner. The person or entity that owns the housing project containing the assisted dwelling unit.

Public assistance. Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by federal, state, or local governments.

Public housing agency (PHA). Any state, county, municipality, or other governmental entity or public body, or agency or instrumentality of these entities, that is authorized to engage or assist in the development or operation of low-income housing under the 1937 Act.

Qualified census tract. With regard to certain tax credit units, any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent, and where the census tract is designated as a qualified census tract by HUD.

Real property. Real property has the same meaning as that provided under the law of the state in which the property is located.

Reasonable rent. A rent to owner that is not more than rent charged: (1) For comparable units in the private unassisted market; and (2) For comparable unassisted units in the premises.

Reasonable accommodation. A change, exception, or adjustment to a rule, policy, practice, or service to allow a person with disabilities to fully access the PHA's programs or services.

Receiving PHA. In portability: A PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA issues a voucher and provides program assistance to the family.

Recertification. Sometimes called *reexamination.* The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if there are no additional changes to be reported.

Remaining member of the tenant family. The person left in assisted housing who may or may not normally qualify for assistance on their own circumstances (i.e., an elderly spouse dies, leaving widow age 47 who is not disabled).

Rent to owner. The total monthly rent payable to the owner under the lease for the unit (also known as contract rent). Rent to owner covers payment for any housing services, maintenance, and utilities that the owner is required to provide and pay for.

Request for Tenancy Approval (RTA). A form (Form HUD-52517) submitted by or on behalf of a family to a PHA once the family has identified a unit that it wishes to rent using tenant-based voucher assistance.

Residency preference. A PHA preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area (See *residency preference area*).

Residency preference area. The specified area where families must reside to qualify for a residency preference.

Responsible entity. For the public housing and the Section 8 tenant-based assistance, project-based voucher assistance, and moderate rehabilitation programs, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.

Secretary. The Secretary of Housing and Urban Development.

Section 8. Section 8 of the United States Housing Act of 1937.

Section 8 covered programs. All HUD programs which assist housing under Section 8 of the 1937 Act, including Section 8 assisted housing for which loans are made under Section 202 of the Housing Act of 1959.

Section 8 Management Assessment Program (SEMAP). A system used by HUD to measure PHA performance in key Section 8 program areas. See 24 CFR Part 985.

Section 214. Section 214 of the Housing and Community Development Act of 1980, as amended.

Section 214 covered programs. The collective term for the HUD programs to which the restrictions imposed by Section 214 apply. These programs are set forth in 24 CFR 5.500.

Security deposit. A dollar amount (maximum set according to the regulations) which can be used for unpaid rent or damages to the owner upon termination of the lease.

Seasonal worker. An individual who is hired into a short-term position and the employment begins about the same time each year (such as summer or winter). Typically, the individual is hired to address seasonal demands that arise for the particular employer or industry.

Set-up charges. In a manufactured home space rental, charges payable by the family for assembling, skirting, and anchoring the manufactured home.

Severe deficiency. Under NSPIRE, the severe category includes deficiencies that, if evident in the home or on the property, present a high risk of permanent disability, or serious injury or illness, to a resident; or the physical security or safety of a resident or their property would be seriously compromised.

Sexual assault. Any nonconsensual sexual act proscribed by federal, tribal, or state law, including when the victim lacks capacity to consent (42 U.S.C. 13925(a)).

Sexual orientation. Homosexuality, heterosexuality or bisexuality.

Shared housing. A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family. (A special housing type: see 24 CFR 982.615–982.618.)

Single person. A person living alone or intending to live alone.

Single room occupancy housing (SRO). A unit that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities. (A special housing type: see 24 CFR 982.602–982.605.)

Small Area Fair Market Rents (SAFMRs). FMRs established for ZIP code areas.

Small rural public housing agency (PHA). Section 38 defines the term "small public housing agency" as a public housing agency "for which the sum of the number of public housing dwelling units administered by the agency and the number of vouchers under section 8(o) administered by the agency is 550 or fewer" and "that predominantly operates in a rural area, as described in section 1026.35(b)(2)(iv)(A) of title 12, Code of Federal Regulations." After consideration of the public comments discussed above, HUD is interpreting "predominantly operates in a rural area" to mean a small PHA that:

(1) Has a primary administrative building with a physical address in a rural area as described in 12 CFR 1026.35(b)(2)(iv)(A); or

(2) more than 50 percent of its combined public housing units and voucher units under section 8(o) are in rural areas as described in 12 CFR 1026.35(b)(2)(iv)(A). HUD also clarifies that voucher units under section 8(o) include those in the tenant-based Housing Choice Voucher (HCV) program and the Project-Based Voucher (PBV) program.

Social security number (SSN). The nine-digit number that is assigned to a person by the Social Security Administration and that identifies the record of the person's earnings reported to the Social Security Administration. The term does not include a number with a letter as a suffix that is used to identify an auxiliary beneficiary.

Special admission. Admission of an applicant that is not on the PHA waiting list or without considering the applicant's waiting list position.

Special housing types. See subpart M of part 982. Subpart M states the special regulatory requirements for: SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

Specified welfare benefit reduction. Those reductions of welfare benefits (for a covered family) that may not result in a reduction of the family rental contribution. A reduction of welfare benefits because of fraud in connection with the welfare program, or because of welfare sanction due to noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

Spouse. The marriage partner of the head of household.

Stalking. To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (1) that person, (2) a member of the immediate family of that person, or (3) the spouse or intimate partner of that person.

State wage information collection agency (SWICA). The state agency, including any Indian tribal agency, receiving quarterly wage reports from employers in the state, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.

Subsidy standards. Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

Suspension. The term on the family's voucher stops from the date the family submits a request for PHA approval of the tenancy, until the date the PHA notifies the family in writing whether the request has been approved or denied. This practice is also called *tolling.*

Tax credit rent. With regard to certain tax credit units, the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

Technological abuse. An act or pattern of behavior that occurs within domestic violence, dating violence, sexual assault, or stalking and is intended to harm, threaten, intimidate, control, stalk, harass, impersonate, exploit, extort, or monitor another person, except as otherwise permitted by law, that occurs using any form of technology, including but not limited to:

- Internet enabled devices
- Online spaces and platforms
- Computers
- Mobile devices
- Cameras and imaging programs
- Apps
- Location tracking devices
- Communication technologies
- Any other emergency technologies

Tenancy addendum. For the housing choice voucher program, the lease language required by HUD in the lease between the tenant and the owner.

Tenant. The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.

Tenant-paid utilities. Utilities and services that are not included in the rent to owner and are the responsibility of the assisted family, regardless of whether the payment goes to the utility company or the owner. The utilities and services are those necessary in the locality to provide housing that complies with HQS. The utilities and services may also include those required by HUD through a *Federal Register* notice after providing opportunity for public comment.

Tenant rent to owner. See *family rent to owner*.

Term of lease. The amount of time a tenant agrees in writing to live in a dwelling unit.

Total tenant payment (TTP). The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

Unearned income. Any annual income, as calculated under 24 CFR 5.609, that is not earned income.

Unit. Under NSPIRE, a unit (or "dwelling unit") of HUD housing refers to the interior components of an individual unit. Examples of components included in the interior of a unit may include the balcony, bathroom, call-for-aid (if applicable), carbon monoxide devices, ceiling, doors, electrical systems, enclosed patio, floors, HVAC (where individual units are provided), kitchen, lighting, outlets, smoke detectors, stairs, switches, walls, water heater, and windows.

Utilities. Water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection, and sewage services. Telephone service is not included.

Utility allowance. If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

Utility reimbursement. In the voucher program, the portion of the housing assistance payment which exceeds the amount of rent to owner.

Utility hook-up charge. In a manufactured home space rental: Costs payable by a family for connecting the manufactured home to utilities such as water, gas, electrical and sewer lines.

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

Veteran. A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released therefrom under conditions other than dishonorable.

Violence Against Women Act (VAWA). Prohibits denying admission to the program to an otherwise qualified applicant or terminating assistance on the basis that the applicant or program participant is or has been a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking.

Violent criminal activity. Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

Voucher *(housing choice voucher).* A document issued by a PHA to a family selected for admission to the housing choice voucher program. This document describes the program and the procedures for PHA approval of a unit selected by the family. The voucher also states obligations of the family under the program.

Voucher holder. A family holding a voucher with an unexpired term (search time).

Voucher program. The housing choice voucher program.

Waiting list. A list of families organized according to HUD regulations and PHA policy who are waiting for a unit to become available.

Waiting list admission. An admission from the PHA waiting list.

Welfare assistance. Income assistance from federal or state welfare programs, including assistance provided under TANF and general assistance. Does not include assistance directed solely to meeting housing expenses, nor programs that provide health care, childcare or other services for working families. For the FSS program (24 CFR 984.103), *welfare assistance* includes only cash maintenance payments designed to meet a family's ongoing basic needs. Does not include nonrecurring short term benefits designed to address individual crisis situations, work subsidies, supportive services such as childcare and transportation provided to families who are employed, refundable earned income tax credits, contributions to and distributions from Individual Development Accounts under TANF, services such as counseling, case management, peer support, childcare information and referral, financial empowerment, transitional services, job retention, job advancement, and other employment-related services that to not provide basic income support, amounts solely directed to meeting housing expenses, amounts for health care, Supplemental Nutrition Assistance Program (SNAP) and emergency rental and utilities assistance, SSI, SSDI, or social security, and child-only or non-needy TANF grants made to or on behalf of a dependent child solely on the basis of the child's need and not the need of the child's current non-parental caretaker.

Withholding. Stopping HAP payments to an owner while holding them for potential retroactive disbursement.

HOTMA 102/104 Appendix to the Administrative Plan

Purpose of the Appendix

HUD published a final rule on February 14, 2023, revising regulations related to income, assets, adjusted income, verification, and reexams (among others) to implement Sections 102 and 104 of HOTMA. While the new regulations were effective January 1, 2024, HUD has delayed the full compliance date for HOTMA 102/104. Initially, *Compliance* with Sections 102 and 104 of HOTMA means not only applying HOTMA 102/104 regulations to affected programs but also reporting in HUD's new Housing Information Portal (HIP) system. Currently, PHAs remain unable to fully comply with HOTMA 102/104 because compliance depends on transitioning from HUD's IMS/PIC system (which is unable to accept HOTMA-compliant Form HUD-50058) to HUD's new HIP system (which will be the only system that accepts HOTMA-compliant Form HUD-50058). PHAs cannot transition to HOTMA until HIP is in place, HOTMA-compliant, and accessible.

On December 18, 2024, HUD published Notice PIH 2024-38, which identifies provisions in HOTMA 102/104 that PHAs must comply with no later than July 1, 2025. The notice states that all transactions with an effective date on or after July 1, 2025, must be processed using requirements in the notice. The July 1, 2025, compliance deadline does not apply to other HOTMA 102/104 provisions not listed in the notice. Other provisions are still dependent on HIP implementation and may not be implemented yet.

The PHA must:

- Have stopped enrolling families into the EID as of 12/31/23;
- Transition to the new Form HUD-9886-A no later than 2/1/25;
- Apply HOTMA 102/104 income exclusions listed in 24 CFR 5.609(b) (including new requirements for student financial assistance) for all income examinations effective on or after 7/1/25;
- Apply provisions related to de minimis errors; and
- Use these new HOTMA 102/104 definitions listed in the regulations for all transactions effective on or after 7/1/25.

These definitions include:

- Earned income
- Unearned income
- Family
- Day laborer
- Independent contractor
- Dependent
- Foster child and foster adults
- Health and medical care expenses
- Minor

Further, PHAs **may,** but are not required to:

- Stop using the EIV Income Report during interim reexams.
- Use Safe Harbor income determinations from means-tested federal assistance programs to verify a family's income and assets.

Finally, in FAQs dated 2/22/24, HUD also stated PHAs **may,** but are not required to:

- Accept third-party verification dated within 120 days of the date received by the PHA (rather than 60 days of the reexam/PHA request date);
- Accept a statement dated within the appropriate benefit year for fixed income sources like Social Security; and
- Accept a self-certification of SSNs along with a third-party document as a last resort if an individual is not able to provide documentation of SSN.

More details about each of the above provisions can be found in Notice PIH 2023-27.

Other than what's listed above, all other provisions of HOTMA 102/104 are on hold still. This means **PHAs may not implement certain provisions of HOTMA yet.** These include:

- All asset provisions, including the asset limitation;
- All adjusted income provisions, with the exception of the definition of health and medical care expenses;
- Inflationary adjustments (although PHA may use the HUD-determined passbook rate);
- The new verification hierarchy, which allows for EIV + self-certification;
- Annuals using the previous 12-month period income;
- Interim reexam requirements; and
- Non-interim reexam transactions.

PHAs may not implement the above provisions because HUD has determined they depend on HIP implementation. PHAs should await further guidance from HUD on when these will be applicable.

HOTMA 102/104 Policies Not Yet Implemented

Chapter 00

No HOTMA 102/104 policies apply.

Chapter 1

No HOTMA 102/104 policies apply.

Chapter 2

No HOTMA 102/104 policies apply.

Chapter 3

Model policy section 3-**II.D. FAMILY CONSENT TO RELEASE OF INFORMATION** is amended to comply with section J.2 of Notice PIH 2023-27, **Revocation of Consent**
Model Policy section **III.C. RESTRICTION ON ASSISTANCE BASED ON ASSETS** is added to comply with section A.1 of Notice PIH 2023-27, **Asset Limitation**
HOTMA 102/104 policies related to the definition of family, foster children, and foster adults are applicable no later than July 1, 2025.

Chapter 4

No HOTMA 102/104 policies apply.

Chapter 5

No HOTMA 102/104 policies apply.

Chapter 6

Prior to the PHA's HOTMA compliance date, the PHA will follow policies in Chapter 6.A (as updated for Notice PIH 2024-38).

Upon the PHA's HOTMA compliance date, the PHA will follow policies in Chapter 6.B.

Chapter 7

Prior to the PHA's HOTMA compliance date, the PHA will follow policies in Chapter 7.A (as updated for Notice PIH 2024-38).

Upon the PHA's HOTMA compliance date, the PHA will follow policies in Chapter 7.B.

Chapter 8

No HOTMA 102/104 policies apply. However, prior to the NSPIRE compliance date, the PHA will follow policies in Chapter 8.A. Upon the NSPIRE compliance date, the PHA will follow policies in Chapter 8.B.

Chapter 9

No HOTMA 102/104 policies apply.

Chapter 10

No HOTMA 102/104 policies apply.

Chapter 11

Prior to the PHA's HOTMA compliance date, the PHA will follow policies in Chapter 11.A.

Upon the PHA's HOTMA compliance date, the PHA will follow policies in Chapter 11.B.

Chapter 12

Model policy section **12-I.D. MANDATORY TERMINATION OF ASSISTANCE** is amended to comply with section J.2 of Notice PIH 2023-27, **Revocation of Consent**
Model Policy section **12-I.E. MANDATORY POLICIES AND OTHER AUTHORIZED TERMINATIONS** is added to comply with section A.1 of Notice PIH 2023-27, **Asset Limitation**

Chapter 13

No HOTMA 102/104 policies apply.

Chapter 14

HOTMA 102/104 policies related to de minimis errors are applicable no later than July 1, 2025.

Chapter 15

No HOTMA 102/104 policies apply.

Chapter 16

No HOTMA 102/104 policies apply.

Chapter 17

No HOTMA 102/104 policies apply.

Chapter 18

No HOTMA 102/104 policies apply.

Chapter 19

No HOTMA 102/104 policies apply.

Glossary

The following definitions are applicable no later than July 1, 2025:

- Annual income (revised)
- Day laborer
- De minimis error
- Earned income
- Family (revised)
- Foster child
- Foster adult
- Independent contractor
- Inflationary index
- Net family assets (revised)
- Real property
- Seasonal worker
- Unearned income

AGENDA ITEM NO. 9.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: City Manager

City Manager: Department Head:

SUBJECT:
Formation of the Internal Economic Development Advisory Committee

RECOMMENDED MOTION:

That the City Council acknowledge and support the formation of an Internal Economic Development Advisory Committee, a multi-departmental team focused on generating ideas and recommendations to enhance economic development and revenue opportunities for the City.

DISCUSSION:

The City Manager has initiated the creation of the Economic Development Advisory Committee to foster cross-departmental collaboration and leverage staff expertise to identify innovative revenue streams, efficiency improvements, and strategic opportunities for the City. The committee brings together representatives from Finance, Planning, Public Works, City Attorney, Building Safety, Community Services, Business License, and Housing to ensure a holistic approach incorporating financial, operational, legal, community, and planning perspectives. The committee's goal is to maximize economic development opportunities, improve revenue collection and efficiency, and develop innovative programs that support the City's long-term financial health. By drawing on the knowledge and experience of multiple departments, the City aims to identify creative solutions, such as leveraging ground leases, naming rights, EV infrastructure partnerships, and updated development fees, while maintaining a focus on community benefits and sustainability. This committee aligns with the City's commitment to innovation, proactive planning, and multi-department collaboration as foundational strategies to drive economic growth and enhance the quality of services delivered to the community.

Committee Focus Areas

- Maximizing Economic Development
- Evaluate Transient Occupancy Tax (TOT) opportunities.
- Review billboard and digital signage agreements (WOW and City-owned).
- Explore EV charging station partnerships.
- Consider naming rights for parks, fields, and City facilities.
- Update development impact fees to reflect current construction costs.
- Technology & Efficiency Revenue Capture
- Implement compliance improvements generating 2--5% additional revenue.
- Utilize ground leases for long-term revenue streams (e.g., old Public Works yard).
- Improve collections on past-due receivables.

The Council is requested to acknowledge and support the formation of this advisory committee.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:

Goal 5: Develop a strategy for major developments

FISCAL IMPACT:
N/A

NOTICING PROCEDURE:
72 hours posted notice pursuant to the Ralph M. Brown Act.

AGENDA ITEM NO. 10.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: City Manager

City Manager: Department Head:

SUBJECT:
Appointment of Representative and Alternate to the South Bay Regional Housing Trust Governing Board

RECOMMENDED MOTION:

- **Appoint** Mayor Pro Tem (MPT) Monteiro as the City's primary Delegate to the South Bay Regional Housing Trust (SBRHT) Board of Directors.
- **Nominate and Appoint** one (1) member of the City Council to serve as the Alternative Delegate.

DISCUSSION:
With the formal establishment of the South Bay Regional Housing Trust (SBRHT) as a Joint Powers Authority (JPA), member cities are required to appoint representatives to the Governing Board. The Board is responsible for making critical decisions on allocating the requested $10 million in Community Project Funding, establishing loan program criteria, and overseeing regional housing preservation efforts. Given that the SBRHT's first official meetings are scheduled for late April 2026, a timely appointment is necessary to ensure the City's interests are represented during the initial capitalization and program design phase. The SBRHT was formed to create a regional financing tool for affordable housing. Unlike traditional city committees, a JPA Governing Board functions as a legal oversight body. The Delegate (and the Alternate, in the Delegate's absence) will hold voting power on:

- Project selection for low-interest construction loans.
- The acquisition of "Naturally Occurring Affordable Housing" (NOAH) properties.
- Approval of annual budgets and federal/state grant applications.

Primary Delegate: Mayor Pro Tem Monteiro
MPT Monteiro is recommended for this role due to his ongoing involvement in regional coordination and community development. Having the Mayor Pro Tem serve as the primary delegate signals to federal and state partners that the City is prioritizing housing stability and regional cooperation.

Nomination of Alternative Delegate
The Council must now select an Alternative Delegate to attend meetings and vote if MPT Monteiro is unavailable.

Staff recommends the appointment of MPT Monteiro as Delegate and requests that the Council pass a motion to nominate an Alternate to ensure consistent representation in this critical new regional institution.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
N/A

FISCAL IMPACT:
There is no direct fiscal impact associated with these appointments.

NOTICING PROCEDURE:
72 Hours posted notice pursuant to the Ralph M. Brown Act.

AGENDA ITEM NO. 11.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: Public Works

City Manager: Department Head:

SUBJECT:
Progress Payment #1 in the amount of $220,547.25 due to Martinez Landscape Co., Inc. for the Alley Improvement Project (Project #25-08).

RECOMMENDED MOTION:
Staff recommends that the City Council approve this Progress Payment #1 for Martinez Landscape Co., Inc.

DISCUSSION:
This project involves the rehabilitation of deteriorated alleys as part of the Alley Improvement Project (City Project No. 25-08). The work includes excavation and removal of damaged pavement and base materials, preparation and compaction of the subgrade, installation of Crushed Miscellaneous Base (CMB), and placement of new concrete pavement to improve safety, accessibility, and durability within the public right-of-way.

This progress payment includes completed work such as excavation and removal of existing pavement, initial subgrade preparation and compaction, installation of base materials, and project mobilization activities necessary to begin concrete placement.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
This project is a result of the City working closely with funding and regulatory agencies to support and improve our infrastructure. City departments shall continue to work cooperatively to ensure that improvements to infrastructure are kept apace of wear and tear.

FISCAL IMPACT:
None. Funding for this progress payment, in the amount of $220,547.25, is included in the adopted Fiscal Year 2025--2026 budget and will be paid using funds from the Community Development Block Grant (CDBG) program, with no additional impact to the City's General Fund.

NOTICING PROCEDURE:
72 hours posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS
Progress Payment #1

14-Apr-26
Council Date

Honorable Mayor and City Council
City of Hawthorne
Hawthorne, CA 90250

RE: PROGRESS PAYMENT NO. 1 FOR ALLEY IMPROVEMENT PROJECT (Project #25-08)

The following is a detailed breakdown of **Progress Payment No.1** due to Martinez Landscape Company, INC, 12357 San Fernando Road, Sylmar, CA 91342 for work done on the subject project through February and March, 2026.

	Description	Contract Quantity	Unit	Unit Price	Contract Amount	Qty or % Previous	Qty or % This estimate	Amount This Estimate	Total Qty or % to Date	Total Amount to Date
1	Construction Survey	1	LS	$1,500.00	$ 1,500.00	0.00	0.60	$ 900.00	0.60	$ 900.00
2	Clearing and Grubbing/Implementation of BMPs	1	LS	$1,000.00	$ 1,000.00	0.00	0.60	$ 600.00	0.60	$ 600.00
3	Adjust Manhole (MH) Frames and Cover to Grade	7	EA	$375.00	$ 2,625.00	0.00	4.20	$ 1,575.00	4.20	$ 1,575.00
4	Adjust Utility Covers to Grade	2	EA	$300.00	$ 600.00	0.00	1.20	$ 360.00	1.20	$ 360.00
5	Excavation (unclassified) for Excess Excavation	300	CY	$65.00	$ 19,500.00	0.00	180.00	$ 11,700.00	180.00	$ 11,700.00
6	Asphalt Concrete (PG-64-16)	100	TON	$150.00	$ 15,000.00	0.00	60.00	$ 9,000.00	60.00	$ 9,000.00
7	Remove and excavate existing curb and gutter and construct new curb and gutter per SPPWC Std. 120-2 type A2-8(200) over 6" CMB	200	LF	$47.00	$ 9,400.00	0.00	120.00	$ 5,640.00	120.00	$ 5,640.00
8	Remove and excavate existing sidewalk and construct new 4" thick sidewalk over 4" CMB	2,000	SF	$8.90	$ 17,800.00	0.00	1,200.00	$ 10,680.00	1200.00	$ 10,680.00
9	Remove and Excavate existing 16" deep alley pavement (asphalt, concrete) and base materials and construct new dowelled 8" PCC Pavement over 8" CMB	24,000	SF	$11.00	$ 264,000.00	0.00	14,400.00	$ 158,400.00	14400.00	$ 158,400.00
10	Remove and excavate existing ADA Curb ramp and Construct new ADA curb ramp over 4" CMB per SPPWC Std. 111-4 and Cal-Trans Std. A88A	2500	SF	$18.00	$ 45,000.00	0.00	1,500.00	$ 27,000.00	1500.00	$ 27,000.00
11	Crushed Miscellaneous Base (CMB) for Excess Backfill	300	CY	$35.00	$ 10,500.00	0.00	180.00	$ 6,300.00	180.00	$ 6,300.00
	Total Contract Price				$ 386,925.00					
							TOTAL	$ 232,155.00		$ 232,155.00
							LESS RETENTION	$ 11,607.75		$ 11,607.75
							LESS PREVIOUSLY PAID	$0.00		FALSE
							TOTAL AMOUNT DUE	**$ 220,547.25**		**$ 220,547.25**

TOTAL AMOUNT DUE THIS 1ST PROGRESS PAYMENT:

Account # 727-4830-717-0-0-47754 $ 220,547.25

This 1st Progress Payment is hereby submitted for your review and approval.

Marco Lopez

Project Engineer

MARTINEZ LANDSCAPE CO., INC.

12357 San Fernando Road Sylmar, CA 91342

Alley Reconstruction Project #25-08

3/20/2026

Invoice # 1

				CONTRACT		PREVIOUS MONTH		CURRENT MONTH		TOTAL TO DATE	
ITEM#	QUANTITY	UNIT	ITEM DESCRIPTION	Unit Price	Total Price	QUANTITY	Total Price	QUANTITY	Total Price	QUANTITY	AMOUNT
1	1	LS	Construction Survey	$ 1,500.00	$1,500.00		$0.00	0.60	$900.00	0.60	$900.00
2	1	LS	Clearing and Grubbing/Implementation of BMPs	$ 1,000.00	$1,000.00		$0.00	0.60	$600.00	0.60	$600.00
3	7	EA	Adjust Manhole (MH) Frames and Cover to Grade	$ 375.00	$2,625.00		$0.00	4.20	$1,575.00	4.20	$1,575.00
4	2	EA	Adjust Utility Covers to Grade	$ 300.00	$600.00		$0.00	1.20	$360.00	1.20	$360.00
5	300	CY	Excavation (unclassified) for Potential Excess Excavation.	$ 65.00	$19,500.00		$0.00	180.00	$11,700.00	180.00	$11,700.00
6	100	TONS	Asphalt Concrete (PG-64-16)	$ 150.00	$15,000.00		$0.00	60.00	$9,000.00	60.00	$9,000.00
7	200	LF	Remove and excavate existing curb and gutter and construct new curb and gutter per SPPWC Std. 120-2 type A2-8(200) over 6" CMB	$ 47.00	$9,400.00		$0.00	120.00	$5,640.00	120.00	$5,640.00
8	2000	SF	Remove and excavate existing sidewalk and construct new 4" thick. sidewalk over 4" CMB	$ 8.90	$17,800.00		$0.00	1,200.00	$10,680.00	1200.00	$10,680.00
9	24,000	SF	Remove and excavate existing 16" deep alley pavement (asphalt, concrete) and base materials and construct new dowelled 8" PCC pavement over 8" CMB.	$ 11.00	$264,000.00		$0.00	14,400.00	$158,400.00	14400.00	$158,400.00
10	2,500	SF	Remove and excavate existing ADA curb ramp and Construct new ADA curb ramp over 4" CMB per SPPWC Std. 111-4 and Cal-Trans Std. A88A.	$ 18.00	$45,000.00		$0.00	1,500.00	$27,000.00	1500.00	$27,000.00
11	300	CY	Crushed Miscellaneous Base (CMB) for Potential Excess Backfill.	$ 35.00	$10,500.00		$0.00	180.00	$6,300.00	180.00	$6,300.00
				TOTAL=	**$386,925.00**		**$0.00**		**$232,155.00**		**$232,155.00**

Total Amount Before Retention	$232,155.00
Less 5% Retention	$11,607.75
Total Amount Due	***$220,547.25***

AGENDA ITEM NO. 12.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: City Attorney

City Manager: Department Head:

SUBJECT:
City Council approval of payment to FEMA for Sub-recipient Management Costs of $8,600 for an update of its Local Hazard Mitigation Plan.

RECOMMENDED MOTION:
Staff recommends that the City Council approve payment to FEMA for Sub-recipient Management Cost in the amount of $8,600.00, to update the City's Local Hazard Mitigation Plan.

DISCUSSION:
At the regular City Council meeting of October 14, 2025, the City Council approved the Agreement between the City of Hawthorne and Constant and Associates to update the City's Local Hazard Mitigation Plan ("LHMP"). The plan works as a guidebook to ensure that the City has assessed all the potential hazards in the event of an emergency, e.g., an earthquake. The City's current plan expired in April 2025, and the LHMP requires the Federal Emergency Management Agency ("FEMA") approval, which requires the City to request reimbursement for costs resulting from disasters. The City accepted the award in the amount of $220,000, which did not, unfortunately, include Subrecipient Management Costs in the amount of $8,600. The City is now requesting approval of payment to FEMA for Sub-recipient Management Costs of $8,600 for an update of its Local Hazard Mitigation Plan.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
None.

FISCAL IMPACT:
Funds for this project in the amount of $228,600 are available in the adopted 2025-20206 fiscal year budget and will be paid with approved allocated FEMA funds. The City needs to allocate $8,600 for Subrecipient Management Costs.

NOTICING PROCEDURE:
72 hours posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS
FEMA Award Letter

California Governor's Office of Emergency Services
SUPPLEMENTAL GRANT SUBAWARD INFORMATION SHEET

The California Governor's Office of Emergency Services (Cal OES), makes a Grant Subaward of funds set forth to the following:

1. Subrecipient: Hawthorne, City of **1a. SAM ID:** QU9JK191Z2L3

2. Implementing Agency: _____ **2a. SAM ID:** _____

3. Implementing Agency Address: 4455 W. 126th Street, (Street) Hawthorne, (City) CA (State) 90250 (ZIP+4)

4. Location of Project: _____ (City) _____ (County) _____ (ZIP+4)

5. Federal Award Identification Number: FEMA-4699-DR-CA **6. Performance Period:** 10/07/2024 **to** 10/07/2027

7. Indirect Cost Rate: ☐ **N/A** ☐ **10% de minimis** ☐ **Federally Approved ICR:** _____

8. Federal Awarding Agency Section

Federal Program Fund / CFDA #	Federal Awarding Agency	Total Approved Project Amount
Hazard Mitigation Grant Program / 97.039	U.S. Department of Homeland Security, Federal Emergency Management Agency	$228,600.00

9. Primary Authorized Agent:

Name: Vontray Norris Title: City Manager

Phone: 310-349-2910 Email: vnorris@cityofhawthorne.org

Payment Mailing Address: 4455 West 126th Street (Street) Hawthorne, (City) CA (State) 90250-4421 (ZIP+4)

10. Additional Correspondence Contacts (optional):

Name: _____ Email: _____

Name: _____ Email: _____

California Governor's Office of Emergency Services
SUPPLEMENTAL GRANT SUBAWARD INFORMATION SHEET

Cal OES Contact Information Section:
Governor's Office of Emergency Services
Nancy Ward, Director
3650 Schriever Avenue
Mather, CA 95655
Phone: (916) 845-8510

Cal OES Use Only	
Cal OES #	037-32548-00
FIPS #	037-32548
Subaward #	DR4699-AP01642
PCA	
Federal Award Dates	04/03/2023
	11/29/2028

11. Supplement Information

Supp No.	Federal Share	Non-Federal Share	SR Mgmt Cost	Total Supplement Cost	Fed / Non-Fed Cost Share
9	$165,000.00	$55,000.00	$0.00	$220,000.00	75% / 25%
9	$0.00	$0.00	$8,600.00	$8,600.00	
				$0.00	
				$0.00	
				$0.00	
				$0.00	
				$0.00	
				$0.00	
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				$0.00	
				$0.00	
				$0.00	
				$0.00	
				$0.00	
Totals:	$165,000.00	$55,000.00	$8,600.00		

Total Project Cost: (incl SRMC) $228,600.00

12. Project Description Section:
City of Hawthorne Local Hazard Mitigation Plan Update

13. Research and Development Section:

Is this Subaward a Research and Development Grant? Yes ☐ No ☑

SUPPLEMENTAL GRANT SUBAWARD INFORMATION SHEET Instructions
Please complete the sections marked with an asterisk (*)

1. Subrecipient
The subrecipient is the unit of government or community-based organization (CBO) that has the legal responsibility for these grant subaward funds (e.g., Alameda County, City of Fresno, or Women's Place of Merced).

***1a. Federal SAM ID Number (Subrecipient)**
Enter the subrecipient's 12-digit Unique Entity ID number provided by the federal System of Award Management (SAM) database. This number must have a current and active registration in SAM for the duration of this grant subaward. Note: A SAM ID number is required only for federally funded grants.

***2. Implementing Agency**
Enter the complete name of the agency responsible for the day-to-day operation of the grant subaward (e.g., Sheriff's Department, Fire Department, or Department of Public Works). If the implementing agency is the same as the subrecipient, enter the subrecipient's name again.

***2a. Federal SAM ID Number (Implementing Agency)**
Enter the implementing agency's 12-digit Unique Entity ID number provided by the federal System of Award Management (SAM) database. This number must have a current and active registration in SAM for the duration of this grant subaward. Note: A SAM ID Number is required only for federally funded grants.

***3. Implementing Agency Address**
Enter the address of the implementing agency. Provide the complete nine-digit ZIP code (ZIP+4).

***4. Location of Project**
Enter the city and county/operational area where the project is located. Provide the complete nine-digit ZIP code (ZIP+4).

5. Federal Award Identification Number (FAIN)
This section shows the Federal Award Identification Number associated with this funding source/disaster. Example: 4301-DR-CA or FEMA-4301-DR-CA.

6. Performance Period
This section shows the beginning and ending dates of this grant subaward's project performance period.

***7. Indirect Cost Rate**
Indicate whether the subrecipient is using the 10% de minimis based on Modified Total Direct Costs (MTDC) or the indirect cost rate approved by the subrecipient's cognizant agency agreement. A copy of the approved ICR Negotiation Agreement must be enclosed with the application. Indicate N/A if the subrecipient will not be claiming indirect costs under this grant subaward. ***Indirect costs may not be allowable under certain federal fund sources.***

SUPPLEMENTAL GRANT SUBAWARD INFORMATION SHEET Instructions
Please complete the sections marked with an asterisk (*)

8. Federal Awarding Agency Section
This section shows the federal awarding agency, federal program, and the Catalog of Federal Domestic Assistance (CFDA) number for the obligated funding. Also shown is the total approved project amount related to this grant subaward.

***9. Primary Authorized Agent**
The primary authorized agent will be the main contact for Financial Processing Unit correspondence and must be one of the authorized agents named in the governing body resolution. Enter the name, title, phone number, and email address of the primary authorized agent for this project. Enter the payment mailing address where reimbursement payments should be mailed (payments will be sent to this address to the attention of the primary authorized agent).

10. Additional Correspondence Contacts (optional)
Enter the names and email addresses of individuals whom the subrecipient would like to be included in Financial Processing Unit (FPU) correspondence. The FPU will cc these individuals when emailing correspondence to the primary authorized agent. Please note that although individuals listed in this section do not need to be authorized agents, only authorized agents have signature- and decision-making authority regarding this grant subaward.

11. Supplement Information
This section features the FEMA supplement numbers, the federal and non-federal shares, and applicable subrecipient management costs for this grant subaward. The grant subaward's project cost share percentage is displayed in the far-right column.

12. Project Description Section
This section features the name or a short description of the project.

13. Research and Development Section
This section indicates whether this grant subaward is for research and development.

AGENDA ITEM NO. 13.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: Public Works

City Manager: Department Head:

SUBJECT:
Acceptance of 640 Square Feet of right-of-way dedication on a portion of the North Half of Lot 117 in Division "A" of Tract No. 874, in the City of Hawthorne, County of Los Angeles, State of California, as per map recorded in Book 17, pages 110 and 111 of maps, in the office of the County Recorder of the said County.

RECOMMENDED MOTION:
Accept the dedicated right-of-way easement for the purpose of constructing an ADA-accessible curb ramp and sidewalk.

DISCUSSION:
This acceptance of a 640 Square feet of right-of-way easement dedication will allow this section of sidewalk at 13429 Kornblum Ave to be made fully compliant with all relevant accessibility regulations. The requirement for dedication of 640 square feet of easement land for the purpose of a curb ramp and sidewalk was first brought to the developer's attention during the Engineering plan review process. Engineering met with the developer's consultants and reviewed and subsequently approved the land description as requested.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
N/A

FISCAL IMPACT:
There is no fiscal impact for acceptance of this right-of-way easement dedication.

NOTICING PROCEDURE:
72 hours posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS
Proposed Street Easement

Recording Requested by:
City of Hawthorne

When Recorded Mail to:
City Clerk
City of Hawthorne
4455 West 126th Street
Hawthorne, CA. 90250

No charge for recording pursuant to Gov. Code Sec. 6103
This is a conveyance of an easement and the consideration and value is $100 or less R&T Code 11911

EASEMENT DEED

For valuable consideration, receipt of which is hereby acknowledged,

RoxyTCB LLC, a California Limited Liability Company

do(es) hereby grant to the CITY OF HAWTHORNE, a municipal corporation of Los Angeles County, State of California, an easement for street purposes and all incidents thereto, over the real property in and along lands hereinafter described on EXHIBIT "A" and shown on EXHIBIT "B"

DATED: March 25, 2026

Dated this 25 day of March 2026

Sign: _____

Print: Roxana Stranlendorf

(All signatures must be notarized)

Title: President

Property Address: 13429 KORNBLUM AVENUE
HAWTHORNE, CA. 90250
APN: 4050-021-005

CALIFORNIA ALL PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA }

COUNTY OF Las Angeles }

On March 25 2026 before me, Arleen Hernandez Notary Public,

Date (here insert name and title of the officer)

personally appeared Roxana Strahlendorf

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

ARLEEN HERNANDEZ
Notary Public - California
Los Angeles County
Commission # 2535916
My Comm. Expires Nov 3, 2029

Signature: Arleen Hernandez (Seal)

OPTIONAL

Description of Attached Document

Title or Type of Document: _____ Number of Pages: _____

Document Date: _____ Other: _____

EXHIBIT "A"

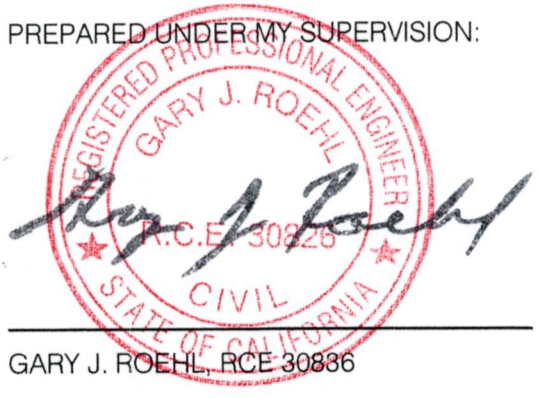
LEGAL DESCRIPTION

THAT PORTION OF THE NORTH HALF OF LOT 117 IN DIVISION "A" OF TRACT NO. 874, IN THE CITY OF HAWTHORNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGES 110 AND 111 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

THE EASTERLY 10.00 FEET OF THE NORTH HALF OF SAID LOT 117.

THE ABOVE-DESCRIBED DEDICATION CONTAINS 640 SQUARE FEET.
ALL, AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE, MADE A PART HEREOF.

PREPARED UNDER MY SUPERVISION:



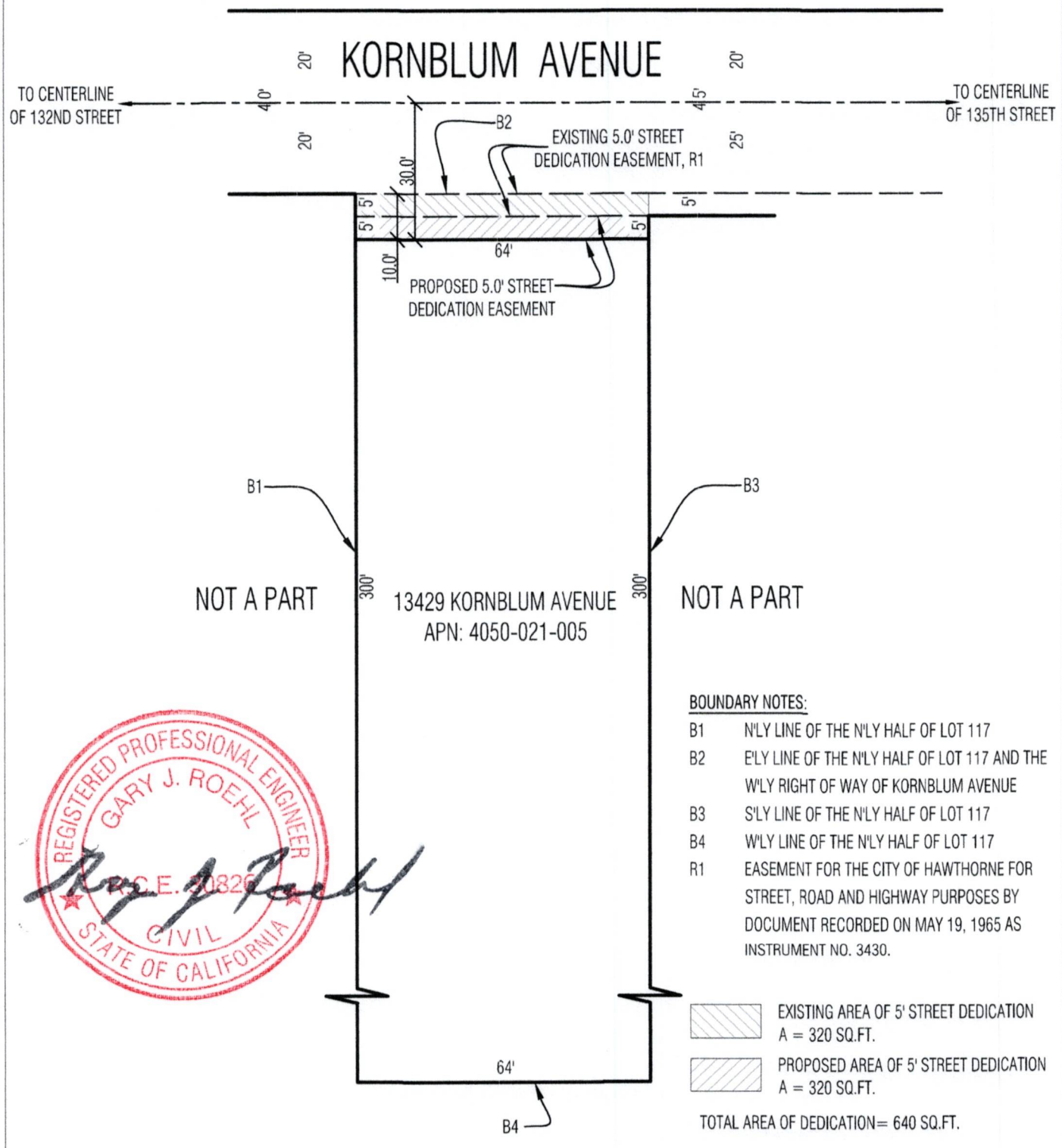
GARY J. ROEHL, RCE 30886

EXHIBIT "B"

SKETCH TO ACOMPANY LEGAL DESCRIPTION



SCALE 1" = 30'



REGISTERED PROFESSIONAL ENGINEER
GARY J. ROEHL
R.C.E. 20826
CIVIL
STATE OF CALIFORNIA

BOUNDARY NOTES:

- B1 N'LY LINE OF THE N'LY HALF OF LOT 117
- B2 E'LY LINE OF THE N'LY HALF OF LOT 117 AND THE W'LY RIGHT OF WAY OF KORNBLUM AVENUE
- B3 S'LY LINE OF THE N'LY HALF OF LOT 117
- B4 W'LY LINE OF THE N'LY HALF OF LOT 117
- R1 EASEMENT FOR THE CITY OF HAWTHORNE FOR STREET, ROAD AND HIGHWAY PURPOSES BY DOCUMENT RECORDED ON MAY 19, 1965 AS INSTRUMENT NO. 3430.

EXISTING AREA OF 5' STREET DEDICATION
A = 320 SQ.FT.

PROPOSED AREA OF 5' STREET DEDICATION
A = 320 SQ.FT.

TOTAL AREA OF DEDICATION= 640 SQ.FT.

AGENDA ITEM NO. 14.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: Public Works

City Manager: Department Head:

SUBJECT:
Progress Payment #1 in the amount of $580,417.17 due to Martinez Landscape Company, Inc of Sylmar, CA for General Maintenance (Project 22-05).

RECOMMENDED MOTION:
Staff recommends that the City Council approves this Progress Payment #1 and change order #1 to Martinez Landscape Company, Inc of Sylmar, CA.

DISCUSSION:
This contract encompasses various crucial maintenance activities, including the City's Weed Abatement Project, landscape and general maintenance needs, and specific tasks such as concrete and asphalt replacement, sidewalk, curb, and gutter replacements. Additionally, it includes essential tree planting, removal, and maintenance services for the medians along Hawthorne Blvd, Prairie Ave, Inglewood Ave, and Imperial Hwy. These contract maintenance activities are designed to complement the work performed by City Staff as required.

Furthermore, the contract incorporates regular debris maintenance on Caltrans right of way, ensuring that roads and adjacent areas remain free from obstructions. This work plays a vital role in preserving safe and accessible roadways, while also preventing the accumulation of trash, plastic, and other debris from being washed into our storm drains by rainwater.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
This contract supports economic development by maintaining clean, safe, and well-kept streets, landscaping, and infrastructure that enhance the City's appearance, protect public assets, and create an environment that attracts businesses, investment, and community activity.

FISCAL IMPACT:
None. Funds for this payment in the amount of $580,417.17 are available in the adopted Fiscal Year 2025-26 budget and will be paid for with approved and allocated funds from Proposition C, Measure R and Non-Gas Tax Funds.

NOTICING PROCEDURE:
72 hours posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS
Progress Payment 1

14-Apr-26
Council Date

Honorable Mayor and City Council
City of Hawthorne
Hawthorne, CA 90250

RE: GENERAL MAINTENANCE ***(PROJECT #22-05)***

The following is a detailed breakdown of **Progress Payment No.1** to Martinez Landscaping Co., **12357 SAN FERNANDO ROAD, SYLMAR, CA 91342**, for work done on the subject project through March 2026

Base Bid				CONTRACT		PREVIOUS MONTH		CURRENT MONTH		TOTAL TO DATE	
ITEM#	QUANTITY	UNIT	ITEM DESCRIPTION	Unit Price	Total Price	QUANTITY	Total Price	QUANTITY	Total Price	QUANTITY	AMOUNT
1	30,000.00	S.F.	Mowing Lots	$0.35	$10,500.00		$0.00		$0.00	-	$0.00
2	30,000	S.F.	Mowing Parkways	$0.25	$7,500.00		$0.00	$852.60	$213.15	852.60	$213.15
3	100,000	S.F.	Hand Cleaning of debris from lots as required	$0.10	$10,000.00		$0.00		$0.00	-	$0.00
4	40	Location	Removal of rubbish per 10 lbs. to 500 lbs.	$175.00	$7,000.00		$0.00	1.00	$175.00	1.00	$175.00
5	30	Location	Removal of rubbish per 500 lbs. to 1,000 lbs.	$225.00	$6,750.00		$0.00		$0.00	-	$0.00
6	100	Location	Removal of rubbish per 1,001 lbs. to 1 ton.	$225.00	$22,500.00		$0.00		$0.00	-	$0.00
7	25	Location	Removal of rubbish per 1 ton or more	$250.00	$6,250.00		$0.00	150.00	$37,500.00	150.00	$37,500.00
8	20	Tree	Remove 10"-30" diameter Tree and stump, including disposal	$225.00	$4,500.00		$0.00		$0.00	-	$0.00
9	30	Tree	Remove 30" to 40" diameter Tree and stump, including disposal	$450.00	$13,500.00		$0.00		$0.00	-	$0.00
10	15	Tree	Remove 40" - or above diameter Tree and stump, including disposal	$575.00	$8,625.00		$0.00		$0.00	-	$0.00
11	50	Tree	Plant 24" box Tree with root barriers	$300.00	$15,000.00		$0.00		$0.00	-	$0.00
12	100	Tree	Plant 36" box Tree with root barriers	$575.00	$57,500.00		$0.00		$0.00	-	$0.00
13	2,000	L.F.	Root pruning and root barrier	$1.55	$3,100.00		$0.00		$0.00	-	$0.00
14	300	L.F.	INSTALL New 8-ft. high chain link fence	$95.00	$28,500.00		$0.00		$0.00	-	$0.00
15	500	L.F.	INSTALL New 14-ft. high chain link fence	$75.00	$37,500.00		$0.00		$0.00	-	$0.00
16	3,000	L.F.	INSTALL 6' high reinforced masonary block wall (8" thick)	$57.00	$171,000.00		$0.00		$0.00	-	$0.00
17	2,000	L.F.	INSTALL 8' high reinforced block wall (8" thick)	$85.00	$170,000.00		$0.00		$0.00	-	$0.00
18	500	L.F.	Repair chain link fence	$1.25	$625.00		$0.00		$0.00	-	$0.00
19	10,000	S.F.	Clean sidewalks	$0.10	$1,000.00		$0.00		$0.00	-	$0.00
20	50	Each	INSTALL 6ft. High barrier post	$60.00	$3,000.00		$0.00		$0.00	-	$0.00
21	50	Each	Remove and replace 6-ft. wheel stop	$37.00	$1,850.00		$0.00		$0.00	-	$0.00
22	30	Each	Remove and replace bus bench	$1,000.00	$30,000.00		$0.00		$0.00	-	$0.00
23	150	Each	Remove posters, flyers, signage, etc.	$1.10	$165.00		$0.00		$0.00	-	$0.00
24	14,000	S.F.	Remove and excavate existing sidewalk and Construct new 4" thick PCC sidewalk, per 112-1 over 4" CMB	$9.95	$139,300.00		$0.00	11,549.10	$114,913.55	11,549.10	$114,913.55
25	300	Each	Remove and replace street signs	$15.00	$4,500.00		$0.00		$0.00	-	$0.00
26	2,000	L.F.	Remove and replace curb and gutter	$42.00	$84,000.00		$0.00	165.00	$6,930.00	165.00	$6,930.00
27	30	Each	Trash receptacle	$1,250.00	$37,500.00		$0.00		$0.00	-	$0.00
28	15,000	S.F.	Remove and excavate existing alleys pavement and reconstruct new 8" thick PCC Concrete pavement, per APWA STD Plan 134-1 & 131-1 over 7" CMB	$18.00	$270,000.00		$0.00		$0.00	-	$0.00
29	3,000	S.F.	Remove and excavate existing driveway and construct new 6" thick PCC driveway, per APWA STD Plan 110-1 over 6" CAB	$9.95	$29,850.00		$0.00	182.00	$1,810.90	182.00	$1,810.90
30	10	Each	Construct AC Speed Hump	$1,800.00	$18,000.00		$0.00		$0.00	-	$0.00
31	5,000	S.F.	(Localized repair) Remove and replace aspahlt concrete pavement (4" AC over 8" CMB)	$9.25	$46,250.00		$0.00		$0.00	-	$0.00
32	20	Location	Install sewer backflow system	$260.00	$5,200.00		$0.00		$0.00	-	$0.00
33	10	Each	Furnish and install 2" remote control Valves superior 950's	$275.00	$2,750.00		$0.00		$0.00	-	$0.00
34	500	L.F.	Furnish and install 1" PVC Pipe sch. 40	$0.65	$325.00		$0.00		$0.00	-	$0.00
35	1,000	L.F.	Furnish and install 2" PVC Pipe sch. 40	$1.45	$1,450.00		$0.00		$0.00	-	$0.00
36	1,000	L.F.	Furnish and install 2 1/2" PVC pipe Class 315 sch. 40	$2.50	$2,500.00		$0.00		$0.00	-	$0.00
37	1,000	L.F.	Furnish and install 3" PVC pipe Class 315 sch. 40.	$3.00	$3,000.00		$0.00		$0.00	-	$0.00
38	1,000	L.F.	Furnish and install 4" PVC pipe Class 315 sch. 40	$4.10	$4,100.00		$0.00		$0.00	-	$0.00
39	1,000	L.F.	Furnish and install 3/4" PVC Pipe sch. 40	$0.40	$400.00		$0.00		$0.00	-	$0.00
40	50	Each	Furnish and install 1812 Sams Rain Bird Pop-ups	$16.00	$800.00		$0.00		$0.00	-	$0.00
41	3	Each	Furnish and install 32" Sprinkler Clock LeMeur Enclosure	$1,200.00	$3,600.00		$0.00		$0.00	-	$0.00
42	40	Each	Furnish and install Hunter I-40	$45.00	$1,800.00		$0.00		$0.00	-	$0.00
43	60	Each	Furnish and install Hunter I-25	$32.00	$1,920.00		$0.00		$0.00	-	$0.00
44	60	Each	Furnish and install Hunter I-20	$20.00	$1,200.00		$0.00		$0.00	-	$0.00
45	4	Each	Furnish and install 36-Station Controller Ev. Ex2 Stainless Steel	$4,125.00	$16,500.00		$0.00		$0.00	-	$0.00
46	4	Each	Furnish and install 1" Backflow prevention units/straniners	$550.00	$2,200.00		$0.00		$0.00	-	$0.00

47	6	Each	Furnish and install 1" Quick coupling valves	$200.00	$1,200.00		$0.00		$0.00	-	$0.00
48	5	Each	Connect to existing 4" water lines	$675.00	$3,375.00		$0.00	-	$0.00	-	$0.00
49	5	Each	Connect to existing 110v electrical Power supply for Irrigation Controller	$400.00	$2,000.00		$0.00		$0.00	-	$0.00
50	5	Each	Furnish and install 4" Gate valves	$475.00	$2,375.00		$0.00		$0.00	-	$0.00
51	3	Each	Furnish and install 3" Master valve # 3100	$500.00	$2,500.00		$0.00		$0.00	-	$0.00
52	4	Each	Furnish and install 2" Flow sensor	$280.00	$1,120.00		$0.00		$0.00	-	$0.00
53	10	Each	Furnish and install Grounding protection (rod, plate, etc.)	$130.00	$1,300.00		$0.00		$0.00	-	$0.00
54	1,000	L.F.	Furnish and install Tracer wires	$0.15	$150.00		$0.00		$0.00	-	$0.00
55	500	Each	Furnish and install ¾" PVC Fittings sch. 40	$0.47	$235.00		$0.00		$0.00	-	$0.00
56	500	Each	Furnish and install 1" PVC Fittings sch. 40	$0.50	$250.00		$0.00	-	$0.00	-	$0.00
57	500	Each	Furnish and install 1.5" PVC Fittings sch. 40	$0.50	$250.00		$0.00		$0.00	-	$0.00
58	500	Each	Furnish and install 2" PVC Fittings sch. 40	$0.97	$485.00		$0.00		$0.00	-	$0.00
59	60	Each	Furnish and install 2.5" PVC Fittings sch. 40	$2.25	$135.00		$0.00		$0.00	-	$0.00
60	20	Each	Furnish and install 3" PVC Fittings sch. 40	$3.50	$70.00		$0.00		$0.00	-	$0.00
61	50	Each	Furnish and install 4" PVC Fittings sch. 40	$6.50	$325.00		$0.00		$0.00	-	$0.00
62	200	Each	Furnish and install 1" Marlex Street Ells	$0.40	$80.00		$0.00		$0.00	-	$0.00
63	3	Each	Furnish and install PVC Weld-On 2711/P-70 Primer	$8.00	$24.00		$0.00		$0.00	-	$0.00
64	5,000	L.F.	Furnish and install Wire/Cable 14 gage	$0.25	$1,250.00		$0.00	-	$0.00	-	$0.00
65	20	Each	Furnish and install Rain Bird 1300 A-F Bubbler	$4.00	$80.00		$0.00		$0.00	-	$0.00
66	10,000	CY.	Unclassified excavation including neatly saw cut edges where applicable	$47.00	$470,000.00		$0.00		$0.00	-	$0.00
67	5	Each	Furnish and install 2"Gate Valve T-113	$160.00	$800.00		$0.00		$0.00	-	$0.00
68	1	Each	Furnish and install 3" Pressure reducing backflow 880 series with Y strainer	$2,500.00	$2,500.00		$0.00		$0.00	-	$0.00
69	2	Each	Furnish and install 48" LeMeur Backflow Enclosure	$1,200.00	$2,400.00		$0.00		$0.00	-	$0.00
70	30	Each	Furnish and install 14" x 18" Rectangular Valve Boxes	$38.00	$1,140.00		$0.00		$0.00	-	$0.00
71	30	Each	Furnish and install Valve Identification Tags	$1.50	$45.00		$0.00	-	$0.00	-	$0.00
72	100	Each	Plant 1 Gallon Strelitzia Reginae "Bird of Paradise"	$6.50	$650.00		$0.00		$0.00	-	$0.00
73	100	Each	Plant 1 Gallon Agapanthus Africanus "Lily of Nile"	$6.00	$600.00		$0.00		$0.00	-	$0.00
74	100	Each	Plant 1 Gallon Raphiolepis "Ballerinas"	$6.50	$650.00		$0.00		$0.00	-	$0.00
75	100	Each	Plant 1 Gallon Pittosoporum tobira dwarf "Wheelers"	$6.25	$625.00		$0.00		$0.00	-	$0.00
76	100	Each	Plant 1 Gallon Pittosporum Tobira Variegated	$6.25	$625.00		$0.00		$0.00	-	$0.00
77	100	Each	Plant 1 Gallon Trachelosperum Jasminoides "Star Jasmine"	$6.00	$600.00		$0.00	-	$0.00	-	$0.00
78	100	Each	Plant 1 Gallon Ice Berg Roses	$15.00	$1,500.00		$0.00		$0.00	-	$0.00
79	100	Each	Plant Gazenies Ground Cover Flats	$27.00	$2,700.00		$0.00	40.00	$1,080.00	40.00	$1,080.00
80	100	Each	Plant 5 Gallon Nandina Nana	$25.00	$2,500.00		$0.00	5.00	$125.00	5.00	$125.00
81	100	Each	Plant 5 Gallon Penstemon	$20.00	$2,000.00		$0.00	15.00	$300.00	15.00	$300.00
82	100	Each	Plant 5 Gallon Mexican Sage	$18.00	$1,800.00		$0.00	15.00	$270.00	15.00	$270.00
83	100	Each	Plant 1 Gallon Cuphia	$5.00	$500.00		$0.00		$0.00	-	$0.00
84	100	Each	Plant 5 Gallon Kangaroo Paw Red	$18.00	$1,800.00		$0.00		$0.00	-	$0.00
85	100	Each	Plant 5 Gallon Bird of paradise	$22.00	$2,200.00		$0.00		$0.00	-	$0.00
86	100	Each	Plant 5 Gallon Liriope	$18.00	$1,800.00		$0.00		$0.00	-	$0.00
87	100	Each	Plant 5 Gallon Garlic Variegata	$18.00	$1,800.00		$0.00	-	$0.00	-	$0.00
88	500	L.F.	Install 18" Storm Drain Pipe(RCP) including joints and connection into existing	$50.00	$25,000.00		$0.00		$0.00	-	$0.00
89	500	L.F.	Install 8" VCP including joints and connection into existing	$57.00	$28,500.00		$0.00		$0.00	-	$0.00
90	200	L.F.	Install 6" VCP including joint and connection into existing	$25.00	$5,000.00		$0.00		$0.00	-	$0.00
91	2	Each	Construct new catch basin per SWPPWC Std. 300-3, W=7' including local depression per SPPWC Std. 313-3 over 6" CMB, Wd=7'	$7,500.00	$15,000.00		$0.00	-	$0.00	-	$0.00
92	100,000	S.F.	Maintenance of median landscaped	$0.92	$92,000.00		$0.00	-	$0.00	-	$0.00
93	3,000	Ton	Crushed Miscellaneous Base (CMB)	$25.00	$75,000.00		$0.00		$0.00	-	$0.00
94	Annualy		Install Christmas Lights	$4,500.00	$4,500.00		$0.00		$0.00	-	$0.00
95	300	L.F.	Install 8ft. tall rod iron fence	$35.00	$10,500.00		$0.00		$0.00	-	$0.00

96	Per	Bus Stop	Power wash benches / bus stops	$95.00	$95.00		$0.00		$0.00	-	$0.00
97	Per	Tree	Tree trimming on median landscape	$45.00	$45.00		$0.00		$0.00	-	$0.00
98	Per	L.F. (As Needed)	Trench for electrical conduit and backfill	$3.00	$3.00		$0.00		$0.00	-	$0.00
99	Per	Post	Install temporary electrical post	$1,800.00	$1,800.00		$0.00		$0.00	-	$0.00
100	Per	S.F.	Seal coat with stripping	$0.90	$0.90		$0.00		$0.00	-	$0.00
101	Per	S.F.	Installation of water conservation plant material	$1.25	$1.25		$0.00		$0.00	-	$0.00
102	Per	Hour	Playground Restoration – Power wash and paint playground equipment	$45.00	$45.00		$0.00		$0.00	-	$0.00
103	Per	Hour	Bulky item monitoring throughout city	$27.00	$27.00		$0.00	750.00	$20,250.00	750.00	$20,250.00
104	Per	Hour (As Needed)	Bulky item removal – 2 man crew with minimum ¾ Ton vehicle	$150.00	$150.00		$0.00	814.00	$122,100.00	814.00	$122,100.00
105	Per	Event	Temporary facilities for event – 3 restrooms with Hot water sinks / temporary light towers	$2,580.00	$2,580.00		$0.00		$0.00	-	$0.00
106	153,000	S.F.	Hawthorne Blvd. (medians, curb extensions and parkways) *from 105 Freeway to Rosecrans Ave.	$0.12	$18,360.00		$0.00	918,000.00	$110,160.00	918,000.00	$110,160.00
107	12200	S.F.	Imperial Hwy. (median) *from Inglewood Ave. to Prairie Ave.	$0.12	$1,464.00		$0.00	72,000.00	$8,640.00	72,000.00	$8,640.00
108	7000	S.F.	Crenshaw Blvd. (median) *from 120th St. to El Segundo Blvd.	$0.15	$1,050.00		$0.00	42,000.00	$6,300.00	42,000.00	$6,300.00
109	12000	S.F.	120th Street *along South Dominguez Channel	$0.12	$1,440.00		$0.00	72,000.00	$8,640.00	72,000.00	$8,640.00
110	26000	S.F.	Rosecrans Ave. (median & parkway) *from Aviation Blvd. to Inglewood Ave.	$0.15	$3,900.00		$0.00	156,000.00	$23,400.00	156,000.00	$23,400.00
111	25000	S.F.	Prairie Ave. (median) *116th St. to El Segundo Blvd.	$0.15	$3,750.00		$0.00	150,000.00	$22,500.00	150,000.00	$22,500.00
112	10500	S.F.	Inglewood Ave. (median) *from Imperial Hwy. to Rosecrans Ave.	$0.12	$1,260.00		$0.00	63,000.00	$7,560.00	63,000.00	$7,560.00
113	17500	S.F.	Marine Ave. (frontage and divider median) *from Gerkin Ave. to Yukon Ave.	$0.10	$1,750.00		$0.00	105,000.00	$10,500.00	105,000.00	$10,500.00
114	26500	S.F.	Prairie Avenue (frontage and divider median) *from Cordary Avenue to 149th Street	$0.15	$3,975.00		$0.00	159,000.00	$23,850.00	159,000.00	$23,850.00
115	6000	S.F.	147th Street *Inglewood Ave to Ocean Gate	$0.10	$600.00		$0.00	36,000.00	$3,600.00	36,000.00	$3,600.00
116	Once	Per Week	Clean weeds and trash on 119th Street from Felton Avenue to Crenshaw Avenue	$325.00	$325.00		$0.00		$0.00	-	$0.00
117	Once	Per Week	Weekly center median watering with watertruck on Prairie Avenue from Rosecrans Avenue to El Segundo Boulevard	$875.00	$875.00		$0.00	27.00	$23,625.00	27.00	$23,625.00
118	As Needed	As Needed	Emergency tree service and tree material removal - 2 person crew with boom truck and equipment	$1,880.00	$1,880.00		$0.00		$0.00	-	$0.00
119	30	Each	Mattress Pad from Pallet Shelter Company or equivalent with installation per manufacturer specifications	$14,744.00	$442,320.00		$0.00		$0.00	-	$0.00
120	1	Each	2 Stall Bathroom Unit (Toilet, Shower, Sink) from Pallet Shelter Company or equivalent with installation per manufacturer specifications	$41,200.00	$41,200.00		$0.00		$0.00	-	$0.00
121	1	Each	2 Stall ADA Bathroom Unit (Toilet, Shower, Sink) from Pallet Shelter Company or equivalent with installation per manufacturer specifications	$47,900.00	$47,900.00		$0.00		$0.00	-	$0.00
122	6	Each	Handwashing Station from Pallet Shelter Company or equivalent with installation per manufacturer specifications	$2,000.00	$12,000.00		$0.00		$0.00	-	$0.00
123	2	Each	100 Sq. Ft. 4 Washer/Dryer Laundry Unit from Pallet Shelter Company or equivalent with installation per manufacturer specifications	$67,200.00	$134,400.00		$0.00		$0.00	-	$0.00
124	2	Each	400 Sq. Ft. Shelter for administrative purposes from Pallet Shelter Company or equivalent with installation per manufacturer specifications	$47,900.00	$95,800.00		$0.00		$0.00	-	$0.00
125	3	Each	ADA Accessible Ramp for Shelters and Bathroom Unit with installation per manufacturer specifications	$2,200.00	$6,600.00		$0.00		$0.00	-	$0.00
126	1	Each	Dumpster and 3 Yd. Recycling with Gate Enclosure	$1,200.00	$1,200.00		$0.00		$0.00	-	$0.00
127	10	Each	6' Picnic Tables	$1,500.00	$15,000.00		$0.00		$0.00	-	$0.00
128	2	Each	8' x 8' Canopy	$4,700.00	$9,400.00		$0.00		$0.00	-	$0.00
129	15	Each	Small, Portable Planter Boxes with Plants	$280.00	$4,200.00		$0.00		$0.00	-	$0.00
130	4	Each	Planter Boxes with Trees and Plants	$375.00	$1,500.00		$0.00		$0.00	-	$0.00
131	5	Each	Bicycle Lockers (Model #: Bike-Shell Model 301 Bicycle Locker or equivalent)	$2,700.00	$13,500.00		$0.00		$0.00	-	$0.00
132	1	Each	Motorized Driveway Swing Gate with Privacy Fence Screen Mesh	$3,700.00	$3,700.00		$0.00		$0.00	-	$0.00
133	200	L.F.	8' High Perimeter Fence with Privacy Fence Screen Mesh	$175.00	$35,000.00		$0.00		$0.00	-	$0.00
134	1	Each	25' Rolling Gate with Privacy Fence Screen Mesh	$5,900.00	$5,900.00		$0.00		$0.00	-	$0.00
135	1000	L.F.	Privacy Fence Screen Mesh	$5.50	$5,500.00		$0.00		$0.00	-	$0.00
136	600	L.F.	Privacy Shrubs	$15.00	$9,000.00		$0.00		$0.00	-	$0.00
137	Per	L.F. (as needed)	Paint Pavement Striping	$3.50	$3.50		$0.00		$0.00	-	$0.00
138	1	Each	600 amp panel from So Cal Edison with 3" conduit from electrical pole on 111th St	$64,750.00	$64,750.00		$0.00		$0.00	-	$0.00
139	80000	L.F.	Weekly Maintenance of Pallet Shelter Lot	$0.10	$8,000.00		$0.00		$0.00	-	$0.00
140	1	Each	10" Topsoil for Vegetable/Herb Garden Including Excavation, Backfill, and Soil Preparation	$430.00	$430.00		$0.00		$0.00	-	$0.00
141	1	Each	Rent 24 x 16 stage (steel deck, stage Staircase with handlebars, ground support 24x20, audio and audio engineering, And installation) per day	$4,500.00	$4,500.00		$0.00		$0.00	-	$0.00
142	1	Each	Weekly center median watering with watertank on Crenshaw Blvd Between El Segundo Blvd and 120th St	$600.00	$600.00		$0.00		$0.00	-	$0.00

143	1	Each	CO1: Rental Trailer at Memorial Park, monthly charge	$2,670.00	$6,400.00		$0.00	6.00	$16,020.00	6.00	$16,020.00
144	1	Each	CO2: Rubber Speed Radar Signs	$57,648.00	$57,648.00		$0.00			-	$0.00
145	1	Each	CO3: Railroad clean u p for Holly Park to El Segundo Blvbd	$23,500.00	$23,500.00		$0.00		$0.00	-	$0.00
146	1	Each	CO4: Broze Plaque for City Hall	$15,070.00	$15,070.00		$0.00		$0.00	-	$0.00
147	1	Each	CO5: New bathroom for Pallet Shelter	$1.00	$10,890.00		$0.00		$0.00	-	$0.00
148	1	Each	CO6: Pressure Valves for Jim Thorpe Park\	$1.00	$8,000.00		$0.00		$0.00	-	$0.00
					$3,194,736.65		$0.00		$570,462.60		$570,462.60

Amount	$570,462.60
Year 2 CPI: (7.1%)	$40,502.84
TOTAL AMOUNT WITH CPI	$610,965.44
Less 5% Retention:	$ 30,548.27
LESS BILLINGS	
TOTAL AMOUNT DUE	$580,417.17

This 1st progress payment is hereby submitted for your review and approval.

#100-4105-000-0-0-40514	$ 16,020.00
#220-4106-272-0-0-40514	$0.00
#225-4106-408-0-0-45834	$180,231.40
#284-5502-418-0-0-47734	$123,654.45
#283-5502-417-0-0-47734	$123,625.00
#285-3400-000-0-0-44504	$152,906.32
#520-3503-000-0-0-40514	
TOTAL =	$580,417.17

Project Engineer

Selena Acuna

MARTINEZ LANDSCAPE CO., INC.

12357 San Fernando Road Sylmar, CA 91342

General Maintenance Contract Project #22-05

3/24/2026

Invoice # 1

				CONTRACT		PREVIOUS MONTH		CURRENT MONTH		TOTAL TO DATE	
ITEM#	QUANTITY	UNIT	ITEM DESCRIPTION	Unit Price	Total Price	QUANTITY	Total Price	QUANTITY	Total Price	QUANTITY	AMOUNT
1	30,000.00	SQ. FT	Mowing Lots	$0.35	$10,500.00		$0.00		$0.00	0.00	$0.00
2	30,000.00	SQ. FT	Mowing Parkways	$0.25	$7,500.00		$0.00	852.60	$213.15	852.60	$213.15
3	100,000.00	SQ. FT	Hand Cleaning of debris from lots as required	$0.100	$10,000.00		$0.00		$0.00	0.00	$0.00
4	40	Locations	Removal of rubbish per 10lbs. To 500lbs.	$175.000	$7,000.00		$0.00	1.00	$175.00	1.00	$175.00
5	30	Locations	Removal of rubbish per 500lbs. To 1,000lbs.	$225.00	$6,750.00		$0.00		$0.00	0.00	$0.00
6	100	Locations	Removal of rubbish per 1,001lbs. To 1 ton	$225.00	$22,500.00		$0.00		$0.00	0.00	$0.00
7	25	Locations	Removal or rubbish per 1 ton or more	$250.00	$6,250.00		$0.00	150.00	$37,500.00	150.00	$37,500.00
8	20	Trees	Removal 10"-30" diameter Tree and stump, including disposal	$225.00	$4,500.00		$0.00		$0.00	0.00	$0.00
9	30	Trees	Remove 30" to 40" diameter Tree and stunp, including disposal	$450.00	$13,500.00		$0.00		$0.00	0.00	$0.00
10	15	Trees	Remove 40"-or above diameter Tree and stump, including disposal	$575.00	$8,625.00		$0.00		$0.00	0.00	$0.00
11	50	Trees	Plant 24" box Trees with root barrier	$300.00	$15,000.00		$0.00		$0.00	0.00	$0.00
12	100	Trees	Plant 36" box Tree with root barrier	$575.00	$57,500.00		$0.00		$0.00	0.00	$0.00
13	2,000	L.F	root pruning and installation of root barrier	$1.55	$3,100.00		$0.00		$0.00	0.00	$0.00
14	300	L.F	INSTALL New 8-ft. high chain link fence	$95.00	$28,500.00		$0.00		$0.00	0.00	$0.00
15	500	L.F	INSTALL New 14-ft. high chain link fence	$75.00	$37,500.00		$0.00		$0.00	0.00	$0.00
16	3,000	L.F	INSTALL 6' high reinforced masonary block wall (8" thick)	$57.00	$171,000.00		$0.00		$0.00	0.00	$0.00
17	2,000	L.F	INSTALL 8' high reinforced masonary block wall (8" thick)	$85.00	$170,000.00		$0.00		$0.00	0.00	$0.00
18	500	L.F	Repair Chain Link Fence	$1.25	$625.00		$0.00		$0.00	0.00	$0.00
19	10,000	S.F	Clean the sidewalks	$0.10	$1,000.00		$0.00		$0.00	0.00	$0.00
20	50	EA	INSTALL 6ft. High barrier post	$60.00	$3,000.00		$0.00		$0.00	0.00	$0.00
21	50	EA	Remove and replace 6-ft. wheel stop	$37.00	$1,850.00		$0.00		$0.00	0.00	$0.00
22	30	EA	Remove and Replace bus bench	$1,000.00	$30,000.00		$0.00		$0.00	0.00	$0.00
23	150	EA	Remove posters, flyers, signage, etc.	$1.10	$165.00		$0.00		$0.00	0.00	$0.00
24	14,000	S.F	Remove and excavate exisiting sidewalk and Construct new 4" thick PCC sidewalk, per 1112-1 over 4" CMB	$9.95	$139,300.00		$0.00	11,549.10	$114,913.55	11549.10	$114,913.55

Exhibit 15-D
BID TABULATION SUMMARY SHEET

25	300	EA	Remove and replace street signs	$15.00	$4,500.00		$0.00		$0.00	0.00	$0.00
26	2,000	L.F	Remove and Replace curb and gutter	$42.00	$84,000.00		$0.00	165.00	$6,930.00	165.00	$6,930.00
27	30	EA	Trash Receptacle	$1,250.00	$37,500.00		$0.00		$0.00	0.00	$0.00
28	15,000	S.F	Remove and excavate exisiting alleys pavements and reconstruct new 8" thick PCC concrete pavement, per	$18.00	$270,000.00		$0.00		$0.00	0.00	$0.00
29	3,000	S.F	Remove and excavate exisiting driveway and construct new 6" thick PCC driveway, per APWA STD Plan 110-1	$9.95	$29,850.00		$0.00	182.00	$1,810.90	182.00	$1,810.90
30	10	EA	Construct AC Speed Hump	$1,800.00	$18,000.00		$0.00		$0.00	0.00	$0.00
31	5,000	S.F	Remove and replace asphalt concrete pavement (4" AC over 8" CMB)	$9.25	$46,250.00		$0.00		$0.00	0.00	$0.00
32	20	Locations	Install Sewer Backflow Prevention Device	$260.00	$5,200.00		$0.00		$0.00	0.00	$0.00
33	10	EA	Furnish and install 2" remote control Valves superior 950's	$275.00	$2,750.00		$0.00		$0.00	0.00	$0.00
34	500	L.F	Furnish and install 1" PVC Pipe sch 40	$0.65	$325.00		$0.00		$0.00	0.00	$0.00
35	1,000	L.F	Furnish and install 2" PVC Pipe shc.40	$1.45	$1,450.00		$0.00		$0.00	0.00	$0.00
36	1,000	L.F	Furnish and install 2 1/2" PVC pipe Class 315 sch. 40	$2.50	$2,500.00		$0.00		$0.00	0.00	$0.00
37	1,000	L.F	Furnish and install 3" PVC pipe Class 315 sch. 40	$3.00	$3,000.00		$0.00		$0.00	0.00	$0.00
38	1,000	L.F	Furnish and install 4" PVC pipe Class 315 sch. 40	$4.10	$4,100.00		$0.00		$0.00	0.00	$0.00
39	1,000	L.F	Furnish and install 3/4" PVC Pipe sch. 40	$0.40	$400.00		$0.00		$0.00	0.00	$0.00
40	50	EA	Furnish and install 1812 Sams Rain Bird Pop-ups	$16.00	$800.00		$0.00		$0.00	0.00	$0.00
41	3	EA	Furnish and install 32" Sprinkler Clock LeMeur Enclosure	$1,200.00	$3,600.00		$0.00		$0.00	0.00	$0.00
42	40	EA	Furnish and install Hunter I-40	$45.00	$1,800.00		$0.00		$0.00	0.00	$0.00
43	60	EA	Furnish and install Hunter I-25	$32.00	$1,920.00		$0.00		$0.00	0.00	$0.00
44	60	EA	Furnish and install Hunter I-20	$20.00	$1,200.00		$0.00		$0.00	0.00	$0.00
45	4	EA	Furnish and install 36-Station Controller Ev.Ex2 Stainless Steel	$4,125.00	$16,500.00		$0.00		$0.00	0.00	$0.00
46	4	EA	Furnish and install 1" Backflow prevention units/strainers	$550.00	$2,200.00		$0.00		$0.00	0.00	$0.00
47	6	EA	Furnish and install 1" Quick coupling valves	$200.00	$1,200.00		$0.00		$0.00	0.00	$0.00
48	5	EA	Connect to exisiting 4" water line	$675.00	$3,375.00		$0.00		$0.00	0.00	$0.00
49	5	EA	Connect to exisiting 110v electrical Power supply for Irrigation Controller	$400.00	$2,000.00		$0.00		$0.00	0.00	$0.00
50	5	EA	Furnish and install 4" Gate Valves	$475.00	$2,375.00		$0.00		$0.00	0.00	$0.00
51	5	EA	Furnish and install 3" Master Valve #3100	$500.00	$2,500.00		$0.00		$0.00	0.00	$0.00
52	4	EA	Furnish and install 2" Flow sensor	$280.00	$1,120.00		$0.00		$0.00	0.00	$0.00
53	10	EA	Furnish and install Grounding protection (rod, plate, etc)	$130.00	$1,300.00		$0.00		$0.00	0.00	$0.00

54	1,000	L.F	Furnish and install Tracer wires	$0.15	$150.00		$0.00		$0.00	0.00	$0.00
55	500	EA	Furnish and install 3/4" PVC fittings sch 40.	$0.47	$235.00		$0.00		$0.00	0.00	$0.00
56	500	EA	Furnish and install 1" PVC Fittings sch 40.	$0.50	$250.00		$0.00		$0.00	0.00	$0.00
57	500	EA	Furnish and isntall 1.5" PVC Fittings sch. 40	$0.50	$250.00		$0.00		$0.00	0.00	$0.00
58	500	EA	Furnish and install 2" PVC Fittings sch. 40	$0.97	$485.00		$0.00		$0.00	0.00	$0.00
59	60	EA	Furnish and install 2.5" PVC Fittings sch. 40	$2.25	$135.00		$0.00		$0.00	0.00	$0.00
60	20	EA	Furnish and install 3" PVC Fittings sch 40.	$3.50	$70.00		$0.00		$0.00	0.00	$0.00
61	50	EA	Furnish and install 4" PVC Fittings sch. 40	$6.50	$325.00		$0.00		$0.00	0.00	$0.00
62	200	EA	Furnish and install 1" Marlex Street Ells	$0.40	$80.00		$0.00		$0.00	0.00	$0.00
63	3	EA	Furnish and install PVC weld- on 2711/P-70 Primer	$8.00	$24.00		$0.00		$0.00	0.00	$0.00
64	5,000	L.F	Furnish and install Wire/Cable 14 gage	$0.25	$1,250.00		$0.00		$0.00	0.00	$0.00
65	20	EA	Furnish and Install Rain Bird 1300 A-F Bubbler	$4.00	$80.00		$0.00		$0.00	0.00	$0.00
66	10,000	CY	Unclassified excavation including neatly saw cut edges where applicable	$47.00	$470,000.00		$0.00		$0.00	0.00	$0.00
67	5	EA	Furnish and install 2" Gate Valve T-113	$160.00	$800.00		$0.00		$0.00	0.00	$0.00
68	1	EA	Furnish and install 3" Pressure reducing backflow 880 series with Y strainer	$2,500.00	$2,500.00		$0.00		$0.00	0.00	$0.00
69	2	EA	Furnish and install 49" LeMeur Backflow Enclosure	$1,200.00	$2,400.00		$0.00		$0.00	0.00	$0.00
70	30	EA	Furnish and install 14"X18" Rectangular Valve Boxes	$38.00	$1,140.00		$0.00		$0.00	0.00	$0.00
71	30	EA	Furnish and isntall Valve Identification Tags	$1.50	$45.00		$0.00		$0.00	0.00	$0.00
72	100	EA	Plant 1 Gallon Strelizia Reginae "Birds of Paradise"	$6.50	$650.00		$0.00		$0.00	0.00	$0.00
73	100	EA	Plant 1 Gallon Agapanthus Africanus " Lily of Nile"	$6.00	$600.00		$0.00		$0.00	0.00	$0.00
74	100	EA	Plant 1 Gallon Raphiolepis "Ballerinas"	$6.50	$650.00		$0.00		$0.00	0.00	$0.00
75	100	EA	Plant 1 Gallon Pittosoporum tobira dwarf "Wheelers"	$6.25	$625.00		$0.00		$0.00	0.00	$0.00
76	100	EA	Plant 1 Gallon Pittosporum Tobira Variegated	$6.25	$625.00		$0.00		$0.00	0.00	$0.00
77	100	EA	Plant 1 Gallon Trachelesperum Jasminoides "Star Jasmine"	$6.00	$600.00		$0.00		$0.00	0.00	$0.00
78	100	EA	Plant 1 Gallon Ice Berg Roses	$15.00	$1,500.00		$0.00		$0.00	0.00	$0.00
79	100	EA	Plant Gazenies Ground Cover Flats	$27.00	$2,700.00		$0.00	40.00	$1,080.00	40.00	$1,080.00
80	100	EA	Plant 5 Gallon Nandina Nana	$25.00	$2,500.00		$0.00	5.00	$125.00	5.00	$125.00
81	100	EA	Plant 5 Gallon Penstemon	$20.00	$2,000.00		$0.00	15.00	$300.00	15.00	$300.00

82	100	EA	Plant 5 Gallon Mexican Sage	$18.00	$1,800.00		$0.00	15.00	$270.00	15.00	$270.00
83	100	EA	Plant 1 Gallon Cuphia	$5.00	$500.00		$0.00		$0.00	0.00	$0.00
84	100	EA	Plant 5 Gallon Kangaroo Paw Red	$18.00	$1,800.00		$0.00		$0.00	0.00	$0.00
85	100	EA	Plant 5 Gallon Birds of paradise	$22.00	$2,200.00		$0.00		$0.00	0.00	$0.00
86	100	EA	Plant 5 Gallon Liriope	$18.00	$1,800.00		$0.00		$0.00	0.00	$0.00
87	100	EA	Plant 5 Gallon Garlic Variegata	$18.00	$1,800.00		$0.00		$0.00	0.00	$0.00
88	500	L.F	Install 18" Storm Drain Pipe including joints and connections into exisiting (5 to 10 Feet deep)	$50.00	$25,000.00		$0.00		$0.00	0.00	$0.00
89	500	L.F	Install 10" to 18" VCP including joints and connection into exisiting (8 to 12 Feet deep)	$57.00	$28,500.00		$0.00		$0.00	0.00	$0.00
90	200	L.F	Install 6" VCP including joint and connection into existing (5 to 10 Feet Deep)	$25.00	$5,000.00		$0.00		$0.00	0.00	$0.00
91	2	EA	Construct new catch basin per SPPWC Std. 300-3, W=7' including local depression per SPPWC Std. 313-3 over 6" CMB, Wd=7'	$7,500.00	$15,000.00		$0.00		$0.00	0.00	$0.00
92	100,000	SF	Maintenance of Median Landscape	$0.92	$92,000.00		$0.00		$0.00	0.00	$0.00
93	3,000	Ton	Crushed Miscellaneous Base (CMB)	$25.00	$75,000.00		$0.00		$0.00	0.00	$0.00
94	Annually		Install Christmas Lights	$4,500.00	$4,500.00		$0.00		$0.00	0.00	$0.00
95	300	L.F	Install 8ft. Tall rod iron fence	$35.00	$10,500.00		$0.00		$0.00	0.00	$0.00
96	Per Bus Stop		Power Wash benches/bus stops	$95.00	$95.00		$0.00		$0.00	0.00	$0.00
97	Per Tree		Tree Trimming on median landscape	$45.00	$45.00		$0.00		$0.00	0.00	$0.00
98	Per LF As needed		Trench for electrical conduit and backfill	$3.00	$3.00		$0.00		$0.00	0.00	$0.00
99	Per Post		Install temporary electrical post	$1,800.00	$1,800.00		$0.00		$0.00	0.00	$0.00
100	Per Post		Seal coat with striping	$0.90	$0.90		$0.00		$0.00	0.00	$0.00
101	Per S.F as needed		Installation of water conservation plant material	$1.25	$1.25		$0.00		$0.00	0.00	$0.00
102	Per Hour		Playground Restoration- Power wash and paint playground equipment	$45.00	$45.00		$0.00		$0.00	0.00	$0.00
103	Per Hour		Bulky item monitering throughout city	$27.00	$27.00		$0.00	750.00	$20,250.00	750.00	$20,250.00
104	Per hour As Needed		Bulky Item removal- 2man crew with minimum 3/4 ton vehicle	$150.00	$150.00		$0.00	814.00	$122,100.00	814.00	$122,100.00
105	Per Event		Temporary facilitues for event- 3 restrooms with hot water sinks/ Temporary light towers	$2,580.00	$2,580.00		$0.00		$0.00	0.00	$0.00
106	153,000	SQ.FT	Hawthorne Blvd. (medians, curb extenstions and parkways)* from 105 Freeway to Rosecrans Ave.	$0.12	$18,360.00		$0.00	918,000.00	$110,160.00	918000.00	$110,160.00
107	12,000	SQ.FT	Imperial Hwy. (median) * from Inglewood Ave. to Prairie Ave.	$0.12	$1,440.00		$0.00	72,000.00	$8,640.00	72000.00	$8,640.00
108	7,000	SQ.FT	Crenshaw Blvd. (median) * from 120th St. to El Segundo Blvd.	$0.15	$1,050.00		$0.00	42,000.00	$6,300.00	42000.00	$6,300.00

109	12,000	SQ.FT	120th Street *along South Dominguez Channel	$0.12	$1,440.00		$0.00	72,000.00	$8,640.00	72000.00	$8,640.00
110	26,000	SQ.FT	Rosecrans Ave. (median &parkway) *from Aviation Blvd. to Inglewood Ave.	$0.15	$3,900.00		$0.00	156,000.00	$23,400.00	156000.00	$23,400.00
111	25,000	SQ.FT	Praire Ave. (median) *116th St. to El Segundo Blvd.	$0.15	$3,750.00		$0.00	150,000.00	$22,500.00	150000.00	$22,500.00
112	10,500	SQ.FT	Inglewood Ave (median) * from Imperial Hwy. to Rosecrans Ave.	$0.12	$1,260.00		$0.00	63,000.00	$7,560.00	63000.00	$7,560.00
113	17,500	SQ.FT	Marine Ave. (frontage and divider median) *from Gerkin Ave. to Yukon Ave.	$0.10	$1,750.00		$0.00	105,000.00	$10,500.00	105000.00	$10,500.00
114	26,500	SQ.FT	Prairie Avenue (frontage and divider median) * from Cordary Avenue to 149th Street	$0.15	$3,975.00		$0.00	159,000.00	$23,850.00	159000.00	$23,850.00
115	6,000	SQ.FT	147th Street* Inglewood Ave. to Ocean Gate	$0.10	$600.00		$0.00	36,000.00	$3,600.00	36000.00	$3,600.00
116	Once Per Week		Clean weeds and trash on 119th Street from Felton Avenue to Crenshaw Avenue.	$325.00	$325.00		$0.00		$0.00	0.00	$0.00
117	Once Per Week		Weekly center median watering with water truck on Prairie Avenue from rosecrans Avenue to El Segundo Boulevard	$875.00	$875.00		$0.00	27.00	$23,625.00	27.00	$23,625.00
118	As Needed		Emergency Tree service and tree material removal-2 person crew with boom truck and equipment	$1,880.00	$1,880.00		$0.00		$0.00	0.00	$0.00
119	30		64 Sq. Ft Insulated Shelter with Heater, Air Conditioner, Folding bed and Mattress Pad for Pallet Shelter compant or equivalent with installation per manufacter specification	$14,744.00	$442,320.00		$0.00		$0.00	0.00	$0.00
120	1		2 Stall Bathroom Unit (Toilet, Shower, Sink) from Pallet Shelter Company or equivalent with installation per manufacturer specification	$41,200.00	$41,200.00		$0.00		$0.00	0.00	$0.00
121	1		2 Stall ADA Bathroom Unit (Toilet, Shower, Sink) from Pallet Shelter Company or equivalent with installation per manufacterer specification	$47,900.00	$47,900.00		$0.00		$0.00	0.00	$0.00
122	6		Handwashing Station from pallet Shelter Compant or equivelant with installation per manufacturer specifications	$2,000.00	$12,000.00		$0.00		$0.00	0.00	$0.00
123	2		100 Sq.Ft 4 Washer/ Dryer Laundry Unit from Pallet Shelter Company or equivalent with installation per manufacturer specifications	$67,200.00	$134,400.00		$0.00		$0.00	0.00	$0.00
124	2		400 Sq.Ft Shelter for adminstrative purposes from Pallet Shelter Company or equivalent with installation per manufacturer specification	$47,900.00	$95,800.00		$0.00		$0.00	0.00	$0.00
125	3		ADA Accessible Ramp for Shelters and Bathroom Unit with installation per manufacturer specifications	$2,200.00	$6,600.00		$0.00		$0.00	0.00	$0.00
126	1		Dumpster and 3 Yd. Recylcing with Gate Enclosure	$1,200.00	$1,200.00		$0.00		$0.00	0.00	$0.00
127	10		6' Picnic Tables	$1,500.00	$15,000.00		$0.00		$0.00	0.00	$0.00
128	2		8'X8' Canopy	$4,700.00	$9,400.00		$0.00		$0.00	0.00	$0.00
129	15		Small, Portable Planter Boxes with Plants	$280.00	$4,200.00		$0.00		$0.00	0.00	$0.00
130	4		Planter Boxes with Trees and Plants	$375.00	$1,500.00		$0.00		$0.00	0.00	$0.00
131	5		Bicycle Lockers (Model #: Bike- Shell Model 301 Bicycle Locker or equivalent)	$2,700.00	$13,500.00		$0.00		$0.00	0.00	$0.00
132	1		Motorized Driveway Swing Gate with Privacy Fence Screen Mesh	$3,700.00	$3,700.00		$0.00		$0.00	0.00	$0.00
133	200	L.F	8' High Perimeter Fence with Privacy Fence Screen Mesh	$175.00	$35,000.00		$0.00		$0.00	0.00	$0.00

134	1		25' Rolling Gate with Privacy Fence Screen Mesh	$5,900.00	$5,900.00		$0.00		$0.00	0.00	$0.00
135	1,000	L.F	Privacy Fence Screen Mesh	$5.50	$5,500.00		$0.00		$0.00	0.00	$0.00
136	600	L.F	Privacy Shrubs	$15.00	$9,000.00		$0.00		$0.00	0.00	$0.00
137	Per L.F. As Needed		Paint Pavement Striping	$3.50	$3.50		$0.00		$0.00	0.00	$0.00
138	1		600 amp panel from So Cal Edison with " conduit from electrical pole on 111th St.	$64,750.00	$64,750.00		$0.00		$0.00	0.00	$0.00
139	80,000	SQ.Ft	Weekly Maintenance of Pallet Shelter Lot	$0.10	$8,000.00		$0.00		$0.00	0.00	$0.00
140	1		10" Topsoil for Vegetable/ Herb Garden Including Excavation, Backfill and Soil Preparation	$430.00	$430.00		$0.00		$0.00	0.00	$0.00
141	1		Rent 24X16 stage (steel deck, stage Staircase with handlebars, ground support 24X20, audio and audio engineering, and installation) per day	$4,500.00	$4,500.00		$0.00		$0.00	0.00	$0.00
142	1		Weekly center median watering with watertank on Crenshaw Blvd. between El Segundo Blvd and 120th St	$600.00	$600.00		$0.00		$0.00	0.00	$0.00
143	1		Change Order #1: Rental Trailer at Memorial Park, monthly charge	$2,670.00	$6,400.00		$0.00	6.00	$16,020.00	6.00	$16,020.00
144	1		Change Order #2: Rubber speed humps	$57,648.00	$91,121.00		$0.00		$0.00	0.00	$0.00
145	1		Change Order #3: RailRoad Cleanup from Holly Park to El Segundo	$23,500.00	$23,500.00		$0.00		$0.00	0.00	$0.00
146	1		Change Order #4: Bronze Plaques for City Hall	$15,070.00	$15,070.00		$0.00		$0.00	0.00	$0.00
147	1		Change Order #5: New Bathrooms for Pallet Shelter	$1.00	$10,890.00		$0.00		$0.00	0.00	$0.00
148	1		Change Order #6: Pressure Valves at Jim Thorpe	$1.00	$8,000.00		$0.00		$0.00	0.00	$0.00
150	1		Retention Release for Year #2	$1.00	$69,437.92		$0.00		$0.00	0.00	$0.00
151	1		Change Order #7 Hawthorne Police Department	$54,500.00	$54,500.00		$0.00		$0.00	0.00	$0.00
152	1		Change Order #8: Railroad Track Cleanup	$5,000.00	$5,000.00		$0.00		$0.00	0.00	$0.00
153	1		Change Order #9: Hawthonre Airport K-Rail Installation	$21,200.00	$21,200.00		$0.00		$0.00	0.00	$0.00
154	1		Change Order #10: Hawthorne Pool - Demo, shade,paint lighting, air conditioning unit	$14,450.00	$14,450.00		$0.00		$0.00	0.00	$0.00
				TOTAL=	**$3,392,773.57**		**$0.00**		**$570,462.60**		**$570,462.60**

Approved CPI Increase of 7.1%	$40,502.84
Total Amount with CPI Increase	**$610,965.44**
Less 5% Retention	$30,548.27
Total Amount Due	***$580,417.17***

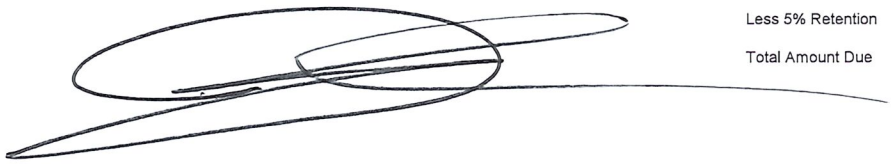


Exhibit 15-D
BID TABULATION SUMMARY SHEET

AGENDA ITEM NO. 15.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: Public Works

City Manager: Department Head:

SUBJECT:
Progress Payment #3 in the amount of $122,075.00 due to Jermax Construction Inc. of San Fernando, CA for Holly Park Restroom Renovation (Project #25-07)

RECOMMENDED MOTION:
Staff recommends that the City Council approve this Progress Payment #3 for Jermax Construction Inc. of San Fernando, CA

DISCUSSION:
This project involves the complete demolition and replacement of the existing restroom building at Holly Park. The new structure will be a multi-use facility that includes restrooms, a snack bar, office space, a storage room, a drinking fountain, and an electrical room. The project also includes upgrades to the surrounding landscape and site features to improve accessibility, sustainability, and overall functionality.

This progress payment includes work done for the drainage, rough plumbing including vents, clean-out and lines, work on roofing, and electrical work.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
This project is a result of the City working closely with funding and regulatory agencies to support and improve our infrastructure. City departments shall continue to work cooperatively to ensure that improvements to infrastructure are kept apace of wear and tear.

FISCAL IMPACT:
None. Funds for this progress payment in amount of $122,075.00 are available in the adopted Fiscal Year 2025-2026 budget and will be paid through the Baldwin Hills and Urban Watersheds Conservancy Grant Program (Prop 40) and local shares.

NOTICING PROCEDURE:
72 hours posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS
Holly Park Restroom PP3

Honorable Mayor and City Council
City of Hawthorne
Hawthorne, CA 90250

April 14, 2026
Council Date

RE: PROGRESS PAYMENT NO. 3 FOR Holly Park Restroom Renovation Project (Project #: 25-07)

The following is a detailed breakdown of **Progress Payment No.3** due to Jermax Construction Inc., 11275 San Fernando Rd, San Fernando CA 91340, for work done on the subject project through March 31st, 2026.

	Description	Contract Quantity	Unit	Unit Price	Contract Amount	% Previous	Qty Previous	Qty or % This estimate	$ Amount This Estimate	Total Qty or % to Date	Total $ Amount to Date
1	DEMOLITION, CLEARING AND GRUBBING / IMPLEMENTATION OF BMPS/SWPPP	1	LS	$68,500.00	$68,500.00	0.0%	$ -	0.0%	$ -	100.0%	$ 68,500.00
2	DRAINAGE	1	LS	$22,500.00	$22,500.00	50.0%	$ -	15.6%	$ 3,500.00	65.6%	$ 14,750.00
3	SEWER	1	LS	$25,000.00	$25,000.00	50.0%	$ 12,500.00	0.0%	$ -	100.0%	$ 25,000.00
4	CONCRETE PAVING	1	LS	$55,000.00	$55,000.00	85.0%	$ 35,500.00	0.0%	$ -	79.5%	$ 43,750.00
5	PLUMBING	1	LS	$288,000.00	$288,000.00	25.0%	$ 57,600.00	29.5%	$ 85,000.00	74.5%	$ 214,600.00
6	PAINTING	1	LS	$30,000.00	$30,000.00	0.0%	$ -	0.0%	$ -	0.0%	$ -
7	RESTROOM BUILDING	1	LS	$88,000.00	$88,000.00	45.5%	$ 40,000.00	22.7%	$ 20,000.00	83.2%	$ 73,200.00
8	ELECTRICAL	1	LS	$65,000.00	$65,000.00	30.8%	$ 20,000.00	30.8%	$ 20,000.00	71.6%	$ 46,500.00
9	PLANTING/LANDSCAPING	1	LS	$41,000.00	$41,000.00	0.0%	$ -	0.0%	$ -	0.0%	$ -
10	IRRIGATION	1	LS	$30.00	$51,000.00	10.0%	$ 5,100.00	0.0%	$ -	20.0%	$ 10,200.00
11	FLAG POLE REMOVAL AND INSTALLATION	1	LS	$15.00	$35,000.00	15.0%	$ 5,250.00	0.0%	$ -	30.0%	$ 10,500.00
12	PROJECT CONSTRUCTION SIGN	1	EA	$950.00	$10,000.00	0.0%	$ -	0.0%	$ -	100.0%	$ 10,000.00
	Total Contract Price				$ 779,000.00						
							TOTAL		$ 128,500.00		$ 517,000.00
							LESS RETENTION		$ 6,425.00		$ 25,850.00
							LESS PREVIOUSLY PAID				$ 369,075.00
							TOTAL AMOUNT DUE		**$ 122,075.00**		**$ 122,075.00**

TOTAL AMOUNT DUE THIS 3RD PROGRESS PAYMENT:
Account # 332-6110-000-0-0-40514 $ 122,075.00

This **third** Progress Payment is hereby submitted for your review and approval.

M. D. Esfandi

M. DAVID ESFANDI
Project Engineer

APPLICATION AND CERTIFICATE FOR PAYMENT

AIA DOCUMENT G702/CMa

To Contractor:	Jermax Construction Inc.	PROJECT:	Holly Park	APPLICATION NO:	3
	11275 San Fernando Rd		2058 W 120th st	PERIOD TO:	3/15/2026
	San Fernando CA 91340		Hawthorne CA 90250	PROJECT NO:	2507
FROM SUBCONTRACTOR:				SUBMITTED DATE:	

Distribution to:
- [ ] OWNER
- [ ] ARCHITECT
- [X] CONTRACTOR

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM			$ 779,000.00
2. Net change by Change Orders			$ -
3. CONTRACT SUM TO DATE (Line 1 ± 2)			$ 779,000.00
4. TOTAL COMPLETED & STORED TO DATE (Column G on G703)			$ 517,000.00
5. RETAINAGE:			
a. 5 % of Completed Work (Column D + E on G703)	$	25,850.00	
b. 5 % of Stored Material (Column F on G703)	$	-	
Total Retainage (Lines 5a + 5b or Total in Column I of G703)			$ 25,850.00
6. TOTAL EARNED LESS RETAINAGE (Line 4 less Line 5 Total)			$ 491,150.00
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)			$ 369,075.00
8. CURRENT PAYMENT DUE			$ **122,075.00**
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)	$		287,850.00

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	$0.00	$0.00
Total approved this Month	$0.00	$0.00
Totals:	$0.00	$0.00
Net Change by Change Order	$0.00	

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR:

By: _____ Date: _____

State of: County of:

Subscribed and sworn to before me this day of

Notary Public:

My Commission expires:

AIA DOCUMENT G702/CMa · APPLICATION AND CERTIFICATION FOR PAYMENT · CONSTRUCTION MANAGER-ADVISER EDITION · 1992 EDITION · AIA · ©1992

THE AMERICAN INSTITUTE OF ARCHITECTS, 1745 NEW YORK AVE., N.W., WASHINGTON, DC 20006-5292

CONTINUATION SHEET **AIA DOCUMENT G703**

APPLICATION NUMBER: **1**
APPLICATION DATE: **3/15/2026**
PERIOD TO: **3/1/2026-3/31/2026**
PROJECT NO:

AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT, containing Contractor's signed Certification is attached.
In tabulations below, amounts are stated to the nearest dollar.
Use Column I on Contracts where variable retainage for line items may apply.

A.		B.	C.	D.	E.	F.	G.		H.	I.
ITEM NO.	CSI NUMBER	DESCRIPTION OF WORK	SCHEDULED VALUE	FROM PREVIOUS APPLICATION (D+E)	WORK COMPLETED		TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G/C)	BALANCE TO FINISH (C-G)	RETAINAGE
					WORK IN PLACE	STORED MATERIALS				5%
1		DEMOLITION, CLEARING AND GRUBBING / IMPLEMENTATION OF BMPS/SWPPP	$ 68,500.00	$ 68,500.00	$ -	$ -	$ 68,500.00	**100.0%**	$ -	$ 3,425.00
2		DRAINAGE	$ 22,500.00	$ 11,250.00	$ 3,500.00	$ -	$ 14,750.00	**65.6%**	$ 7,750.00	$ 737.50
3		SEWER	$ 25,000.00	$ 25,000.00	$ -	$ -	$ 25,000.00	**100.0%**	$ -	$ 1,250.00
4		CONCRETE PAVING	$ 55,000.00	$ 43,750.00	$ -	$ -	$ 43,750.00	**79.5%**	$ 11,250.00	$ 2,187.50
5		PLUMBING	$ 288,000.00	$ 129,600.00	$ 85,000.00	$ -	$ 214,600.00	**74.5%**	$ 73,400.00	$ 10,730.00
6		PAINTING	$ 30,000.00	$ -	$ -	$ -	$ -	**0.0%**	$ 30,000.00	$ -
7		RESTROOM BUILDING	$ 88,000.00	$ 53,200.00	$ 20,000.00	$ -	$ 73,200.00	**83.2%**	$ 14,800.00	$ 3,660.00
8		ELECTRICAL	$ 65,000.00	$ 26,500.00	$ 20,000.00	$ -	$ 46,500.00	**71.5%**	$ 18,500.00	$ 2,325.00
9		PLANTING/LANDSCAPING	$ 41,000.00	$ -	$ -	$ -	$ -	**0.0%**	$ 41,000.00	$ -
10		IRRIGATION ** Digging	$ 51,000.00	$ 10,200.00	$ -	$ -	$ 10,200.00	**20.0%**	$ 40,800.00	$ 510.00
11		FLAG POLE REMOVAL AND INSTALLATION	$ 35,000.00	$ 10,500.00	$ -	$ -	$ 10,500.00	**30.0%**	$ 24,500.00	$ 525.00
12		PROJECT CONSTRUCTION SIGN	$ 10,000.00	$ 10,000.00	$ -	$ -	$ 10,000.00	**100.0%**	$ -	$ 500.00
13				$ -	$ -	$ -	$ -	**#DIV/0!**	$ -	$ -
14			$ -	$ -	$ -	$ -	$ -	**#DIV/0!**	$ -	$ -
		ORIGINAL CONTRACT TOTAL:	**$ 779,000.00**	**$ 388,500.00**	**$ 128,500.00**	**$ -**	**$ 517,000.00**	**66.4%**	**$ 262,000.00**	**$ 25,850.00**
1			$ -	$ -	$ -	$ -	$ -	**#DIV/0!**	$ -	$ -
2			$ -	$ -	$ -	$ -	$ -	**0.0%**	$ -	$ -
		CHANGE ORDER TOTAL:	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	0.0%	**$ -**	**$ -**
		GRAND TOTALS:	**$ 779,000.00**	**$ 388,500.00**	**$ 128,500.00**	**$ -**	**$ 517,000.00**	**66.4%**	**$ 262,000.00**	**$ 25,850.00**

AGENDA ITEM NO. 16.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: Public Works

City Manager: Department Head:

SUBJECT:
Progress Payment #4 in the amount of $83,696.01 due to Chapman Coast Roof Co., Inc. of Fullerton, CA for Hawthorne Police Department Roof Replacement Project (Project #25-09).

RECOMMENDED MOTION:
Staff recommends that the City Council approve this Progress Payment #4 and Change Order #1 and Change Order #2 for Chapman Coast Roof Co. Inc. of Fullerton, CA.

DISCUSSION:
This project consisted of installation of specified roof replacement system, plus all other aspects of the project as specified, including a warranty and service agreement, for the Hawthorne Police Department with an estimated square footage of 27,940 square feet, as well as power wash and painting of the Wind Guards and Protective Painting of the Roof.

This progress payment includes removal of existing roofing material and installation of waterproofing and new roofing. The construction of the roof is approximately ninety-eight percent (98%) complete with some detail work still remaining.

Change order number one is for Power Wash and Painting of Wind Guards on the Hawthorne Police Department Roof. Change Order Number two is for Protective Painting of the Police Department Roof.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
This project is a result of the City working closely with funding and regulatory agencies to support and improve our infrastructure. City departments shall continue to work cooperatively to ensure that improvements to infrastructure are kept apace of wear and tear.

FISCAL IMPACT:
None. Funds for this progress payment in amount of $83,696.01 are available in the adopted Fiscal Year 2025-2026 budget and will be paid through issuance of the 2024 Lease Revenue Bonds (the "2024 Bonds") and allocated funds from the 2025-2026 budget.

NOTICING PROCEDURE:
72 hours posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS
Progress Payment #4

14-Apr-26
Council Date

Honorable Mayor and City Council
City of Hawthorne
Hawthorne, CA 90250

RE: PROGRESS PAYMENT NO. 4 FOR Hawthorne Police Department Roof Replacement Project

The following is a detailed breakdown of **Progress Payment No.4** due to Chapman Coast Roof Co., Inc., 2030 E. Walnut Ave, Fullerton, CA 92834 for work done on the subject project through March 31, 2026.

	Description	Contract Quantity	Unit	Unit Price	Contract Amount	Qty or % Previous	Qty or % This Estimate	Amount This Estimate	Total Qty or % to Date	Total Amount to Date
1	Installation of specified roof replacement system,is approximately sixty three percent (63%) complete for the Hawthorne Police Department withsome remaining details. Total estimated square footage of roof is 27,940 s.f.	1	LS	$879,663.00	$ 879,663.00	89.238413%	0.000000%	$ -	89.238413%	$ 784,997.30
2	Change Order # 1 Power wash and Paint of Wind Guards on the PD Roof	1	LS	$31,188.84	$31,188.84	0.00	74.994774%	$ 23,390.00	74.994774%	$ 23,390.00
3	Change Order No. 2 Protective Painting of the PD roof	1	LS	$86,281.46	$86,281.46	0.00	74.999890%	$ 64,711.00	74.999890%	$ 64,711.00
Total Contract Price					**$ 997,133.30**					
						TOTAL		$ 88,101.00		$ 873,098.30
						LESS RETENTION		$ 4,404.99		$ 43,654.92
						LESS PREVIOUSLY PAID		$0.00		$ 745,747.38
						TOTAL AMOUNT DUE		**$ 83,696.01**		**$ 83,696.01**

TOTAL AMOUNT DUE THIS 4th PROGRESS PAYMENT: $ 83,696.01

Account #500-4101-506-0-0-40514 $ 83,696.01

This Fourth Progress Payment is hereby submitted for your review and approval.

M.D. Esfandi

David Esfandi
Project Engineer

CHAPMAN COAST ROOF CO.,INC
2030 EAST WALNUT, P.O. BOX 7050
Fullerton, CA 92834
Phone (714) 738-6611 Fax: (714) 738-0143

March invoice

CITY OF HAWTHORNE
4455 W. 126TH STREET
HAWTHORNE, CA 90250

3718

ATTN: ACCOUNTS PAYABLE

24-25 RC/BR

HAWTHORNE POLICE DEPARTMENT REPLACEMENT

CONTRACT AMT	**$879,663.00**
CHANGE ORDER #1	**$31,188.84**
CHANGE ORDER #2	**$86,281.46**
TOTAL	**$997,133.30**

TOTAL BILLABLE AMT 87%	**$**	**873,098.30**	
LESS PAID TO DATE		**(745,747.38)**	
		$	**127,350.92**
LESS RETENTION 5%			**(43,654.92)**
TOTAL DUE THIS BILLINGS			**83,696.00**

TERMS: Net cash upon completion - 1-1/2% Service charge per month on past due amounts.

Notice to Owner: Section 7019 - Contractors License Law)
Under the mechanics lien law, any contractor, subcontractor, laborer materialman, or other person who helps to improve your property and is not paid for his labor, services or material, has a right to enforce his claim against your property. Under the law, you may protect yourself against such claims by filing before commencing such work of improvement, an original contract for the work of improvement or a modification there of, in the office of the county of recorder of the county where the property is situated and requiring that a contractor's payment bond be recorded in such office. Said bond shall be in a amount of not less than fifty percent (50%) of the contract price and shall, in addition to any conditions for the performance of the contract be conditioned for payment in full of the claim of all persons furnishing labor, services, equipment or materials for the work.

PROJECT NAME & NUMBER: HAWTHORNE POLICE DEPT 24-25-RC

AIA Document G703, APPLICATION AND CERTIFICATION FOR PAYMENT,

containing Contract's signed Certification is attached.
In tabulations below, amounts are stated to the nearest dollar.
Use Column I on contracts where variable retainage for the line items may apply.

Application #: FOUR
Application Date MARCH 26 2026

Period : MARCH 1 2026 TO ' DI MARCH 31 2026

A	B	C	D	E	F	G		H	I
			WORK COMPLETED		MATERIAL	TOTAL COMP. &			
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	PREVIOUS APPLICATION	THIS PERIOD	STORED THIS PERIOD	TORED TO DATE (D+E+F)	%	BALANCE TO FINISH	RETAINAGE 5%
1	TREMCO COLD APPLIED								$0.00
	Mobilization	$10,000.00	$10,000.00			$10,000.00	100.00%	$0.00	$500.00
	Submitals	$1,000.00	$1,000.00			$1,000.00	100.00%	$0.00	$50.00
	Roof Demo	$90,000.00	$90,000.00			$90,000.00	100.00%	$0.00	$4,500.00
	Roofing Materials	$400,000.00	$400,000.00			$400,000.00	100.00%	$0.00	$20,000.00
	Labor & Installation of Tremco Ro	$378,663.00	$283,997.30			$283,997.30	75.00%	$94,665.70	$14,199.87
	C/O#1 power wash & paint	$31,188.84		$23,390.00		$23,390.00	75.00%	$7,798.84	$1,169.50
	C/O#2 K9 & New coating	$86,281.46	$0.00	$64,711.00		$64,711.00	75.00%	$21,570.46	$3,235.55
									$0.00
TOTALS		**$997,133.30**	**$784,997.3**	**$88,101.00**	**$0.00**	**$873,098.30**	**87.56%**	**$124,035.00**	**43,654.92**

CITY OF HAWTHORNE, CALIFORNIA
PUBLIC WORKS - ENGINEERING DIVISION

CONTRACT CHANGE ORDER NO. 1

PROJECT: Hawthorne Police Department Roof Replacement Project (25-09)

FEDERAL NO. _____ MTA NO. _____ CONTRACT NO. 25-09

TO: Chapman Coast Roof Company Inc.

You are hereby directed to make the herein described changes from the plans and specifications or do the following described work not included in the plans and specifications on this contract.

NOTE: This change order is not effective until approved by the Engineer.

Description of work to be done, estimate of quantities, and prices to be paid. Segregate between additional work of contract price, agreed price and force account. Unless otherwise stated, rates for rental of equipment cover only such time as equipment is actually used and no allowance will be made for idle time.

Change requested by: PROJECT ENGINEER
The last percentage shown is the net accumulated increase or decrease from the original quantity in the Engineer's Estimate.

The work to be performed or executed under this change order consists of and includes the furnishing and installation of all materials necessary for the following work:

Cleaning, ~~sandblasting~~, priming, painting, and performing all necessary repairs and related work required to complete the protective coating of the wind guards for the Hawthorne Police Department Roof Replacement Project (25-09).

Total price for this change order is $ $31,188.83.

Decrease $ _____ or Increase $ $31,188.83.

By reason of this order the time of completion will be adjusted as follows: 30 days

Submitted by, Construction Inspector: Khosrou Shahryari Date: 12/04/2025

Approval Recommended, Project Engineer: David Esfandi Date: 12/04/2025

Approved, Public Works Director: Akbar Farokhi Date: 12/04/2025

We, the undersigned contractor, have given careful consideration to the change proposed and hereby agree, if this proposal is approved, that we will provide all equipment, furnish all materials, except as may otherwise by noted above, and perform all services necessary for the work above specified, and will accept as full payment therefor the prices shown above.

Accepted, Date: 12-8-25 Contractor: Chapman Coast Roof

By: Brandon Rodgers Title: Vice President

If the Contractor does not sign acceptance of this order, their attention is directed to the requirement of the specification as to proceeding with the ordered work and filing a written protest within the time therein specified.

Chapman Coast Roof Co. Inc.

2030 East Walnut Ave
Fullerton, CA 92831

Change Order

Change Order Request	1
Proposed Change Oder	1
Back Charge	YES

Coast Roof Job Number:	24-25-RC
Change Order Number:	1
DATA Date:	11/07/25

Project: CITY OF HAWTORNE POLICE DEPARTMENT

Power wash and paint the frame and the inside of the Wind Screen wall.

1 - MATERIALS

Item #	*Description*	*Unit*	*Quantity*	*Unit Price*	*Extension*
1	SOLARGUARD RUST WB PRIMER		5.0	$714.64	3,573.20
2	SOLARGUARD 6083 BASE COAT		9.0	$441.81	3,976.29
3	SOLARGUARD 6083 ASH GRAY		9.0	$441.81	3,976.29
4	RAGS ROLLERS NAPS & CLEANERS		1.0	$440.00	440.00
5					-
6					-
7					-
8					-
9					-

Sub Total Material Cost:		$ 11,965.78
Sale Tax:	10.25%	$ 1,226.49
		$ 13,192.27

2 - LABOR

Item #	*Description*	*Regular Hrs*	*Rate*	*OT Hrs*	*Rate*	*Extension*
1	Foreman	50.0	$116.44	-		$ 5,822.00
1	Apprentice	50.0	$92.29	-		$ 4,614.50
1	Journeyman	50.0	$101.24	-		$ 5,062.00
	DRIVE TIME	2.0	$116.44	-		$ 232.88
				-		$ -
				-		$ -

TOTAL MAN HOURS = 96 HRS

Sub Total Labor Cost:		$ 15,731.38
Fuel Charge:	10%	$ 200.00
Equipment / Tools:	5%	
TOTAL LABOR COST:		$ 15,931.38

3 - EQUIPMENT / RENTAL & MISC. COSTS

Item #	*Description*	*Quantity*	*Unit Price*	*Extension*
1	gradall	1.00	$ 580.00	$ 580.00
2				
3		-		-

TOTAL RENTAL COST: $ 580.00

TOTAL 1, 2, & 3:		$ 29,703.65
OVERHEAD & PROFIT:	5.0%	$ 1,485.18
BOND & INSURANCE :		
GRAND TOTAL:		$ 31,188.84

*** Extension Request to _____ Schedule: _____ days

Approved	X
Disapproved	
Other	

Signature: M.D. Estrada

Date: 12/8/2025

Note: Contract time and sum shall be adjusted accordingly. Costs shall be limited to the following: cost of material, including sales tax and cost of delivery; cost of labor, including Social Security, Medicare, unemployment insurance, and fringe benefits required by agreement or customer; worker's or workmen's compensation insurance; bond premiums; rental value of equipment and machinery; and the additional costs of supervision and field office personnel directly attributable to the change. Plus overhead and profit. Payment for this extra work is due within 30 days from invoice date

CITY OF HAWTHORNE, CALIFORNIA
PUBLIC WORKS - ENGINEERING DIVISION

CONTRACT CHANGE ORDERS

CONTRACT CHANGE ORDER NO. 2

PROJECT: Hawthorne Police Department Roof Replacement Project (25-09)

FEDERAL NO. _____ MTA NO. _____ CONTRACT NO. 25-09

TO: Chapman Coast Roof Company Inc.

You are hereby directed to make the herein described changes from the plans and specifications or do the following described work not included in the plans and specifications on this contract.

NOTE: This change order is not effective until approved by the Engineer.

Description of work to be done, estimate of quantities, and prices to be paid. Segregate between additional work of contract price, agreed price and force account. Unless otherwise stated, rates for rental of equipment cover only such time as equipment is actually used and no allowance will be made for idle time.

Change requested by: PROJECT ENGINEER
The last percentage shown is the net accumulated increase or decrease from the original quantity in the Engineer's Estimate.

The work to be performed or executed under this change order consists of and includes the furnishing and installation of all materials necessary for the following work:

Cleaning, priming, painting, and performing all work required to complete the protective coating system, including any additional changes and modifications requested by the Police Department, for the main roof over the Police Department (25-09).

Total price for this change order is $ 86,281.46.

Decrease $ _____ or Increase $ 86,281.46.

By reason of this order the time of completion will be adjusted as follows: 60 days

Submitted by, Construction Inspector: Khosrou Shahryari Date: 4/06/2026

Approval Recommended, Project Engineer: David Esfandi Date: 4/06/2026

Approved, Public Works Dir. : Akbar Farokhi Date: 4/06/2026

We, the undersigned contractor, have given careful consideration to the change proposed and hereby agree, if this proposal is approved, that we will provide all equipment, furnish all materials, except as may otherwise by noted above, and perform all services necessary for the work above specified, and will accept as full payment therefor the prices shown above.

Accepted Date: 4/6/2026 Contractor: _____

By: JUAN TREJO GONZALEZ Title: PRESIDENT

If the Contractor does not sign acceptance of this order, their attention is directed to the requirement of the specification as to proceeding with the ordered work and filing a written protest within the time therein specified.

Chapman Coast Roof Co. Inc.

2030 East Walnut Ave
Fullerton, CA 92831

Change Order 2

Change Order Request	2
Proposed Change Oder	2
Back Charge	YES

Coast Roof Job Number:	24-25-RC
Change Order Number:	2
DATA Date:	02/03/25

Project: CITY OF HAWTORNE POLICE DEPARTMENT

INSTALL 100 WOOD NAILER 2 X 8 .UP AND OVER WALL WITH POWERPLY ENDURE FR SHEET .INSTALL NEW COPING METAL ALPHAGUARD ON 9 EACH MEP PIPE PENATRATIONS ALPHAGUARD IN THE DRAINS . ADD ADDITIONAL WALK PADS ON MAIN ROOF AND PENTHOUSE 60 WALK PADS EACH. POWER WASH AND INSTALL NEW GREY COATING ON MAIN ROOF

1 - MATERIALS

Item #	*Description*	*Unit*	*Quantity*	*Unit Price*	*Extension*
1	WALK PAD		60.0	$71.26	4,275.60
2	SKIRT METAL		40.0	$1.68	67.20
3	COPING METAL KYNAR		100.0	$17.00	1,700.00
4	POWERPLY ENDURE FR 100		5.0	$293.18	1,465.90
5	WOOD NAILER		100.0	$3.68	368.00
6	PERMAFAB 12" X 324'		1.0	$576.19	576.19
7	ALPHAGUARD BASE COAT		1.0	$441.81	441.81
8	ALPHAGUARD TOP COAT		1.0	$441.81	441.81
9	SOLAR GUARD RUST PRIMER		1.0	$700.38	700.38
10	TREMSEAL CAULKING		1.0	$491.69	491.69
11	PERMA FAB		2.0	$73.30	146.60
12	TREMCO GREY COATING 20% disc.	53 GA	7.0	$3,511.70	24,581.90
					-
					-

Sub Total Material Cost:		$	35,257.08
Sale Tax:	10.25%	$	3,613.85
		$	38,870.93

2 - LABOR

Item #	*Description*	*Regular Hrs*	*Rate*	*OT Hrs*	*Rate*	*Extension*
roof	Foreman	38.0	$116.44	-		$ 4,424.72
k-9	Apprentice	33.0	$92.29	-		$ 3,045.57
roof	Journeyman	33.0	$101.24	-		$ 3,340.92
	DRIVE TIME	$ 2.00	$ 116.44	$ -		$ 232.88
power	Foreman	86.0	$116.44	-		$ 10,013.84
wash	Apprentice	80.0	$92.29	-		$ 7,383.20
coating	Journeyman	80.0	$101.24	-		$ 8,099.20
grey	DRIVE TIME	80.0	$116.44	-		$ 9,315.20
				-		$ -

TOTAL MAN HOURS = 432 HRS

Sub Total Labor Cost:		$	45,855.53
Fuel Charge:	10%	$	975.00
Equipment / Tools:	5%		
TOTAL LABOR COST:		$	46,830.53

3 - EQUIPMENT / RENTAL & MISC. COSTS

Item #	*Description*	*Quantity*	*Unit Price*	*Extension*
1	gradall	1.00	$ 580.00	$ 580.00
2				
3		-		-

TOTAL RENTAL COST: $ 580.00

TOTAL 1, 2, & 3:		$ 86,281.46
OVERHEAD & PROFIT:	5.0%	
BOND & INSURANCE :		
GRAND TOTAL:		**$ 86,281.46**

*** Extension Request to _____ Schedule: _____ days

Approved	X
Disapproved	
Other	

Signature: M.D. Estes

Date: 4/6/2026

Note: Contract time and sum shall be adjusted accordingly. Costs shall be limited to the following: cost of material, including sales tax and cost of delivery; cost of labor, including Social Security, Medicare, unemployment insurance, and fringe benefits required by agreement or customer; worker's or workmen's compensation insurance; bond premiums; rental value of equipment and machinery; and the additional costs of supervision and field office personnel directly attributable to the change. Plus overhead and profit. Payment for this extra work is due within 30 days from invoice date

AGENDA ITEM NO. 17.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: Public Works

City Manager: Department Head:

SUBJECT:
Moneta Garden Mobility Improvements Project (City Project #22-08) -- Reject and Out to Bid.

RECOMMENDED MOTION:
Staff recommends that the City Council reject the bid received on the March 24, 2026, bid opening date and authorize the Director of Public Works to re-advertise for construction bids with a return date of May 12, 2026.

DISCUSSION:
This project was first approved for advertisement at the March 10, 2026 City Council Meeting. On March 24, 2026, one bid was received but rejected. As there were no remaining responsive and responsible bidders, the project will be re-advertised with a return date of May 12, 2026.

The work consists of construction of ADA ramps, sidewalks, driveways, traffic striping including parking Ts, regrading of street surface, illuminated flashing stop signs, street storm water BMPs system, Traffic Signal upgrades and all other work necessary to complete the improvements in accordance with the Plans and Specifications.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
This project is a result of the City working closely with funding and regulatory agencies to support and improve our infrastructure.

FISCAL IMPACT:
None. The project will be funded through Measure M Grant and local share funds.

NOTICING PROCEDURE:
72 hours posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS
Notice Inviting Bids

NOTICE INVITING BIDS

Sealed proposals will be received by the City Clerk of the City of Hawthorne, California at the office of the City Clerk, located on the first floor in City Hall, 4455 West 126th Street, Hawthorne, California until **4:00 P.M. Tuesday, May 12, 2026**.

Proposals will be publicly opened and recorded on a Bid List at **4:15** P.M. of the same day in the City Clerk's Office. Bidders, as well as the general public, are invited to view the proceedings.

Proposals will be read at a meeting of the City Council at **6:00 P.M.** on **Tuesday, May 12, 2026** for the following:

MONETA GARDEN MOBILITY IMPROVEMENTS PROJECT
(Project# 22-08)

SCOPE OF WORK

The work consists of construction of ADA ramps, sidewalks, driveways, traffic striping including parking Ts, regrading of street surface, illuminated flashing stop signs, street storm water BMPs system, Traffic Signal upgrades and all other work necessary to complete the improvements in accordance with the Plans and Specifications.

ESTIMATED QUANTITIES

ITEM	DESCRIPTION	UNIT	APPROXIMATE QUANTITY
1	Surveying	LS	1
2	Excavation (unclassified) for soft subgrade only when occurs.	CY	1,000
3	Cold Milling Asphalt Pavement (0” to 2”).	SF	550,000
4	Asphalt Concrete (C or D mix, PG 64-10).	TON	3,100
5	Excavate, Remove and Reconstruct pavement structural section per detail 2, sheet 17 at various locations shown on plans or City engineer’s directed locations including B-mix AC (2” thick. ARHM is not included).	SF	10,000
6	Asphalt Rubber Hot Mix (ARHM).	TON	6,200
7	Remove and Reconstruct 4” PCC sidewalk with 4” CMB.	SF	10,000
8	Construct New, Retrofit or Remove and Reconstruct 4” thick. PCC ADA curb ramp over 4" CMB per Caltrans Std. Plan A88A.	SF	8,500
9	Remove existing driveway and construct new PCC driveway over 6” CMB per Caltrans Std. Plan A87A.	SF	4,000

10	Crushed Miscellaneous Base (CMB) for Excess Backfill only when occurs.	CY	1,000
11	Adjust Utility cover to grade.	EA	115
12	Adjust Manhole Frame and Cover to grade.	EA	80
13	Traffic Control.	LS	1
14	Project Construction Signs.	EA	6
15	Traffic Signal Detectors Loop (Type "D").	EA	10
16	Traffic Signal Detectors Bicycle Loop (Type "E").	EA	14
17	Speed Hump per City Detail.	EA	2
18	Remove and reconstruct PCC curb and gutter per SPPWC Std. 120-3 type A2-8(200) over 8" CMB.	LF	500
19	Remove and excavate Hardscape or Landscape parkway and install 3' TO 5 ' Width Parkway Retention Bioswale per detail 1, sheet 17.	LF	250
20	Construct PCC Inlet basin per detail 1, sheet 17.	EA	14
21	Striping, signs and pavement markings per sheet 18 to 32.	LS	1
22	Plant 15 gallon Liquidambar Styraciflua (American sweetgum) including root barrier per detail 4, sheet 17.	EA	10
23	Traffic Signal Modification at Imperial Hwy. and Inglewood Ave.	LS	1
24	Traffic Signal Modification at Imperial Hwy. and Ramona Ave.	LS	1
25	Traffic Signal Modification at Imperial Hwy. and Freeman Ave.	LS	1

TIME OF COMPLETION

Time of completion for this project will be 90 working days.

ENGINEERING ESTIMATE

The engineering estimate for this project is $5,000,000

PREVAILING WAGE STATEMENT

This contract will be funded in whole or in part with federal and state funds. The Federal Labor Standards Provisions, including prevailing wage requirements of the Davis-Bacon and Related Acts will be enforced. A copy of the Federal Wage Decision applicable to this project is included in the Bid Document.

This is project is a public work in the State of California, funded in whole or in part with public funds. Therefore, the higher of the two applicable prevailing wage rates, federal or state, will be enforced. The Contractor's duty to pay State prevailing wages can be found under Labor Code Section 1770 et seq. Labor Code Sections 1775 and 1777.7 outline the penalties for failure to pay prevailing wages and to employ apprentices, including forfeitures and debarment. The State Wage

Decision is available online at **http://www.dir.ca.gov/dlsr/** or by contacting the Awarding Body for this contract.

CLASSIFICATION OF CONTRACTORS

Contractors bidding this project must possess a valid State of California A Contractors' License and must meet minimum requirements set forth in the Specifications. The Contractor must be able to document five (5) years of satisfactory experience on project of similar complexity and dollar value.

SUBMISSION OF PROPOSALS

Proposals must be submitted on the blank forms, specifications and plans prepared and furnished for that purpose, which may be obtained through the City of Hawthorne's Citizen self-service:

http://hawthorneca-energovweb.tylerhost.net/apps/selfservice#home

No bid will be considered unless it conforms to the Proposal Requirements and Conditions. The City Council of the City of Hawthorne, also referred to as the City, reserves the right to reject any and all proposals, waive any irregularity, to accept any bid or portion thereof, and to take all bids under advisement for a period of ninety (90) calendar days after the bid opening date. Bids must be returned in the special envelopes provided, marked "SEALED BIDS", and addressed to the City Clerk.
Each proposal shall be accompanied by one of the following forms of bidder's security: cash, cashier's check, certified check, or bidder's bond, equal to ten percent (10%) of the bid price.

A list of subcontractors shall be submitted with the bid on the form provided by the City.

**** NOTE TO PROSPECTIVE BIDDERS: THE COST OF PLANS AND SPECIFICATIONS IS $100.00 (non-refundable). ****

DEBARMENT AND SUSPENSION

CERTIFICATION OF OFFERER/BIDDER REGARDING DEBARMENT

By submitting a bid/proposal under this solicitation, the bidder or offeror certifies that neither it nor its principals are presently debarred or suspended by any Federal department or agency from participation in this transaction.

CERTIFICATION OF LOWER TIER CONTRACTORS REGARDING DEBARMENT

The successful bidder, by administering each lower tier subcontract that exceeds $25,000 as a "covered transaction", must verify each lower tier participant of a "covered transaction" under the project is not presently debarred or otherwise disqualified from participation in this assisted project. The bidder is to provide a Data Universal Numbering System (DUNS) number. The bidder will accomplish this by:

1. Checking the System for Award Management at website: http://www.sam.gov

2. Collecting a certification statement similar to the Certification of Offeror/Bidder Regarding Debarment, above.
3. Inserting a clause or condition in the covered transaction with the lower tier contract.

If the City of Hawthorne later determines that a lower tier participation failed to disclose to a higher tier participant that it was excluded or disqualified at the time it entered the covered transaction, the City of Hawthorne may pursue any available remedies, including suspension and debarments of the non-compliant participant.

NONDISCRIMINATION

Any contract entered into pursuant to this notice will incorporate the provisions of the State Labor Code. Labor Code Section 1735 requires that no discrimination be made in the employment of persons upon public works because of the race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, or sex of such persons, except as provided in Government Code Section 12940. Affirmative action to ensure against discrimination in employment practices on the basis of race, color, national origin, ancestry, sex, or religion will also be required.

PERFORMANCE RETENTIONS

The successful bidder will be required to provide for performance security as provided by law. Requirements for performance retentions may be satisfied by deposit or securities specified in Section 16430 of the Government Code and in accordance with Section 22300 of the Public Contract Code.

CONTRACTOR REGISTRATION

A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, unless currently registered and qualified to perform public work pursuant to Labor Code Section 1725.5. An unregistered contractor may only submit a bid if authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work at the time the contract is awarded.

WAGES AND EQUAL EMPLOYMENT OPPORTUNITIES

This proposed Contract is under and subject to Executive Order 11246, as amended, of September 24, 1965, and to the Equal Employment Opportunity (EEO) and Federal Labor Provisions. The EEO requirements, labor provisions, and wage rates are included in the Specifications and Bid documents and are available for inspection at the City Clerk's Office, City Hall, City of Hawthorne.

NOTICE IS FURTHER GIVEN that pursuant to the provisions of Section 1773 of the Labor Code of the State of California, the City Council has obtained the general federal prevailing rate of per

diem wages in accordance with the law to be paid for the construction of the above entitled Works and Improvements and General Prevailing rate for holiday and overtime work in this locality for each craft. The schedule has been obtained from the U.S. Department for Housing and Urban Development for Community Block Grant Programs of the type and nature proposed by the City, and reference is hereby made to copies thereof on file in the Office of the City Engineer, which said copies are available to any interested party upon request. Further, a copy shall be posted at the job site during the course of construction. All Contractors submitting bids must conform to current federal minimum prevailing wages.

In addition to the Contractor's obligations as to minimum wages rates, the Contractor shall abide by all other provisions and requirements stipulated in Sections 1770-1780, inclusive, of the Labor Code of the State of California, including, but not limited to, those dealing with the employment of registered apprentices. The responsibility of compliance with Section 1777.5 of the Labor Code shall be with the prime contractor.

PROJECT INFORMATION

Plans and Specifications are available digitally through the City of Hawthorne's Citizen Self Service portal:
http://hawthorneca-energovweb.tylerhost.net/apps/selfservice#home

All contractors will need to create a free account. Once they have created an account then they will need to apply for the **Public Works Bid Plans and Specifications**. Fill in all necessary information and once the application is submitted the Contractor will receive an invoice (see project information section above for price). Once all fees have been paid the Contractor will then receive three (3) PDFs: 1) general information/provisions PDF, 2) bid proposal forms (see SUBMISSION OF PROPOSALS section below for instructions on how to submit all proposals) and 3) specifications/plans PDF.

If you have any questions regarding this project, please contact **Jesus Velazquez**, Associate Engineer, Department of Public Works, Engineering Division, at jvelazquez@cityofhawthorne.org.

AGENDA ITEM NO. 18.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: Public Works

City Manager: Department Head:

SUBJECT:
Digital Billboards (City Project #26-12) -- Out to Bid.

RECOMMENDED MOTION:
Staff recommends that the City Council approve the Plans and Specifications and authorize the Director of Public Works to advertise for construction bids with a return date of May 12th, 2026.

DISCUSSION:
The work consists of the construction of a double-sided internally illuminated ID cabinet, a double-faced electronic message center, pole and includes demolition, footings, concrete, utilities, electrical, pole, graffiti coating, painting, miscellaneous metals, and all other work necessary to complete the construction in accordance with the Plans and Specification. This Project will install two Digital Billboards, one on the median island of Hawthorne Blvd. between 116th St. and 105 Fwy. and the second one on the median island of Prairie Ave. between El Segundo Blvd. and 126th St.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
This project is a result of the City working closely with funding and regulatory agencies to support and improve our infrastructure. These billboards will generate revenue, support local commerce and display public service announcements.

FISCAL IMPACT:
None. The project will be funded through allocated funds from FY 26-27 Grant and local share.

NOTICING PROCEDURE:
72 hours posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS
Notice Inviting Bids

NOTICE INVITING BIDS

Sealed proposals will be received by the City Clerk of the City of Hawthorne, California at the office of the City Clerk, located on the first floor in City Hall, 4455 West 126th Street, Hawthorne, California until **4:00 P.M. Tuesday, May 12, 2026**.

Proposals will be publicly opened and recorded on a Bid List at **4:15** P.M. of the same day in the City Clerk's Office. Bidders, as well as the general public, are invited to view the proceedings.

Proposals will be read at a meeting of the City Council at **6:00 P.M.** on **Tuesday, May 12, 2026** for the following:

DIGITAL BILLBOARDS
(Project# 26-12)

SCOPE OF WORK

The work consists of the construction of double-sided internally illuminated ID cabinet, double-faced electronic message center, pole and includes demolition, footings, concrete, utilities, electrical, pole, Graffiti coating, painting, miscellaneous metals, and all other work necessary to complete the construction in accordance with the Plans and Specification.

ESTIMATED QUANTITIES

ITEM	DESCRIPTION	UNIT	APPROXIMATE QUANTITY
1	Supplying and installing Digital Billboard with hardware and appurtenances.	EA	2
2	Excavation, potholes, backfill and compaction, site preparation and street trenching per the provided Standard Detail.	EA	2
3	Supplying and installing the entire sign structure.	EA	2
4	Anti-graffiti coatings.	EA	2
5	Install footing complete in place.	EA	2
6	All required electrical work complete in place with energizing the Electronic Board.	EA	2

TIME OF COMPLETION

Time of completion for this project will be 60 working days.

PREVAILING WAGE STATEMENT

This contract will be funded in whole or in part with federal and state funds. The Federal Labor Standards Provisions, including prevailing wage requirements of the Davis-Bacon and Related Acts will be enforced. A copy of the Federal Wage Decision applicable to this project is included in the Bid Document.

This is project is a public work in the State of California, funded in whole or in part with public funds. Therefore, the higher of the two applicable prevailing wage rates, federal or state, will be enforced. The Contractor's duty to pay State prevailing wages can be found under Labor Code Section 1770 et seq. Labor Code Sections 1775 and 1777.7 outline the penalties for failure to pay prevailing wages and to employ apprentices, including forfeitures and debarment. The State Wage Decision is available online at **http://www.dir.ca.gov/dlsr/** or by contacting the Awarding Body for this contract.

CLASSIFICATION OF CONTRACTORS

Contractors bidding this project must possess a valid State of California **A**, **B, C 45 or C10** Contractors' License. The Contractor must be able to document five (5) years of satisfactory experience on projects of similar complexity and dollar value.

SUBMISSION OF PROPOSALS

Proposals must be submitted on the blank forms, specifications and plans prepared and furnished for that purpose, which may be obtained through the City of Hawthorne's Citizen self-service:

http://hawthorneca-energovweb.tylerhost.net/apps/selfservice#home

No bid will be considered unless it conforms to the Proposal Requirements and Conditions. The City Council of the City of Hawthorne, also referred to as the City, reserves the right to reject any and all proposals, waive any irregularity, to accept any bid or portion thereof, and to take all bids under advisement for a period of ninety (90) calendar days after the bid opening date. Bids must be returned in the special envelopes provided, marked "SEALED BIDS", and addressed to the City Clerk.
Each proposal shall be accompanied by one of the following forms of bidder's security: cash, cashier's check, certified check, or bidder's bond, equal to ten percent (10%) of the bid price.

A list of subcontractors shall be submitted with the bid on the form provided by the City.

**** NOTE TO PROSPECTIVE BIDDERS: THE COST OF PLANS AND SPECIFICATIONS IS $50.00 (non-refundable). ****

DEBARMENT AND SUSPENSION

CERTIFICATION OF OFFERER/BIDDER REGARDING DEBARMENT

By submitting a bid/proposal under this solicitation, the bidder or offeror certifies that neither it nor its principals are presently debarred or suspended by any Federal department or agency from participation in this transaction.

CERTIFICATION OF LOWER TIER CONTRACTORS REGARDING DEBARMENT

The successful bidder, by administering each lower tier subcontract that exceeds $25,000 as a "covered transaction", must verify each lower tier participant of a "covered transaction" under the project is not presently debarred or otherwise disqualified from participation in this assisted project. The bidder is to provide a Data Universal Numbering System (DUNS) number. The bidder will accomplish this by:

1. Checking the System for Award Management at website: http://www.sam.gov
2. Collecting a certification statement similar to the Certification of Offeror/Bidder Regarding Debarment, above.
3. Inserting a clause or condition in the covered transaction with the lower tier contract.

If the City of Hawthorne later determines that a lower tier participation failed to disclose to a higher tier participant that it was excluded or disqualified at the time it entered the covered transaction, the City of Hawthorne may pursue any available remedies, including suspension and debarments of the non-compliant participant.

NONDISCRIMINATION

Any contract entered into pursuant to this notice will incorporate the provisions of the State Labor Code. Labor Code Section 1735 requires that no discrimination be made in the employment of persons upon public works because of the race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, or sex of such persons, except as provided in Government Code Section 12940. Affirmative action to ensure against discrimination in employment practices on the basis of race, color, national origin, ancestry, sex, or religion will also be required.

PERFORMANCE RETENTIONS

The successful bidder will be required to provide for performance security as provided by law. Requirements for performance retentions may be satisfied by deposit or securities specified in Section 16430 of the Government Code and in accordance with Section 22300 of the Public Contract Code.

CONTRACTOR REGISTRATION

A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, unless currently registered and qualified to perform public work pursuant to Labor Code Section 1725.5. An unregistered contractor may only submit a bid if authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public

Contract Code, provided the contractor is registered to perform public work at the time the contract is awarded.

WAGES AND EQUAL EMPLOYMENT OPPORTUNITIES

This proposed Contract is under and subject to Executive Order 11246, as amended, of September 24, 1965, and to the Equal Employment Opportunity (EEO) and Federal Labor Provisions. The EEO requirements, labor provisions, and wage rates are included in the Specifications and Bid documents and are available for inspection at the City Clerk's Office, City Hall, City of Hawthorne.

NOTICE IS FURTHER GIVEN that pursuant to the provisions of Section 1773 of the Labor Code of the State of California, the City Council has obtained the general federal prevailing rate of per diem wages in accordance with the law to be paid for the construction of the above entitled Works and Improvements and General Prevailing rate for holiday and overtime work in this locality for each craft. The schedule has been obtained from the U.S. Department for Housing and Urban Development for Community Block Grant Programs of the type and nature proposed by the City, and reference is hereby made to copies thereof on file in the Office of the City Engineer, which said copies are available to any interested party upon request. Further, a copy shall be posted at the job site during the course of construction. All Contractors submitting bids must conform to current federal minimum prevailing wages.

In addition to the Contractor's obligations as to minimum wages rates, the Contractor shall abide by all other provisions and requirements stipulated in Sections 1770-1780, inclusive, of the Labor Code of the State of California, including, but not limited to, those dealing with the employment of registered apprentices. The responsibility of compliance with Section 1777.5 of the Labor Code shall be with the prime contractor.

PROJECT INFORMATION

Plans and Specifications are available digitally through the City of Hawthorne's Citizen Self Service portal:
http://hawthorneca-energovweb.tylerhost.net/apps/selfservice#home

All contractors will need to create a free account. Once they have created an account then they will need to apply for the **Public Works Bid Plans and Specifications**. Fill in all necessary information and once the application is submitted the Contractor will receive an invoice (see project information section above for price). Once all fees have been paid the Contractor will then receive three (3) PDFs: 1) general information/provisions PDF, 2) bid proposal forms (see SUBMISSION OF PROPOSALS section below for instructions on how to submit all proposals) and 3) specifications/plans PDF.

If you have any questions regarding this project, please contact **Jesus Velazquez**, Associate Engineer, Department of Public Works, Engineering Division, at jvelazquez@cityofhawthorne.org.

THE CITY OF HAWTHORNE RESERVES THE RIGHT TO REJECT ANY BID OR ALL BIDS AND TO WAIVE ANY INFORMALITY OR IRREGULARITY IN ANY BID. ANY CONTRACT AWARDED WILL BE LET TO THE LOWEST, QUALIFIED, RESPONSIVE AND RESPONSIBLE BIDDER.

AGENDA ITEM NO. 19.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: Public Works

City Manager: Department Head:

SUBJECT:
Purchase Request for three (3) Police Motorcycles.

RECOMMENDED MOTION:
Staff recommends that the City Council authorize the purchase of three (3) police motorcycles and authorize the City Manager or designee to execute all necessary purchasing documents.

DISCUSSION:
The Hawthorne Police Department uses motorcycles for traffic enforcement, investigations, DUI enforcement, escorts, and special events that require quick response and maneuverability. The current fleet includes two 2021 Harley-Davidson motorcycles that frequently have mechanical issues, making them unreliable, and an older Honda motorcycle (9--11 years old), which lacks modern safety features. Newer motorcycles offer improved safety, technology, and performance. By purchasing three new police motorcycles there will be improved reliability, officer safety, and overall operations.
The Police Department obtained quotes from three authorized BMW vendors for the 2026 BMW R1300RT-P police motorcycle with law enforcement equipment.

Quotes received include:

- Irv Seaver Motorcycles -- Orange, CA: Total unit cost $40,716.43
- Long Beach BMW Motorcycles -- Long Beach, CA: Total unit cost $40,212.93
- Ventura BMW Motorcycles -- Ventura, CA: Total unit cost $39,525.72

Although Ventura BMW provided the lowest price, staff recommends selecting Long Beach BMW Motorcycles due to its closer proximity to the City. This allows for faster maintenance, repairs, and warranty service, reducing downtime and ensuring motorcycles remain operational. The closer location provides better long-term value by improving efficiency and maintaining readiness for the Traffic Unit.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
Purchasing new police motorcycles improves traffic enforcement, reduces response times, and enhances safety along key corridors, making the City more attractive for businesses, visitors, and major events.

FISCAL IMPACT:
None. The estimated amount of $120,640 is available and will be paid with the approved and allocated equipment funds.

NOTICING PROCEDURE:
72 hour posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS

BPO
Memo
Quote

PUBLIC WORKS DEPARTMENT

Vendor	Name	Agreement	Amounts	Account Number	Description
	Long Beach BMW Motorcycles	In process	$120,640.00	600-3103-000-0-0-47404	3 new PD Mototcycles
	Total:		**$120,640.00**		

CITY OF HAWTHORNE
City of Good Neighbors

POLICE DEPARTMENT

TO Eric Lane, Chief of Police

FROM Shawn Shimono, Operations Captain

DATE March 9th, 2026

RE Purchase Request for (3) Police Motorcycles

RECOMMENDED ACTION

Staff recommends that the City Council:

1. Authorize the purchase of three (3) 2026 BMW R1300RT-P police motorcycles for the Hawthorne Police Department Traffic Unit; and
2. Authorize the City Manager or designee to execute all necessary purchasing documents with Long Beach BMW Motorcycles in an amount not to exceed $120,638.79.

BACKGROUND

The Hawthorne Police Department maintains a motorcycle fleet assigned to the Traffic Unit. Police motorcycles are used for traffic enforcement, collision investigations, DUI enforcement, escorts, special events, and other operations that require maneuverability and rapid response.

Currently, the department operates two 2021 Harley-Davidson police motorcycles that were received in a grant. While the grant funding is appreciated, these motorcycles have frequently experienced mechanical issues, which often makes them unavailable for regular patrol use. When these motorcycles are out of service, motor officers must rely on the department's back-up Honda police motorcycles, which are between nine and eleven years old.

Due to their age, the Honda motorcycles contain older technology and aging equipment that does not provide the same level of safety, reliability, and performance as modern police motorcycles. Newer police motorcycle platforms include improved braking systems, stability control, enhanced

lighting systems, and other safety features designed to support officers during traffic enforcement operations.

The purchase of three new police motorcycles will help ensure motor officers have reliable and properly equipped vehicles that enhance operational capability and officer safety.

VENDOR QUOTES

The Police Department obtained quotes from three authorized BMW police motorcycle vendors for the 2026 BMW R1300RT-P police motorcycle configured with required law enforcement equipment.

Quotes received include:

Irv Seaver Motorcycles – Orange, CA
Total unit cost: $40,716.43

Long Beach BMW Motorcycles – Long Beach, CA
Total unit cost: $40,212.93

Ventura BMW Motorcycles – Ventura, CA
Total unit cost: $39,525.72

PROCUREMENT JUSTIFICATION

Although Ventura BMW submitted the lowest unit price, staff recommends purchasing the motorcycles from Long Beach BMW Motorcycles.

Long Beach BMW is located significantly closer to the City and will serve as the primary service and warranty provider for the motorcycles. Police motorcycles require frequent maintenance, inspections, and occasional warranty repairs due to the demands of traffic enforcement operations.

Selecting a dealership located closer to the City will provide more efficient access to service, faster turnaround times for maintenance and repairs, and reduced travel time for staff transporting motorcycles for service. This will help minimize equipment downtime and maintain operational readiness for the Traffic Unit.

For specialized public safety equipment, service accessibility and operational efficiency are important procurement considerations, and staff has determined that purchasing from Long Beach BMW provides the best long-term operational value to the City.

FISCAL IMPACT

The total cost for the purchase of three (3) police motorcycles is $120,638.79.

CONCLUSION

The purchase of three new police motorcycles will improve the reliability of the department's motorcycle fleet, enhance officer safety, and ensure the Traffic Unit can continue to provide effective traffic enforcement and public safety services. The Traffic Unit is also pursuing the acquisition of a fourth BMW police motorcycle through an Office of Traffic Safety (OTS) grant, which is why staff is requesting authorization to purchase three motorcycles at this time.

Staff recommends that the City Council approve the purchase of three BMW police motorcycles from Long Beach BMW Motorcycles**.**

BMW RT-P Motor Pricing Form

(2026 Model Year)

BMW MOTORRAD

	Color	Option Code	
1	Night Black & Alpine White III	753	
0	Night Black	716	
0	Alpine White III (special order)	751	
0	Black Blue (special order +60 days) $119.60	999	(see below)
0	Saphir Blue (special order + 60 days) $119.60	999	(see below)
0	Violet Blue (special order +60 days)	756	
0	Glacier Silver Metallic (special order)	N99	

Revised: May 6, 2025

Quotation: **Motorcycle**

City of Hawthorne

		Option Code	Retail Price	
	Factory Special-Order Options - Plan 90-120 Days for Delivery			
0	Headlight Pro (includes 134)	219	$547.78	$0.00
0	Gear Shift Assist Pro	222	$297.78	$0.00
0	GPS Prep	272	$175.56	$0.00
0	Chrome Exhaust (Includes 340)	19F	$224.44	$0.00
0	Dark Chrome Exhaust (Includes 34A)	19J	$351.11	$0.00
0	Additional LED Headlights (driving lights)	562	$460.00	$0.00
0	High Seat Black	77E	$0.00	$0.00
0	Low Seat Black	77D	$0.00	$0.00
1	Dynamic Package	235	$2,067.78	$2,067.78
0	Dynamic Package with **Auto Shift 22A**	235	$2,987.78	$0.00
0	Rider Assistant Safety Package	5AS	$806.67	$0.00
0	Black Blue	999	$116.94	$0.00
0	Sapphire Blue	999	$116.94	$0.00
	The Features Below Denote Standard Order Deck			$0.00
	US Authority Package			$332.22
	BMW Electronic Siren			$1,193.33
	Weather Protection, Tire Pressure Monitors, Heated Seat, Cruise Control			

Additional Labor Operations Provided by Dealer

PVP Wireless Motor Kit	$1,100.00
Clearwater Darla lights	$679.00
	$0.00
	$0.00
Doc. Fee	$85.00
*CVR Fee	$37.00
*Tire Fee	$3.50
*No tax	$0.00
	$0.00
(3) units @ $40,212.93 $120,638.79	$0.00
	$0.00
	$0.00

Units			
1	Quotation valid for 60 days from date noted below.	**Total Price - Page 1**	**$29,020.28**
		Total Price - Page 2	**$134.24**
		Total Price - Page 3	**$0.00**
	Date of Quote: 2/5/2026	**Parts From Other Suppliers - Page 4**	**$5,620.12**

Long Beach BMW Motorcycles
2125 E. Spring St. Long Beach, CA.90806

	Dealer Basic Assembly / Preparation	**$526.00**
	Motorcycle Freight	**$1,095.00**
	Total Retail Price per Unit with Options	**$36,395.64**
10.50%	**State Sales Tax (if applicable)**	**$3,817.29**
	Total Retail Price per Unit with Options	**$40,212.93**

Note: Prices subject to change without notice. Final price is always determined by the selling authorized BMW Motorcycle dealer.

BMW RT-P Motor Pricing Form - Page 2

BMW MOTORRAD

See Special Notation Comment

Quotation for:
City of Hawthorne

Per	Dealer Installed Options / Retrofits	BMW P/N	Order #	Retail	Total Retail
0	Shift Assistant Pro (hardware)	23 00 1 543 107	0	$83.29	$0.00
0	Screw Torx drive (order two)	07 12 9 904 977	0	$2.00	$0.00
0	Enabling Code	77 15 8 395 839	0	$41.58	$0.00
0	LED Additional Headlight (order 2)	63 17 9 898 785	0	$169.67	$0.00
0	Fillister Head Screw (order 2)	07 12 9 907 398	0	$2.76	$0.00
0	Fillister Head Screw (order 2)	07 12 9 907 377	0	$7.70	$0.00
0	Hex Nut With Plate (order 2)	07 11 9 905 544	0	$0.90	$0.00
0	Bracket, Left (order 1)	77 51 5 A89 145	0	$80.77	$0.00
0	Bracket, Right (order 1)	77 51 5 A89 146	0	$80.77	$0.00
0	Extra Ignition Key - Keyless Fob Transmitter	66 12 5 A94 F18	0	$386.47	$0.00
0	Heated Seat - Low TBD	52 53 5 A78 7B8	0	$642.70	$0.00
0	Heated Seat - High TBD	52 53 5 A78 7C0	0	$642.70	$0.00
0	Tire Pressure Gauge	82 12 0 140 377	0	$29.67	$0.00
1	BMW Battery Charger	61 43 2 408 594	0	$134.24	$134.24
0	Motorcycle Charging Plug	61 43 2 411 680	0	$20.11	$0.00

Note: Prices subject to change without notice. Always verify accuracy of part pricing before submitting quotations.
Final price is always determined by the selling authorized BMW Motorcycle dealer.

Additional Accessories

Qty Per	Item Description Additional Accessories	BMW P/N	Order #	Retail	Total Retail
	Storage Options				
0	Saddlebag Liners (each) TBD		0	$0.00	$0.00
0	Tank Top Bag TBD		0	$0.00	$0.00
	Engine Protection				
0	Rocker Cover Protection Left Side (order 1)	77 14 5 A6E 645	0	$52.37	$0.00
0	Rocker Cover Protection Right Side (order 1)	78 14 5 A6E 646	0	$52.37	$0.00
0	Body Screw W/O collar (order 4)	46 63 8 568 780	0	$4.76	$0.00
0	Body Screw W/collar (order 4)	46 63 8 550 994	0	$6.36	$0.00
0	Gromet (order 4)	11 84 5 B38 938	0	$3.34	$0.00
0	Bush	11 84 8 544 832	0	$5.80	$0.00
0	Large Skid Plate (order 1)	11 84 7 914 425	0	$316.37	$0.00
0	Fillister Head Screws (order 2)	07 12 9 907 402	0	$2.53	$0.00
0	Engine Guard Holder (order 1)	11 84 8 829 202	0	$25.11	$0.00
0	Skid Plate Holder Front (order 1)	11 84 5 A64 A34	0	$34.58	$0.00
0	Skid Plate Holder Rear (order 1)	12 84 5 A64 A35	0	$34.58	$0.00
0	Fillister Head Screw (order 4)	07 12 9 907 383	0	$2.96	$0.00
0	Spacer Bush (order 2)	11 84 5 A6A 026	0	$3.95	$0.00
0	Clip Nut (order 4)	07 14 7 693 887	0	$2.97	$0.00
0	Grommet (order 4)	13 53 1 341 283	0	$3.40	$0.00
0	Bush (order 4)	11 84 8 544 832	0	$5.80	$0.00

Note: Prices subject to change without notice. Always verify accuracy of part pricing before submitting quotations.
Final price is always determined by the selling authorized BMW Motorcycle dealer.

Additional Accessories From Other Suppliers - Page 3

Qty	Description	PN	Price Each	Total Price
1	FMS Standard Emergency Lighting Package		$ 4,995.00	$ 4,405.00
1	FMS parts (See Estimate)		$ 1,518.90	$ 1,215.12
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -

Estimate

Date: 03/05/2026 11:50:53 PM
Estimate Name: City of Hawthorne
From: FMS Accessories.com

SKU	Image	Product(s)	Price	Qty.	Total
FMSA-MT-LPMT		License Plate Mounting Set	$10.90	1	$10.90
FMSA-MT-RMB		Rifle Mounting Bracket	$79.00	1	$79.00
FMSA-GL-ARM		AR Rifle Mount Choice: Lower Support/Std. Muzzle Cup w/Heat Shield [+$10.00]	$777.00	1	$777.00
FMSA-MT-CPM7		1" Ball Mount w/Bolts 2026+	$26.00	1	$26.00
FMSA-KA3-TOB		KA3 Tip-Over Blocks	$29.00	1	$29.00
FMSA-GHPL4		ProLaser 4 Lidar Holster	$299.00	1	$299.00
FMSA-ZPB		Zebra Printer Case Choice: R 1300 RT-P 2026+ RH [+$10.00] Choice 1: Key Lock Unit [+$39.00]	$298.00	1	$298.00
					Total Amount : $1518.90

AGENDA ITEM NO. 20.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: Public Works

City Manager: Department Head:

SUBJECT:
Progress Payment #13 is in the amount of $974,517.70 due to PCN3 Inc of Los Alamitos, CA for the City of Hawthorne New Senior Center (Project #24-03).

RECOMMENDED MOTION:
Staff recommends that the City Council approve this Progress Payment #13 and all change orders associated with this progress payment to PCN3 Inc of Los Alamitos, CA.

DISCUSSION:
This project includes providing all services, labor, materials, permits, insurance, tools and equipment needed, in accordance with the Plan and Specifications to successfully and safely complete the renovations and addition to the existing Senior Center.

The work will consist of renovating the existing Hawthorne Senior Center situated on the northwest side of the existing Memorial Center facility. The renovations will bring the existing building, approximately 8,600 SF, up to current building codes and standards. The work will also consist of adding a first-floor extension and a second story, approximately 9700 SF of indoor space. There will also be some exterior landscaping to integrate the building into the park and create an outdoor courtyard. The work will also consist in providing all services, labor, materials, permits, insurance, tools and equipment needed, in accordance with the Plan and Specifications to successfully and safely complete the renovations, expansion and addition to the City of Hawthorne Senior Center located at 3901 El Segundo Blvd, Hawthorne, CA 90250.

During the construction phase of the project, necessary authorization will need to be granted to the City's Project Engineer(s) to conduct further testing, substitutions, and/or removal of materials such as new public right of way, new concrete slab between the New Senior Center and existing Memorial Center, etc.

Work done to date includes: demolition of the existing senior center structure, excavated trenches for underground plumbing and electrical conduits, footing/rebar for the elevator pit, concrete poured for the west expansion portion of the project, vertical steel reinforcement and preparing of steel columns and beams for the west expansion portion of the project. Excavation for new storm drain line, elevator pit and column footing for the existing portion of the building (East Side). Due to existing conditions uncovered during the demolition/excavation phase, it led to a few change orders, like repair and/or replacement of underground utility pipes, expansion of demolition (slab/ceiling), etc. Exterior and interior CMU walls for the west 1st floor addition and the existing east 1st floor is 100% completed and 1st floor ceiling and floor/deck for 2nd floor is being prepped for slab on grade. Elevator pit and walls on the existing portion of the project were completed. Underground utilities are nearly completed, and they are working on completing the new main electrical box installation with Edison.

The 2nd floor glulam beams have been installed, temporary wood rail has been installed, and metal

framing for the second floor has commenced. The first stairway leading from the first floor to the second floor on the exterior side has been installed and the last stairway on the interior is currently being welded off site. A new roof has been installed on the existing portion of the senior center. Demoing of the existing parking lot and landscape start April 1st and will continue untill April 13th.

This progress payment had a few change orders (CO) : CO#15 is regarding additional underground conduits, CO#55 is regarding resized ducts and new additional connection equipment/material, CO#63R1 is regarding additional partition wall connection details/equipment, CO#65 is regarding relocating drain pipes, Co#80R1 is regarding additional lighting packages/installation, CO#87 is regarding new headers and installation details/equipment, and CO#101 is regarding VRF system central controller equipment/installation.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
This project is a result of the City working closely with funding and regulatory agencies to support and improve our infrastructure.

FISCAL IMPACT:
None. Funds for this progress payment in the amount of $974,517.70 will be funded through allocated funds from the 2024-2025 budget.

NOTICING PROCEDURE:
72 hours posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS
PP#13 Invoice

APPLICATION AND CERTIFICATION FOR PAYMENT

AIA DOCUMENT G702

TO OWNER: **City of Hawthorne**
4455 W. 126th Street
Hawthorne, CA, 90250

PROJECT: **City of Hawthrone New Senior Center**

APPLICATION NO: **13**
PERIOD FROM: **3/1/2026**
PERIOD TO: **3/31/2026**

Distribution to:
- ☐ OWNER
- ☐ CM
- ☐ ARCHITECT
- ☐ CONTRACTOR
- ☐ ENGINEER

FROM CONTRACTOR:
PCN3, INC.
10591 Humbolt Street, Unit A
Los Alamitos, CA, 90720

VIA CONSTRUCTION MANAGER:

PROJECT NOS: **24-03**
CONTRACT NO: **24-03**
CONTRACT DATE: **8/28/2024**

CONTRACT FOR: 24-03

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM		14,445,000.00
2. Net change by Change Orders		619,572.79
3. CONTRACT SUM TO DATE (Line 1 ± 2)		15,064,572.79
4. TOTAL COMPLETED & STORED TO DATE (Column G on G703)		10,142,376.27
5. RETAINAGE:		
a. 5 % of Work Completed (Column D + E on G703)	$ 507,118.81	
b. 5 % of Stored Material (Column F on G703)	$ -	
Total Retainage (Lines 5a + 5b or Total in Column I of G703)		507,118.81
6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total)		9,635,257.46
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)		8,660,739.76
8. CURRENT PAYMENT DUE		974,517.70
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)		5,429,315.33

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	$ 619,573	$ -
Total approved this Month	$0.00	$ -
TOTALS	$ 619,573	$ -
NET CHANGES by Change Order	$ 619,573	

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: **PCN3, INC.**

By: _____ Date: _____

State of: California County of:
Subscribed and sworn to before me this day of
Notary Public:
My Commission expires:

PM'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the application, the Engineer certifies to the Owner that to the best of the Engineer's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED . . . . . $ 974,518

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

Project Manager:

By: _____ Date: _____

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

AIA DOCUMENT G702 · APPLICATION AND CERTIFICATION FOR PAYMENT · 1992 EDITION · AIA · ©1992 THE AMERICAN INSTITUTE OF ARCHITECTS, 1735 NEW YORK AVE., N.W., WASHINGTON, DC 20006-5292
Users may obtain validation of this document by requesting a completed AIA Document D401 - Certification of Document's Authenticity from the Licensee.

CONSTRUCTION MANAGER:

By: _____

Project Manager

PCN3, INC.
10591 Humbolt Street, Unit A

Los Alamitos, CA, 90720

City of Hawthrone New Senior Center
CITY OF Hawthrone

Schedule of Values

APPLICATION NUMBER: 13
APPLICATION DATE: 3/31/2026

PERIOD TO: 3/31/2026

A	B	C	D	E	F			G		H	I
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	TOTAL BILLED		MATERIALS STORED			TOTAL COMPLETED AND STORED TO DATE	% T/D	BALANCE TO FINISH (C-G)	RETAINAGE 5%
			PREVIOUS APPLICATIONS	THIS PERIOD	PRIOR STORED	CURRENT STORED	TOTAL STORED				
1.00	EXISTING CONDITIONS (SITEWORK)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
1.a	DEMO @ SENIOR CENTER SITE (HAULING INCLUDED)	38,406.64	38,406.64	0.00	0.00	0.00	$0.00	$38,406.64	100%	$0.00	$1,920.33
1.b	DEMO @ EAST PARKING LOT (HAULING INCLUDED)	47,072.56	47,072.56	0.00	0.00	0.00	$0.00	$47,072.56	100%	$0.00	$2,353.63
1.c	DEMO @ NORTH PARKING LOT (HAULING INCLUDED)	32,013.40	32,013.40	0.00	0.00	0.00	$0.00	$32,013.40	100%	$0.00	$1,600.67
1.d	MISC. SITE DEMO	8,260.00	8,260.00	0.00	0.00	0.00	$0.00	$8,260.00	100%	$0.00	$413.00
2.00	EARTHWORK: SITE PREPARATION (SITEWORK)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
2.a	SITE CLEARING	20,731.42	20,731.42	0.00	0.00	0.00	$0.00	$20,731.42	100%	$0.00	$1,036.57
2.b	ROUGH GRADING	41,462.84	41,462.84	0.00	0.00	0.00	$0.00	$41,462.84	100%	$0.00	$2,073.14
2.c	RAW CUT - PER C.E. QUANTITY	2,147.60	2,147.60	0.00	0.00	0.00	$0.00	$2,147.60	100%	$0.00	$107.38
2.d	FINE GRADING	52,204.38	45,000.00	7,204.38	0.00	0.00	$0.00	$52,204.38	100%	$0.00	$2,610.22
2.e	BUILDING PAD OVEREXCAVATION - WEST ADDITION	66,599.20	66,599.20	0.00	0.00	0.00	$0.00	$66,599.20	100%	$0.00	$3,329.96
2.f	BUILDING PAD OVEREXCAVATION - EXTENDED SLAB	10,431.20	10,431.20	0.00	0.00	0.00	$0.00	$10,431.20	100%	$0.00	$521.56
2.g	SCARIFY & COMPACT U/S PAVING	11,756.34	11,756.34	0.00	0.00	0.00	$0.00	$11,756.34	100%	$0.00	$587.82
2.h	EXPORT/HAUL DIRT SURPLUS + 15% SWELL VOLUME	16,726.50	16,726.50	0.00	0.00	0.00	$0.00	$16,726.50	100%	$0.00	$836.33
2.i	EROSION CONTROL	31,097.13	31,097.13	0.00	0.00	0.00	$0.00	$31,097.13	100%	$0.00	$1,554.86
3.00	EXTERIOR IMPROVEMENTS (SITEWORK)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
3.a.I	SENIOR CENTER SITE - HARDSCAPE	139,670.70	0.00	14,000.00	0.00	0.00	$0.00	$14,000.00	10%	$125,670.70	$700.00
3.a.II	SENIOR CENTER SITE - BRICK PAVERS	121,197.80	2,500.00	10,000.00	0.00	0.00	$0.00	$12,500.00	10%	$108,697.80	$625.00
3.a.III	SENIOR CENTER SITE - LANDSCAPE	197,109.89	0.00	0.00	0.00	0.00	$0.00	$0.00	0%	$197,109.89	$0.00
3.a.IV	SENIOR CENTER SITE - SITE WALLS	43,660.00	0.00	0.00	0.00	0.00	$0.00	$0.00	0%	$43,660.00	$0.00
3.a.V	SENIOR CENTER SITE - ORNAMENTAL STEEL FENCING & GATES	106,412.40	30,000.00	0.00	0.00	0.00	$0.00	$30,000.00	28%	$76,412.40	$1,500.00
3.b	EAST PARKING LOT	109,801.36	0.00	40,000.00	0.00	0.00	$0.00	$40,000.00	36%	$69,801.36	$2,000.00
3.C	NORTH PARKING LOT	69,844.20	0.00	20,000.00	0.00	0.00	$0.00	$20,000.00	29%	$49,844.20	$1,000.00
3.d	SIGNAGE	1,180.00	0.00	0.00	0.00	0.00	$0.00	$0.00	0%	$1,180.00	$0.00
4.00	UTILITIES (SITEWORK)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
4.a	STORM DRAINS	135,924.20	135,924.20	0.00	0.00	0.00	$0.00	$135,924.20	100%	$0.00	$6,796.21
4.b	FIRE WATER	203,904.00	203,904.00	0.00	0.00	0.00	$0.00	$203,904.00	100%	$0.00	$10,195.20
4.c	SANITARY SEWER	37,288.00	37,288.00	0.00	0.00	0.00	$0.00	$37,288.00	100%	$0.00	$1,864.40
4.d	NATURAL GAS	5,900.00	5,900.00	0.00	0.00	0.00	$0.00	$5,900.00	100%	$0.00	$295.00
4.e	PRIMARY/SECONDARY POWER SERVICE	102,424.00	65,000.00	0.00	0.00	0.00	$0.00	$65,000.00	63%	$37,424.00	$3,250.00
4.f	ELECTRIC VEHICLE CHARGING STATION	43,365.00	20,000.00	0.00	0.00	0.00	$0.00	$20,000.00	46%	$23,365.00	$1,000.00
4.g	SITE LIGHTING	47,200.00	10,000.00	0.00	0.00	0.00	$0.00	$10,000.00	21%	$37,200.00	$500.00
4.h	MISCELLANEOUS	1,180.00	0.00	0.00	0.00	0.00	$0.00	$0.00	0%	$1,180.00	$0.00
5.00	EXISTING CONDITIONS (EXISTING BUILDING RENOVATION + EXTENSION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
5.a	SELECTIVE BUILDING DEMOLITION (HAULING INCLUDED)	292,287.18	292,287.18	0.00	0.00	0.00	$0.00	$292,287.18	100%	$0.00	$14,614.36
5.b	PLUMBING DEMOLITION	4,814.40	4,814.40	0.00	0.00	0.00	$0.00	$4,814.40	100%	$0.00	$240.72
5.c	HVAC DEMOLITION	9,086.00	9,086.00	0.00	0.00	0.00	$0.00	$9,086.00	100%	$0.00	$454.30
5.d	ELECTRICAL DEMOLITION	48,757.60	48,757.60	0.00	0.00	0.00	$0.00	$48,757.60	100%	$0.00	$2,437.88
6.00	CONCRETE (EXISTING BUILDING RENOVATION + EXTENSION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00

A	B	C	D	E	F			G		H	I
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	TOTAL BILLED		MATERIALS STORED			TOTAL COMPLETED AND STORED TO DATE	% T/D	BALANCE TO FINISH (C-G)	RETAINAGE 5%
			PREVIOUS APPLICATIONS	THIS PERIOD	PRIOR STORED	CURRENT STORED	TOTAL STORED				
6.a	FOUNDATION - INCLUDED PER SEPARATE ADDITION	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
6.b	ELEVATOR	208,904.34	208,904.34	0.00	0.00	0.00	$0.00	$208,904.34	100%	$0.00	$10,445.22
6.c	SLAB-ON-GRADE/CURBS	99,426.80	99,426.80	0.00	0.00	0.00	$0.00	$99,426.80	100%	$0.00	$4,971.34
7.00	MASONRY (EXISTING BUILDING RENOVATION + EXTENSION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
7.a	EXTERIOR CMU WALL	40,419.72	40,419.72	0.00	0.00	0.00	$0.00	$40,419.72	100%	$0.00	$2,020.99
7.b	INTERIOR CMU WALL	154,374.68	154,374.68	0.00	0.00	0.00	$0.00	$154,374.68	100%	$0.00	$7,718.73
8.00	METALS (EXISTING BUILDING RENOVATION + EXTENSION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
8.a	PERFORATED METAL PANEL SYSTEM	186,381.00	140,000.00	20,000.00	0.00	0.00	$0.00	$160,000.00	86%	$26,381.00	$8,000.00
8.b	MISC. METALS	11,800.00	5,900.00	2,450.00	0.00	0.00	$0.00	$8,350.00	71%	$3,450.00	$417.50
9	CARPENTRY (EXISTING BUILDING RENOVATION + EXTENSION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
9.a	FINISH CARPENTRY	166,675.00	5,000.00	0.00	0.00	0.00	$0.00	$5,000.00	3%	$161,675.00	$250.00
9.b	ROUGH CARPENTRY	228,092.23	228,092.23	0.00	0.00	0.00	$0.00	$228,092.23	100%	$0.00	$11,404.61
10	THERMAL & MOISTURE PROTECTION (EXISTING BUILDING RENOVATION + EXTENSION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
10.a	ROOFING	186,857.25	90,000.00	50,000.00	0.00	0.00	$0.00	$140,000.00	75%	$46,857.25	$7,000.00
10.b	MISCELLANEOUS	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
11	OPENINGS (EXISTING BUILDING RENOVATION + EXTENSION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
11.a	EXTERIOR DOORS + H.W.	49,678.00	39,750.00	4,950.00	0.00	0.00	$0.00	$44,700.00	90%	$4,978.00	$2,235.00
11.b	WINDOWS	227,364.76	75,000.00	30,000.00	0.00	0.00	$0.00	$105,000.00	46%	$122,364.76	$5,250.00
11.c	DOORS + H.W.	100,250.44	85,000.00	5,000.00	0.00	0.00	$0.00	$90,000.00	90%	$10,250.44	$4,500.00
11.d	WINDOWS	16,903.50	2,500.00	5,000.00	0.00	0.00	$0.00	$7,500.00	44%	$9,403.50	$375.00
12.00	FINISHES (EXISTING BUILDING RENOVATION + EXTENSION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
12.a	EXTERIOR WALLS	167,562.36	120,000.00	20,000.00	0.00	0.00	$0.00	$140,000.00	84%	$27,562.36	$7,000.00
12.b	INTERIOR WALLS	343,807.16	225,000.00	35,000.00	0.00	0.00	$0.00	$260,000.00	76%	$83,807.16	$13,000.00
12.c	FLOOR FINISHES	150,590.42	0.00	0.00	0.00	30,000.00	$30,000.00	$30,000.00	20%	$120,590.42	$1,500.00
12.d	CEILING FINISHES	203,943.81	0.00	0.00	0.00	0.00	$0.00	$0.00	0%	$203,943.81	$0.00
12.e	VERTICAL SOFFITS	53,764.20	0.00	0.00	0.00	0.00	$0.00	$0.00	0%	$53,764.20	$0.00
12.f	EXTERIOR SOFFIT	738.68	0.00	0.00	0.00	0.00	$0.00	$0.00	0%	$738.68	$0.00
13	SPECIALTIES (EXISTING BUILDING RENOVATION + EXTENSION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
13.a	RESTROOM SPECIALTIES	33,722.04	0.00	0.00	0.00	0.00	$0.00	$0.00	0%	$33,722.04	$0.00
13.b	MISC. SPECIALTIES	24,965.02	0.00	0.00	0.00	0.00	$0.00	$0.00	0%	$24,965.02	$0.00
14	ALL EQUIPMENT - N.I.C.	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
15	FURNISHINGS (EXISTING BUILDING RENOVATION + EXTENSION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
15.a	WINDOW SHADES	23,564.60	3,564.60	0.00	0.00	0.00	$0.00	$3,564.60	15%	$20,000.00	$178.23
15.b	FURNISHINGS - ALL FF & E - N.I.C.	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
16	SPECIAL CONSTRUCTION (EXISTING BUILDING RENOVATION + EXTENSION) - THIS SECTION NOT APPLICABLE	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
17	CONVEYING EQUIPMENT (EXISTING BUILDING RENOVATION + EXTENSION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
18	FIRE SUPPRESSION (EXISTING BUILDING RENOVATION + EXTENSION)	121,240.00	72,000.00	0.00	0.00	0.00	$0.00	$72,000.00	59%	$49,240.00	$3,600.00

A	B	C	D	E	F			G		H	I
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	TOTAL BILLED		MATERIALS STORED			TOTAL COMPLETED AND STORED TO DATE	% T/D	BALANCE TO FINISH (C-G)	RETAINAGE 5%
			PREVIOUS APPLICATIONS	THIS PERIOD	PRIOR STORED	CURRENT STORED	TOTAL STORED				
19	PLUMBING (EXISTING BUILDING RENOVATION + EXTENSION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
19.a	PLUMBING EQUIPMENT - INCLUDED PER SEPARATE ADDITION ESTIMATE	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
19.b	PLUMBING FIXTURES	34,220.00	16,000.00	0.00	0.00	5,000.00	$5,000.00	$21,000.00	61%	$13,220.00	$1,050.00
19.c	COLD WATER	37,771.80	37,771.80	0.00	0.00	0.00	$0.00	$37,771.80	100%	$0.00	$1,888.59
19.d	HOT WATER	21,428.80	21,428.80	0.00	0.00	0.00	$0.00	$21,428.80	100%	$0.00	$1,071.44
19.e	SANITARY SEWER & VENT	62,315.80	62,315.80	0.00	0.00	0.00	$0.00	$62,315.80	100%	$0.00	$3,115.79
19.f	CONDENSATE DRAINS	22,007.00	1,000.00	0.00	0.00	0.00	$0.00	$1,000.00	5%	$21,007.00	$50.00
19.g	ROOF DRAINS - SEE DIVISION 7 FOR GUTTER & DOWNSPOUT	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
19.h	NATURAL GAS	3,352.14	1,500.00	0.00	0.00	0.00	$0.00	$1,500.00	45%	$1,852.14	$75.00
20	HVAC (EXISTING BUILDING RENOVATION + EXTENSION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
20.a	ROOFTOP AC UNIT	115,223.46	84,500.00	15,500.00	0.00	0.00	$0.00	$100,000.00	87%	$15,223.46	$5,000.00
20.b	VRF SPLIT SYSTEM	92,712.60	65,500.00	20,000.00	0.00	0.00	$0.00	$85,500.00	92%	$7,212.60	$4,275.00
20.c	MINI SPLIT SYSTEM	30,326.00	23,250.00	2,750.00	0.00	0.00	$0.00	$26,000.00	86%	$4,326.00	$1,300.00
20.d	EXHAUST FAN	2,861.50	2,600.00	0.00	0.00	0.00	$0.00	$2,600.00	91%	$261.50	$130.00
20.e	CONTROLS	11,363.40	6,000.00	0.00	0.00	0.00	$0.00	$6,000.00	53%	$5,363.40	$300.00
20.f	MISCELLANEOUS	1,180.00	0.00	0.00	0.00	0.00	$0.00	$0.00	0%	$1,180.00	$0.00
21	ELECTRICAL (EXISTING BUILDING RENOVATION + EXTENSION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
21.a	ELECTRICAL EQUIPMENT & PANELS	42,480.00	35,000.00	5,000.00	0.00	0.00	$0.00	$40,000.00	94%	$2,480.00	$2,000.00
21.b	PANEL "K" FEEDER	16,862.20	15,500.00	0.00	0.00	0.00	$0.00	$15,500.00	92%	$1,362.20	$775.00
21.c	BRANCH POWER	32,579.56	27,500.00	2,500.00	0.00	0.00	$0.00	$30,000.00	92%	$2,579.56	$1,500.00
21.d	HVAC/PLUMBING EQUIPMENT POWER	89,028.99	70,000.00	5,000.00	0.00	0.00	$0.00	$75,000.00	84%	$14,028.99	$3,750.00
21.e	LIGHTING	111,156.00	95,000.00	0.00	0.00	0.00	$0.00	$95,000.00	85%	$16,156.00	$4,750.00
21.f	EXT	305,717.82	160,000.00	55,000.00	0.00	0.00	$0.00	$215,000.00	70%	$90,717.82	$10,750.00
21.g	MISCELLANEOUS	1,180.00	0.00	590.00	0.00	0.00	$0.00	$590.00	50%	$590.00	$29.50
22	COMMUNICATIONS (EXISTING BUILDING RENOVATION + EXTENSION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
22.a	SIGNAL SYSTEM	139,118.66	27,500.00	13,500.00	0.00	0.00	$0.00	$41,000.00	29%	$98,118.66	$2,050.00
23	ELECTRONIC SAFETY & SECURITY (EXISTING BUILDING RENOVATION + EXTENSION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
23.a	FIRE ALARM	99,214.40	50,000.00	0.00	0.00	0.00	$0.00	$50,000.00	50%	$49,214.40	$2,500.00
23.b	SECURITY	119,057.28	45,000.00	10,000.00	0.00	0.00	$0.00	$55,000.00	46%	$64,057.28	$2,750.00
24.00	EXTERIOR IMPROVEMENTS (EXISTING BUILDING RENOVATION + EXTENSION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
24.a	EAST COURT	25,315.72	0.00	5,350.00	0.00	0.00	$0.00	$5,350.00	21%	$19,965.72	$267.50
25	EXISTING CONDITIONS (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION) - SEE SEPARATE SITEWORK FOR SITE DEMOLITION	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
26	CONCRETE (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
26.a	FOUNDATION	186,440.00	186,440.00	0.00	0.00	0.00	$0.00	$186,440.00	100%	$0.00	$9,322.00
26.b	SLAB-ON-GRADE/CURBS	97,168.28	97,168.28	0.00	0.00	0.00	$0.00	$97,168.28	100%	$0.00	$4,858.41
26.c	CONCRETE COLUMN	246,030.00	246,030.00	0.00	0.00	0.00	$0.00	$246,030.00	100%	$0.00	$12,301.50
26.d	SUSPENDED CONCRETE SLAB & BEAMS	770,999.02	770,999.02	0.00	0.00	0.00	$0.00	$770,999.02	100%	$0.00	$38,549.95
26.e	MISC. CONCRETE	7,021.00	7,021.00	0.00	0.00	0.00	$0.00	$7,021.00	100%	$0.00	$351.05

A	B	C	D	E	F			G		H	I
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	TOTAL BILLED		MATERIALS STORED			TOTAL COMPLETED AND STORED TO DATE	% T/D	BALANCE TO FINISH (C-G)	RETAINAGE 5%
			PREVIOUS APPLICATIONS	THIS PERIOD	PRIOR STORED	CURRENT STORED	TOTAL STORED				
27	MASONRY (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
27.a	EXTERIOR CMU WALL	311,367.78	311,367.78	0.00	0.00	0.00	$0.00	$311,367.78	100%	$0.00	$15,568.39
28	METALS (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
28.a	STRUCTURAL STEEL	358,039.14	350,000.00	8,039.14	0.00	0.00	$0.00	$358,039.14	100%	$0.00	$17,901.96
28.b	EXTERIOR METAL STAIR	108,896.30	102,500.00	4,500.00	0.00	0.00	$0.00	$107,000.00	98%	$1,896.30	$5,350.00
28.c	METAL PAN STAIR, INTERIOR	206,183.76	164,000.00	20,000.00	0.00	0.00	$0.00	$184,000.00	89%	$22,183.76	$9,200.00
28.d	EXTERIOR SCREEN SYSTEM	1,020,169.00	620,000.00	50,000.00	0.00	0.00	$0.00	$670,000.00	66%	$350,169.00	$33,500.00
28.e	MISC. METALS	187,195.20	163,000.00	12,500.00	0.00	0.00	$0.00	$175,500.00	94%	$11,695.20	$8,775.00
29.00	CARPENTRY (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
29.a	FINISH CARPENTRY	149,270.00	2,500.00	0.00	0.00	0.00	$0.00	$2,500.00	2%	$146,770.00	$125.00
29.b	ROUGH CARPENTRY	232,353.80	215,000.00	17,353.80	0.00	0.00	$0.00	$232,353.80	100%	$0.00	$11,617.69
30.00	THERMAL & MOISTURE PROTECTION (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
30.a	ROOFING	135,812.34	2,500.00	15,000.00	0.00	0.00	$0.00	$17,500.00	13%	$118,312.34	$875.00
30.b	WATERPROOFING	97,783.59	21,500.00	0.00	0.00	0.00	$0.00	$21,500.00	22%	$76,283.59	$1,075.00
30.c	MISCELLANEOUS	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
31	OPENINGS (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
31.a	EXTERIOR DOORS + H.W.	44,958.00	33,000.00	8,000.00	0.00	0.00	$0.00	$41,000.00	91%	$3,958.00	$2,050.00
31.b	EXTERIOR WINDOWS	149,067.13	22,500.00	20,000.00	0.00	0.00	$0.00	$42,500.00	29%	$106,567.13	$2,125.00
31.c	INTERIOR DOORS + H.W.	100,250.44	70,000.00	15,000.00	0.00	0.00	$0.00	$85,000.00	85%	$15,250.44	$4,250.00
31.d	INTERIOR WINDOWS	16,903.50	2,500.00	5,000.00	0.00	0.00	$0.00	$7,500.00	44%	$9,403.50	$375.00
32	FINISHES (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
32.a	EXTERIOR WALLS	669,247.62	260,000.00	95,000.00	0.00	0.00	$0.00	$355,000.00	53%	$314,247.62	$17,750.00
32.b	INTERIOR WALLS	492,469.46	300,000.00	55,000.00	0.00	0.00	$0.00	$355,000.00	72%	$137,469.46	$17,750.00
32.c	FLOOR FINISHES	224,244.86	0.00	0.00	0.00	0.00	$0.00	$0.00	0%	$224,244.86	$0.00
32.d	CEILING FINISHES	107,511.85	0.00	0.00	0.00	0.00	$0.00	$0.00	0%	$107,511.85	$0.00
32.e	VERTICAL SOFFITS	98,997.28	0.00	25,000.00	0.00	0.00	$0.00	$25,000.00	25%	$73,997.28	$1,250.00
32.f	EXTERIOR SOFFIT/FASCIA	68,864.80	0.00	15,000.00	0.00	0.00	$0.00	$15,000.00	22%	$53,864.80	$750.00
33	SPECIALTIES (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
33.a	RESTROOM SPECIALTIES	87,426.31	20,000.00	0.00	0.00	0.00	$0.00	$20,000.00	23%	$67,426.31	$1,000.00
33.b	MISC. SPECIALTIES	42,461.59	0.00	10,000.00	0.00	0.00	$0.00	$10,000.00	24%	$32,461.59	$500.00
34	EQUIPMENT (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION) - N.I.C	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
35.00	FURNISHINGS (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
35.a	WINDOW SHADES, MOTORIZED - ALLOWANCE	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
35.b	FURNISHINGS - N.I.C.	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
36	SPECIAL CONSTRUCTION (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
36.a	OUTDOOR DECK PEDESTAL SYSTEM	188,698.82	2,500.00	0.00	0.00	0.00	$0.00	$2,500.00	1%	$186,198.82	$125.00
36.b	OUTDOOR GREEN DECK	109,032.00	2,500.00	0.00	0.00	0.00	$0.00	$2,500.00	2%	$106,532.00	$125.00

A	B	C	D	E	F			G		H	I
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	TOTAL BILLED		MATERIALS STORED			TOTAL COMPLETED AND STORED TO DATE	% T/D	BALANCE TO FINISH (C-G)	RETAINAGE 5%
			PREVIOUS APPLICATIONS	THIS PERIOD	PRIOR STORED	CURRENT STORED	TOTAL STORED				
37.00	CONVEYING EQUIPMENT (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
37.a	PASSENGER ELEVATOR	160,480.00	90,000.00	40,000.00	0.00	0.00	$0.00	$130,000.00	81%	$30,480.00	$6,500.00
38.00	FIRE SUPPRESSION (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
38.a	FIRE SPRINKLER SYSTEM	123,489.45	62,500.00	0.00	0.00	0.00	$0.00	$62,500.00	51%	$60,989.45	$3,125.00
39	PLUMBING (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
39.a	PLUMBING EQUIPMENT	20,650.00	0.00	0.00	0.00	0.00	$0.00	$0.00	0%	$20,650.00	$0.00
39.b	PLUMBING FIXTURES	59,000.00	2,500.00	0.00	0.00	30,000.00	$30,000.00	$32,500.00	55%	$26,500.00	$1,625.00
39.c	COLD WATER	70,575.80	55,000.00	5,000.00	0.00	0.00	$0.00	$60,000.00	85%	$10,575.80	$3,000.00
39.d	HOT WATER	36,509.20	29,000.00	2,500.00	0.00	0.00	$0.00	$31,500.00	86%	$5,009.20	$1,575.00
39.e	SANITARY SEWER & VENT	94,588.80	80,000.00	10,000.00	0.00	0.00	$0.00	$90,000.00	95%	$4,588.80	$4,500.00
39.f	CONDENSATE DRAINS	19,765.00	0.00	0.00	0.00	0.00	$0.00	$0.00	0%	$19,765.00	$0.00
39.g	ROOF DRAINS	4,845.55	4,845.55	0.00	0.00	0.00	$0.00	$4,845.55	100%	$0.00	$242.28
40.00	HVAC (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
40.a	VRF SPLIT SYSTEM	232,029.30	137,500.00	15,000.00	0.00	0.00	$0.00	$152,500.00	66%	$79,529.30	$7,625.00
40.b	MINI SPLIT SYSTEM	9,440.00	5,000.00	0.00	0.00	0.00	$0.00	$5,000.00	53%	$4,440.00	$250.00
40.c	EXHAUST FAN	19,169.10	10,000.00	0.00	0.00	0.00	$0.00	$10,000.00	52%	$9,169.10	$500.00
41	ELECTRICAL (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
41.a	ELECTRICAL EQUIPMENT	25,665.00	15,500.00	5,000.00	0.00	0.00	$0.00	$20,500.00	80%	$5,165.00	$1,025.00
41.b	PANEL BOARD	12,390.00	9,000.00	0.00	0.00	0.00	$0.00	$9,000.00	73%	$3,390.00	$450.00
41.c	SECONDARY FEEDER	53,336.00	53,336.00	0.00	0.00	0.00	$0.00	$53,336.00	100%	$0.00	$2,666.80
41.d	BRANCH POWER	45,496.08	35,500.00	0.00	0.00	0.00	$0.00	$35,500.00	78%	$9,996.08	$1,775.00
41.e	HVAC/PLUMBING EQUIPMENT POWER	44,092.12	24,092.12	0.00	0.00	0.00	$0.00	$24,092.12	55%	$20,000.00	$1,204.61
41.f	LIGHTING	201,952.16	85,000.00	45,000.00	0.00	0.00	$0.00	$130,000.00	64%	$71,952.16	$6,500.00
41.g	MISCELLANEOUS	1,180.00	0.00	590.00	0.00	0.00	$0.00	$590.00	50%	$590.00	$29.50
42	COMMUNICATIONS (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION)	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
42.a	SIGNAL SYSTEM	155,747.02	40,000.00	10,000.00	0.00	0.00	$0.00	$50,000.00	32%	$105,747.02	$2,500.00
43.00	ELECTRONIC SAFETY & SECURITY (1ST FLOOR WEST & 2ND FLOOR BUILDING ADDITION)		0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
43.a	FIRE ALARM	101,055.20	50,500.00	10,000.00	0.00	0.00	$0.00	$60,500.00	60%	$40,555.20	$3,025.00
43.b	SECURITY	121,266.24	24,000.00	0.00	0.00	0.00	$0.00	$24,000.00	20%	$97,266.24	$1,200.00
		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
	Change orders	0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
1	Change order #1 - Abatement	137,865.00	137,865.00	0.00	0.00	0.00	$0.00	$137,865.00	100%	$0.00	$6,893.25
2	Change order #2 - Extra interior demo	74,270.00	74,270.00	0.00	0.00	0.00	$0.00	$74,270.00	100%	$0.00	$3,713.50
3		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
4		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
5	Change order #5 - removal and disposal of 2 subpanels	4,121.65	4,121.65	0.00	0.00	0.00	$0.00	$4,121.65	100%	$0.00	$206.08
6		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
7	Change Order # 7 - Structural Columns Clarification	37,075.78	37,075.78	0.00	0.00	0.00	$0.00	$37,075.78	100%	$0.00	$1,853.79
8	Change order # 8 - exploratory work for water intrusion	1,671.86	1,671.86	0.00	0.00	0.00	$0.00	$1,671.86	100%	$0.00	$83.59
9	Change Order #9 - Voltage Reading	8,399.33	0.00	0.00	0.00	0.00	$0.00	$0.00	0%	$8,399.33	$0.00
10	Change order #10 - Removal of cabinetry	1,999.66	1,999.66	0.00	0.00	0.00	$0.00	$1,999.66	100%	$0.00	$99.98

A	B	C	D	E	F			G		H	I
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	TOTAL BILLED		MATERIALS STORED			TOTAL COMPLETED AND STORED TO DATE	% T/D	BALANCE TO FINISH (C-G)	RETAINAGE 5%
			PREVIOUS APPLICATIONS	THIS PERIOD	PRIOR STORED	CURRENT STORED	TOTAL STORED				
11		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
12		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
13	Change Order #13 - Added Demolition & Grading - South Of Existing Building	62,452.85	62,452.85	0.00	0.00	0.00	$0.00	$62,452.85	100%	$0.00	$3,122.64
14		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
15	Change Order #15R1 - Low Voltage Underground Conduits	11,683.17	0.00	2,500.00	0.00	0.00	$0.00	$2,500.00	21%	$9,183.17	$125.00
16	Change order #16 - Storm drain	27,060.80	27,060.80	0.00	0.00	0.00	$0.00	$27,060.80	100%	$0.00	$1,353.04
17	Change Order #17 - Addendum 1 - Landscaping and Irrigation Changes	19,789.86	10,000.00	0.00	0.00	0.00	$0.00	$10,000.00	51%	$9,789.86	$500.00
18	Change Order #18 - Lighting Package Tariff Increase (1st Floor)	24,988.03	24,988.03	0.00	0.00	0.00	$0.00	$24,988.03	100%	$0.00	$1,249.40
19	Change Order #19 - Hose Bibb Clarification	1,081.73	0.00	0.00	0.00	0.00	$0.00	$0.00	0%	$1,081.73	$0.00
20	Change order #20 - Electrical Floor Boxes	20,727.74	20,727.74	0.00	0.00	0.00	$0.00	$20,727.74	100%	$0.00	$1,036.39
21	Change Order #21 - Gas Routing to Water Heater or AC Unit on the Roof	4,055.57	2,000.00	0.00	0.00	0.00	$0.00	$2,000.00	49%	$2,055.57	$100.00
22		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
23		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
24		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
25		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
26		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
27	Change Order #27 - Post Bid Addendum 1 - Mechanical Changes	25,413.19	25,300.00	0.00	0.00	0.00	$0.00	$25,300.00	100%	$113.19	$1,265.00
28		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
29		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
30	Change Order #30 - Existing Communications Conduit	2,177.74	2,177.74	0.00	0.00	0.00	$0.00	$2,177.74	100%	$0.00	$108.89
31		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
32	Change Order #32 - ASI 014 Roof Demolition Scope Clarification	25,355.20	25,355.20	0.00	0.00	0.00	$0.00	$25,355.20	100%	$0.00	$1,267.76
33	Change Order #33 - Clarification of Demolition Scope in between Senior Center and Memorial Center	7,682.43	7,682.43	0.00		0.00	$0.00	$7,682.43	100%	$0.00	$384.12
34		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
35	Change Order #35 - Stucco Barrier Behind Existing Wall	1,591.35	1,591.35	0.00	0.00	0.00	$0.00	$1,591.35	100%	$0.00	$79.57
36	Change Order #36 - Removal of (E) Roof Insulation where New 2nd Floor Called out Above	1,185.70	1,185.70	0.00		0.00	$0.00	$1,185.70	100%	$0.00	$59.29
37		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
38	Change Order #38 - Elevator Pit Clarifications	4,224.54	4,224.54	0.00	0.00	0.00	$0.00	$4,224.54	100%	$0.00	$211.23
39	Change Order #39 - Post-Bid Addendum 1 - Concrete Reinforcing Changes	18,982.99	18,982.99	0.00	0.00	0.00	$0.00	$18,982.99	100%	$0.00	$949.15
40	Change Order #40 - Relocation of Existing Kitchen Wall	12,282.11	12,282.11	0.00		0.00	$0.00	$12,282.11	100%	$0.00	$614.11
41		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
42	Change Order #42 - Post Bid Addendum 1 - Changes to Light Fixtures	80,078.32	80,078.32	0.00	0.00	0.00	$0.00	$80,078.32	100%	$0.00	$4,003.92
43		0.00	0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
44	Change Order #44 - Added Tile in WC-108	2,476.59	0.00	0.00	0.00	0.00	$0.00	$0.00	0%	$2,476.59	$0.00
45	Change Order #45 - Existing Foundation Extended Beyond Bid Set Drawings	18,999.99	18,999.99	0.00	0.00	0.00	$0.00	$18,999.99	100%	$0.00	$950.00
46	Change Order #46 - Existing Trees in front of N Storefront Door	875.73	875.73	0.00	0.00	0.00	$0.00	$875.73	100%	$0.00	$43.79

A	B	C	D	E	F			G		H	I
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	TOTAL BILLED		MATERIALS STORED			TOTAL COMPLETED AND STORED TO DATE	% T/D	BALANCE TO FINISH (C-G)	RETAINAGE 5%
			PREVIOUS APPLICATIONS	THIS PERIOD	PRIOR STORED	CURRENT STORED	TOTAL STORED				
47	Change Order #47 - Existing Catch Basin Clash with New Foundation	3,301.27	$3,301.27	$0.00				$3,301.27	100%	$0.00	$165.06
48	Change Order #48 - Plywood Water Damage at (E) East Elevation	5,895.53	5,895.53	0.00	0.00	0.00	$0.00	$5,895.53	100%	$0.00	$294.78
49			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
50			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
51			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
52			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
53	Chage Order #53 - Credit for Changed CMU Type	-24,525.00	-24,525.00	0.00	0.00	0.00	$0.00	-$24,525.00	100%	$0.00	-$1,226.25
54			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
55	Change Order #55 - FC-1 Duct Size and Connection Changes	6,702.03	0.00	6,702.03	0.00	0.00	$0.00	$6,702.03	100%	$0.00	$335.10
56			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
57			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
58	Change Order #58 - (E) Overflow Drain on East Wall	1,417.07	1,417.07	0.00	0.00	0.00	$0.00	$1,417.07	100%	$0.00	$70.85
59	Change Order #59 - ASI-27 - Added Beam and Posts for E Roofing Situation	11,241.71	11,241.71	0.00	0.00	0.00	$0.00	$11,241.71	100%	$0.00	$562.09
60	Change Order #60 - Wall Type for (E) Door Opening Missing	1,646.08	1,646.08	0.00	0.00	0.00	$0.00	$1,646.08	100%	$0.00	$82.30
61			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
62	Change Order #62 - Level 1 Bathroom Demolition and Wall Finishing	2,414.80	2,414.80	0.00	0.00	0.00	$0.00	$2,414.80	100%	$0.00	$120.74
63	Change Order #63R1 - Additional Partition Work Requested	2,590.46	0.00	2,590.46	0.00	0.00	$0.00	$2,590.46	100%	$0.00	$129.52
64			0.00	0.00		0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
65	Change Order #65 - Clash of (N) Beam Posts w Drain Pipe at (E) Stem Wall	1,453.19	0.00	1,453.19	0.00	0.00	$0.00	$1,453.19	100%	$0.00	$72.66
66			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
67			0.00	0.00		0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
68			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
69			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
70	Change Order #70 - Existing Footing with Curb in the Way of Steel Column Baseplate Installation	852.54	852.54	0.00	0.00	0.00	$0.00	$852.54	100%	$0.00	$42.63
71	Change Order #71 - Existing Stem Wall on Gridline 3 and Smooth Floor Transition Required	7,427.23	5,000.00	0.00		0.00	$0.00	$5,000.00	67%	$2,427.23	$250.00
72			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
73			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
74			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
75			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
76			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
77			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
78			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
79			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
80	Change Order #80R1 - Lighting Package Tariff Price Increase - Second Floor	24,988.03	0.00	24,988.03	0.00	0.00	$0.00	$24,988.03	100%	$0.00	$1,249.40
81			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
82			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
83			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
84	Change Order #84 - New RR Wall Conflict with Roof Hatch	4,736.14	4,736.14	0.00	0.00	0.00	$0.00	$4,736.14	100%	$0.00	$236.81
85			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
86			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00

A	B	C	D	E	F			G		H	I
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	TOTAL BILLED		MATERIALS STORED			TOTAL COMPLETED AND STORED TO DATE	% T/D	BALANCE TO FINISH (C-G)	RETAINAGE 5%
			PREVIOUS APPLICATIONS	THIS PERIOD	PRIOR STORED	CURRENT STORED	TOTAL STORED				
87	Change Order #87 - Header Sizes for Openings Over 8'	2,647.07	0.00	2,647.07	0.00	0.00	$0.00	$2,647.07	100%	$0.00	$132.35
88			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
89			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
90			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
91	Change Order #91 - RR Floor Finish Room 113 and 114	8,477.64	4,238.82	0.00	0.00	0.00	$0.00	$4,238.82	50%	$4,238.82	$211.94
92			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
93			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
94			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
95			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
96			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
97			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
98			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
99			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
100			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
101	Change Order #101 - VRF System Central Controller	10,805.76	0.00	2,650.00	0.00	0.00	$0.00	$2,650.00	25%	$8,155.76	$132.50
102			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
103			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
104			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
105			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
106			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
107			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
108			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
109			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
110			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
111			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
112	Change Order #112 - Added Rebar for Block outs	3,447.39	3,447.39	0.00	0.00	0.00	$0.00	$3,447.39	100%	$0.00	$172.37
113			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
114			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
115			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
116			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
117			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
118			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
119			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
120			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
121			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
122			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
123			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
124			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
125	Change Order #125 - Door D112-1 Height Conflict with (E) Wall	2,806.46	2,806.46	0.00	0.00	0.00	$0.00	$2,806.46	100%	$0.00	$140.32
126			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
127	Change Order #127 - Damaged Plywood Around Door D101-3	3,456.01	3,456.01	0.00	0.00	0.00	$0.00	$3,456.01	100%	$0.00	$172.80
128	Change Order #128 - AV Cabinet Power Requirement	2,572.75	1,572.75	0.00	0.00	0.00	$0.00	$1,572.75	61%	$1,000.00	$78.64
129	Change Order #129 - Added Shut-Off Valves Throughout	20,332.40	20,332.40	0.00	0.00	0.00	$0.00	$20,332.40	100%	$0.00	$1,016.62
130			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
131			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
132			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
133			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
134			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00

A	B	C	D	E	F			G		H	I
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	TOTAL BILLED		MATERIALS STORED			TOTAL COMPLETED AND STORED TO DATE	% T/D	BALANCE TO FINISH (C-G)	RETAINAGE 5%
			PREVIOUS APPLICATIONS	THIS PERIOD	PRIOR STORED	CURRENT STORED	TOTAL STORED				
135			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
136			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
137			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
138			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
139			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
140			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
141			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
142			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
143			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
144			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
145			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
146			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
147			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
148			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
149			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
150			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
151			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
152			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
153			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
154			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
155			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
156			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
157			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
158			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
159			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
160			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
161			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
162			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
163			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
164			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
165			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
166			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
167			0.00	0.00	0.00	0.00	$0.00	$0.00	#DIV/0!	$0.00	$0.00
168								$0.00	#DIV/0!	$0.00	$0.00
	TOTALS	15,188,255.47	9,116,568.17	960,808.10	0.00	65,000.00	65,000.00	10,142,376.27	66.78%	5,045,879.20	507,118.81

AGENDA ITEM NO. 21.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: Public Works

City Manager: Department Head:

SUBJECT:
Hawthorne Municipal Airport Rehabilitation Taxiway N& S Lighting, Rehabilitate Taxiway Runway 7/25 Lighting, Rehabilitate Airfield Vault, Replace Airfield Signs & Install Airport Beacon Project (Project #22-09) - Out to Bid.

RECOMMENDED MOTION:
Staff recommends that the City Council approve the Plans and Specifications and authorize the Director of Public Works to advertise for construction bids with a return date of May 26th, 2026.

DISCUSSION:
Provide all services, labor, materials, permits, insurance, tools and equipment needed, in accordance with the Plan(s), Technical Provisions, and Specifications to successfully and safely complete the Rehabilitation Taxiway N& S Lighting, Rehabilitate Taxiway Runway 7/25 Lighting, Rehabilitate Airfield Vault, Replace Airfield Signs & Install Airport Beacon for Hawthorne Municipal Airport located at 12101 Crenshaw Blvd., Hawthorne, CA 90250.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
Improve safety for all airport users and safe operation of airport.

FISCAL IMPACT:
None. The project will be funded through FAA Grant and Airport fund.

NOTICING PROCEDURE:
72 hours posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS
Notice of Bids

NOTICE INVITING BIDS

(A Cash Contract)

Pursuant to statute and to the authorization by the City Council of the City of Hawthorne, California, and on file in the office of the City Clerk of said city, notice is hereby given that sealed proposals will be received by the City Clerk of the City of Hawthorne, California in the City Clerk's office in City Hall, 4455 W. 126th Street, Hawthorne, CA 90250, until **4:00 P.M.** on **TUESDAY, May 26th, 2026.**

Proposals will be publicly opened and recorded on a Bid List at **4:15 P.M.** of the same day in the City Clerk's office. Bidders, as well as the general public, are invited to view this proceeding.

Proposals will be read at a meeting of the City Council at **6:00 P.M.** on **TUESDAY, May 26th, 2026** for the following:

HAWTHORNE MUNICIPAL AIRPORT REHABILITATE TAXIWAY N& S LIGHTING, REHABILITATE RUNWAY 7/25 LIGHTING, REHABILITATE AIRFIELD VAULT, REPLACE AIRFIELD SIGNS & INSTALL AIRPORT BEACON PROJECT

(Project #22-09)

AIP Project No: 3-06-0101-025-2026

SCOPE OF WORK

The work consists of Replacement of all taxiway edge lighting fixtures and associated cables and transformers, Replacement of the airfield lighting vault's Constant Current Regulators (CCRs), and Replacement of the airfield lighting control system's ACLS hardware and software. Replacement of runway edge and threshold/end light fixtures, and associated cable and transformers. Replacement of all existing airfield signage and associated transformers, and replacement of airfield guidance sign foundations and surface painted taxiway location markings as needed to rename all taxiways to conform to the naming convention proposed in the current ALP. Replacement the rotating beacon, including a new mounting pole and foundation and any necessary conduit per Plans and Specifications for Hawthorne Airport located at 12101 Crenshaw Blvd., Hawthorne, CA 90250

ESTIMATED QUANTITIES

BASE BID				
ITEM #	**FAA SPEC NO.**	**DESCRIPTION**	**UNIT**	**APPROX QTY**
Element 1 (Taxiway Edge Lighting & ALCMS Upgrades)				
1	L-108-1	Furnish and install 1-1/C NO. 8 AWG, 5KV, L-824C PRIMARY CABLE	LF	25902
2	L-108-2	Furnish and install 1-1/C NO. 6 AWG, GREEN GROUND WIRE	LF	21363
3	L-109-1	ACLS MODIFICATION (WORK BY MANUFACTURER)	LS	1
4	L109-2	FURNISH AND INSTALL NEW 10KCONSTANT CURRENT REGULATOR (CCR)	LS	1
5	L109-3	ACLS MODIFICATION (WORK BY CONTRACTOR)	EA	4
6	L-110-1	FURNISH AND INSTALL NEW CONCRETE ENCASED 1W-2”C PVC SCH 40 IN EXISTING ASPHALT PAVEMENT	LF	600
7	L-125-1	FURNISH AND INSTALL L-861T(L) ELEVATED TAXIWAYS EDGE LIGHT AND TRANSFORMER	EA	190
8	L-125-2	FURNISH AND INSTALL L-852T(L) INPAVEMENT TAXIWAYS EDGE LIGHT AND TRANSFORMER	EA	106
9	L-125-3	FURNISH AND INSTALL L-867B COVER PLATE INPAVEMENT TAXIWAYS EDGE LIGHT AND TRANSFORMER	EA	26
10	L-125-4	FURNISH AND INSTALL L-868B BASE CAN AND EXTENSION IN EXISTING ASPHALT PAVEMENT	EA	10
11	L-125-5	FURNISH AND INSTALL L-868B SPACER PACKAGE ON EXISTING BASE	EA	22
12	L-125-6	FURNISH AND INSTALL L-868B SPACER PACKAGE	EA	10
13	L-125-7	FURNISH AND INSTALL L-868B TO L-867B, ¾” DEEP ADAPTOR PLATESPACER PACKAGE	EA	18

14	L-128-1	DEMOLITION AND REMOVAL OF ELECTRICAL ITEMS - TAXIWAYS EDGE LIGTHS	LS	1
15	L-128-2	MISCELLANEOUS ELECTRICAL WORK – RUNWAY EDGE LIGHTS	LS	1
Element 2 (Runway Edge Lighting Upgrades)				
ITEM #	**FAA SPEC NO.**	**DESCRIPTION**	**UNIT**	**APPROX QTY**
16	L-108-1	FURNISH AND INSTALL 1-1/C NO. 8 AWG, 5KV, L-824C PRIMARY CABLE	LF	14,754
17	L-108-2	FURNISH AND INSTALL 1-1/C NO. 6 AWG, 600V, GREEN GROUND WIRE	LF	13,557
18	L-125-7	FURNISH AND INSTALL L-868B TO L-867B, 3/4" DEEP ADAPTOR PLATE	EA	16
19	L-125-8	FURNISH AND INSTALL L-862(L) ELEVATED RUNWAY EDGE LIGHT & TRANSFORMER	EA	39
20	L-125-9	FURNISH AND INSTALL L-862E(L) ELEVATED RUNWAY END/THRESHOLD LIGHT & TRANSFORMER	EA	32
21	L-125-10	FURNISH AND INSTALL L-850C(L) INPAVEMENT RUNWAY EDGE LIGHT & TRANSFORMER	EA	7
22	L-128-3	DEMOLITION AND REMOVAL OF ELECTRICAL ITEMS - RUNWAY EDGE LIGHTS	LS	1
23	L-128-2	MISCELLANEOUS ELECTRICAL WORK - RUNWAY EDGE LIGHTS	LS	1
Element 3 (Airfield Signage Upgrades)				
ITEM #	**FAA SPEC NO.**	**DESCRIPTION**	**UNIT**	**APPROX QTY**

24	L-125-11	FURNISH AND INSTALL AIRFIELD GUIDANCE SIGN - ONE MODULE - ON EXTENDED FOUNDATION	EA	2
25	L-125-12	FURNISH AND INSTALL AIRFIELD GUIDANCE SIGN - TWO MODULE - ON EXTENDED FOUNDATION	EA	43
26	L-125-13	FURNISH AND INSTALL AIRFIELD GUIDANCE SIGN - THREE MODULE - ON EXTENDED FOUNDATION	EA	13
27	L-125-14	FURNISH AND INSTALL AIRFIELD GUIDANCE SIGN - RDR - ON NEW FOUNDATION	EA	4
28	L-128-5	DEMOLITION AND REMOVAL OF ELECTRICAL ITEMS - SIGNAGE	LS	1
29	L-128-6	MISCELLANEOUS ELECTRICAL WORK - SIGNAGE	LS	1
Element 4 (Airfield Rotating Beacon)				
ITEM #	**FAA SPEC NO.**	**DESCRIPTION**	**UNIT**	**APPROX QTY**
30	L-125-15	FURNISH AND INSTALL AIRPORT ROTATING BEACON	LS	1
31	L-128-1	DEMOLITION AND REMOVAL OF ELECTRICAL ITEMS - BEACON	LS	1
32	L-128-2	MISCELLANEOUS ELECTRICAL WORK - BEACON	LS	1

TIME OF COMPLETION

Time of completion for this project will be 60 Calendar days.

BID PROPOSAL, SPECIFICATIONS, AND PLANS

All proposal forms, specifications and plans can be purchased through the City of Hawthorne's Citizen self-service: **https://hawthorneca-energovweb.tylerhost.net/apps/selfservice#/home.**

All contractors will need to create a free account. Once they have created an account then they will need to apply for the ***Public Works Bid Plans and Specifications.*** Fill in all necessary information and once the application is submitted the Contractor will receive an invoice (see project information section below for price). Once all fees have been paid the Contractor will then receive three (3) PDFs: 1) general information/provisions PDF, 2) bid proposal forms PDF (see *SUBMISSION OF PROPOSALS* section below for instructions on how to submit all proposals) and 3) specifications/plans PDF.

NOTE TO PROSPECTIVE BIDDERS: THE COST OF PLANS AND SPECIFICATIONS IS $150.00 (non-refundable).

CLASSIFICATION OF CONTRACTORS

Contractors bidding this project must possess a valid State of California A and C-10 and must meet minimum requirements set forth in the Specifications. The Contractor must be able to document five (5) years of satisfactory experience on project of similar complexity and dollar value and must provide a list of related construction projects at airports using FAA-specified materials.

MANDATORY PRE-BID JOB WALK

A mandatory pre-bid meeting job walk will be conducted at the Hawthorne Airport located at 12101 Crenshaw Blvd., Hawthorne, CA 90250 on **Monday, May 4, 2026**, at **10:00 a.m.** All Bidders shall sign a Sign-In sheet at the job walk. All Bidders' questions will be answered at this time or by addenda. In addition, Bidders will have the opportunity to tour the proposed improvement and have an opportunity to talk to the City's Consultant and City's staff concerning any aspect of the job or the site. **BIDS WILL BE NULL AND VOID IF CONTRACTOR DOES NOT ATTEND THIS PRE-BID JOB WALK.**

SUBMISSION OF PROPOSALS

Original proposals must be submitted on the blank forms prepared and furnished for that purpose, See BID PROPOSAL SPECIFICATION, AND PLANS section above for instruction on how to obtain all needed forms, specifications and plans. All proposals must be physically submitted to the City Clerk's office located on the first floor of City of Hawthorne City Hall no later than 4:00 PM on Tuesday May 26th, 2026. Plans and specifications prepared and furnished for that purpose, which may be obtained through the City of Hawthorne's Citizen self-service: http://hawthorneca-energovweb.tylerhost.net/apps/selfservice#home.

No bid will be considered unless it conforms with the Proposal Requirements and Conditions. The City Council of the City of Hawthorne, also referred to as the City, reserves the right to reject any and all submitted proposals. Bids must be submitted in the special envelopes provided marked "Sealed Bid", and addressed to the City Clerk, and bearing on the outside the name of the bidder, address, and the name of the project for which the bid is submitted. It is the sole responsibility of the bidder to see that its bid is delivered to the proper place and received at the proper time. Any bid received after the scheduled closing time for receipt of bids will be returned to the bidder unopened.

Each bid shall be accompanied by bid security in the form of a bid bond, cashier's check, certified check, or in the amount of 10% of the total bid amount. All cashier's checks or certified checks must be drawn on a responsible bank doing business in the State of California and shall be made payable to the City of Hawthorne. Bid bonds must be issued by an admitted surety insurer licensed to do business in the State of California. Bids not accompanied by the required bid security will be rejected. Personal or company checks are not acceptable unless certified.

The City shall return bid security of unsuccessful bidders when the successful bidder ("Contractor") enters into the Contract with the City.

A list of subcontractors shall be submitted with the bid on the form provided by the city.

Each bidder must supply all information required by the bid documents and specifications.

NONDISCRIMINATION

Any contract entered into pursuant to this notice will incorporate the provisions of the State Labor Code. Labor Code Section 1735 requires that no discrimination be made in the employment of persons upon Public Works because of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, or sex of such persons, expect as provided in Government Code Section 12940. Affirmative action to ensure against discrimination in employment practices on the basis of race, color, national origin, ancestry, sex, or religion will also be required.

PERFORMANCE RETENTION

The successful bidder will be required to provide for performance security as provided by law. Requirements for performance retentions may be satisfied by deposit or securities specified in Section 16430 of the Government Code and in accordance with Section 22300 of the Public Contract Code.

CONTRACTOR REGISTRATION

A contractor or subcontractor shall not be qualified to bid on, be listed a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for Public Works, unless currently registered and qualified to perform Public Work pursuant to Labor Code Section 1725.5. An unregistered contractor may only submit a bid if authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 0r 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work at the time the contract is awarded.

WAGES AND EQUAL EMPLOYMENT OPPORTUNITIES

This proposed Contract is under and subject to Executive Order 11246, as amended, of September 24, 1965, and to the Equal Employment Opportunity (EEO) and Federal Labor Provisions. The EEO requirement, labor provisions, and wage rates are included in the Specifications and Bid documents and are available for inspection at the City Clerk's Office, City Hall, City of Hawthorne.

NOTICE IS FURTHER GIVEN that pursuant to the provisions of Section 1773 of the Labor Code of the State of California, the City Council has obtained the general federal prevailing rate of per diem wages in accordance with the law to be paid for the construction of the above entitled Works and Improvements and General Prevailing rate for holiday and overtime work in this locality for each craft. The schedule has been obtained from the U.S. Department for Housing and Urban Development for Community Block Grant Programs of the type and nature proposed by the City, and reference is hereby made to copies thereof on file in the Office of the City Engineer, which said

copies are available to any interested party upon request. Further, a copy shall be posted at the job site during the course of construction. All Contractors submitting bids must conform to current federal minimum prevailing wages.

In addition to the Contractor's obligations as to minimum wages rates, the Contractor shall abide by all other provisions and requirements stipulated in Sections 1770-1780, inclusive, of the Labor Code of the State of California, including, but not limited to, those dealing with the employment of registered apprentices. The responsibility of compliance with Section 1777.5 of the Labor Code shall be with the prime contractor.

AMERICANS WITH DISABILITIES ACT:

By signing this Grant Agreement, Grantee assures State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C., 12101 *et seq*.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

DBE REQUIREMENTS

Contractor or subcontractor shall take necessary and reasonable steps to ensure that DBEs have opportunities to participate in the contract (49 CFR 26)

The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR, Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as recipient deems appropriate.

PROJECT INFORMATION

Plans and specifications prepared and furnished for that purpose, which may be obtained through the City of Hawthorne's Citizen self-service:
http://hawthorneca-energovweb.tylerhost.net/apps/selfservice#home.

All contractors will need to create a free account. Once they have created an account then they will need to apply for the **Public Works Bid Plans and Specifications**. Fill in all necessary information once the application is submitted the Contractor will receive an invoice (see project information section).

NOTE TO PROSPECTIVE BIDDERS: THE COST OF PLANS AND SPECIFICATIONS IS $150.00 (non-refundable).

If you have any questions regarding this project, please contact **Guido Fernandez**, Airport Manager, at **310-349-1636** or **David Esfandi** Senior Engineer, Department of Public Works, at telephone number **(310) 349-2984.**

CERTIFICATION OF OFFEROR/BIDDER REGARDING DEBARMENT

By submitting a bid/proposal under this solicitation, the bidder or offeror certifies that neither it nor its principals are presently debarred or suspended by any Federal department or agency from participation in this transaction.

Certification of Lower Tier Contractors Regarding Debarment

The successful bidder, by administrating each lower tier subcontract that exceeds $25,000 as a "covered transaction", must verify each lower tier participant of a "covered transaction "under the project is not presently debarred or otherwise disqualified from participation in this assisted project, The bidder is to provide a Data Universal Numbering System (DUNS) number. The bidder will accomplish this by:

1. Checking the system for Award Management at website: http://www.sam.gov
2. Collecting a certification statement similar to the Certification of Offeror/Bidder Regarding Debarment, above.
3. Inserting a clause or condition in the covered transaction with the lower tier contract

   The Contractor is required to obtain an "Active Status". If the City of Hawthorne later determines that a lower tier participation failed to disclose a higher tier participant that it was excluded or disqualified at the time it entered the covered transaction, the City of Hawthorne may pursue any available remedies, including suspension and debarments of the non-compliant participant.

AGENDA ITEM NO. 22.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: Finance

City Manager: Department Head:



SUBJECT:
Receive and file the Single Audit Report for FY 2024-2025.

RECOMMENDED MOTION:
Staff recommends that the City Council receive and file the Single Audit Report for FY 2024-2025.

DISCUSSION:
The City's independent auditors, Rogers, Anderson, Malody & Scott, LLP, have completed their annual audit of the City's fiscal activities for the fiscal year ended June 30, 2025. The annual Single Audit Report is being submitted for the City Council's review and approval. The Single Audit Report was submitted to the Federal Audit Clearinghouse and State Controller's Office by the March 31, 2026, deadline.

The Single Audit Report is required for all federal and state funded programs. These programs are audited in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget (OMB) Circular A-133, Audits and State and Local Governments. The auditors did not identify any deficiencies in internal control over compliance that are considered to be material weaknesses. **No findings were identified.**

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
None.

FISCAL IMPACT:
None

NOTICING PROCEDURE:
72 hours posted notice pursuant to the Ralph M. Brown Act

ATTACHMENTS
2025 Single Audit Report

City of Hawthorne, California

Single Audit Report on Federal Awards

Year Ended June 30, 2025

City of Hawthorne
Single Audit Report on Federal Awards
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RAMS
CERTIFIED PUBLIC ACCOUNTANTS

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Independent Auditor's Report

To the Honorable City Council
City of Hawthorne, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Hawthorne (the entity), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements, and have issued our report thereon dated January 16, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the entity's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Tel. 909-889-0871 | www.ramscpa.net | 735 E. Carnegie Dr. Suite 100, San Bernardino, CA 92408

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the entity's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported to management of the entity in a separate letter dated January 16, 2026.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
January 16, 2026

RAMS
CERTIFIED PUBLIC ACCOUNTANTS

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND
REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

Independent Auditor's Report

To the Honorable City Council
City of Hawthorne, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Hawthorne's (the entity's) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the entity's major federal programs for the year ended June 30, 2025. The entity's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the entity complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the entity and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the entity's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the entity's federal programs.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the entity's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the entity's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the entity's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the entity's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the entity as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements. We issued our report thereon, dated January 16, 2026, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



San Bernardino, California
March 25, 2026 (except for our report on the Schedule of Expenditures of Federal Awards, for which the date is January 16, 2026)

City of Hawthorne
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Agency or Pass-Through Number	Federal Expenditures	Amount Provided to Subrecipients
U.S. Department of Housing and Urban Development				
Direct Assistance:				
CDBG-Entitlement/Special Purpose Grants Cluster				
Community Development Block Grants/Entitlement Grants	14.218	B-20-MW-06-0519	$ 8,745	$ -
Community Development Block Grants/Entitlement Grants	14.218	B-21-MC-06-0519	395,945	-
Community Development Block Grants/Entitlement Grants	14.218	B-22-MC-06-0519	292,459	-
Community Development Block Grants/Entitlement Grants	14.218	B-23-MC-06-0519	576,568	-
Community Development Block Grants/Entitlement Grants	14.218	B-24-MC-06-0519	793,374	174,416
Community Development Block Grants/Entitlement Grants	14.218	B-25-MC-06-0519	30,373	-
Total - CDBG-Entitlement/Special Purpose Grants Cluster / ALN 14.218			2,097,464	174,416
Home Investment Partnerships Program	14.239	M-17-MC-06-0513	24,389	-
Home Investment Partnerships Program	14.239	M-18-MC-06-0513	538,093	-
Home Investment Partnerships Program	14.239	M-19-MC-06-0513	441,950	-
Home Investment Partnerships Program	14.239	M-20-MC-06-0501	446,775	-
Home Investment Partnerships Program	14.239	M20MC060513 / M21MC060513	49,900	-
Home Investment Partnerships Program	14.239	M-21-MC-06-0501	489,080	-
Home Investment Partnerships Program	14.239	M-21-MP-06-0513	177,446	-
Home Investment Partnerships Program	14.239	M-23-MC-06-0513	3,306	-
Total - Assistance Listing 14.239			2,170,939	-
Housing Voucher Cluster				
Section 8 Housing Choice Vouchers	14.871	HAPP Various	11,673,085	-
Passed through the County of Los Angeles and Other Cities:				
Section 8 Housing Choice Vouchers	14.871	Various	1,168,111	-
Total - Housing Voucher Cluster / ALN 14.871			12,841,196	-
Total U.S. Department of Housing and Urban Development			**17,109,599**	**174,416**
U.S. Department of Justice				
Direct Assistance:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-03160-JAGX	53,080	-
Total - Assistance Listing 16.738			53,080	-
Equitable Sharing Program	16.922	CA0192800	678,067	-
Total - Assistance Listing 16.922			678,067	-
Total U.S. Department of Justice			**731,147**	**-**

See accompanying notes to the schedule of expenditures of federal awards.

City of Hawthorne
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Agency or Pass-Through Number	Federal Expenditures	Amount Provided to Subrecipients
U.S. Department of Transportation				
Direct Assistance:				
Airport Improvement Program, Infrastructure Investment and Jobs Act Programs, and COVID-19 Airports Programs	20.106	3-06-0101-022-2021	$ 19,023	$ -
Total - Assistance Listing 20.106			19,023	-
Passed through the State of California, Office of Traffic Safety:				
Highway Safety Cluster				
State and Community Highway Safety	20.600	PT25094	81,391	-
Total - Assistance Listing 20.600			81,391	-
National Priority Safety Programs	20.616	MC25003	101,563	-
Total - Assistance Listing 20.616			101,563	-
Total - Highway Safety Cluster			182,954	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	PT25094	85,256	-
Total - Assistance Listing 20.608			85,256	-
Total U.S. Department of Transportation			**287,233**	**-**
U.S Department of Treasury				
Direct Assistance:				
Equitable Sharing Program	21.016	CA0192800	305,245	-
Total - Assistance Listing 21.016			305,245	-
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	4,223,722	-
Total - Assistance Listing 21.027			4,223,722	-
Total U.S. Department of Treasury			**4,223,722**	**-**
U.S. Department of Homeland Security				
Direct Assistance:				
Homeland Security Grant Program	97.067	C.F. #22-0988	88,000	
Homeland Security Grant Program	97.067	2023-0042	106,000	-
Total - Assistance Listing 97.067			194,000	-
Total U.S. Department of Homeland Security			**194,000**	**-**
Total Expenditures of Federal Awards			**$ 22,850,946**	**$ 174,416**

See accompanying notes to the schedule of expenditures of federal awards.

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal award activity of the City of Hawthorne (the entity) that are reimbursable under federal programs of the federal government for the year ended June 30, 2025. The information in this SEFA is presented in accordance with Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a selected portion of the operations of the entity, it is not intended to and does not present the financial position, changes in net position or fund balance, or cash flows of the entity. For the purposes of this schedule, federal financial assistance includes both federal financial assistance received directly from a federal agency, as well as federal funds received indirectly by the entity from a nonfederal agency or other organization. Only that portion of program expenditures reimbursable with such federal funds are reported in the accompanying schedule. Program expenditures in excess of the maximum federal reimbursement authorized or the portion of the program expenditures that were funded with state, local or other non-federal funds are excluded from the accompanying schedule.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the SEFA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the SEFA, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Effective October 1, 2024, the Office of Management and Budget (OMB) revised the Uniform Guidance under 2 CFR Part 200 to increase the de minimis indirect cost rate from 10% to 15% of Modified Total Direct Costs (MTDC). Awards issued prior to October 1, 2024 (and not subsequently amended) continue to apply the 10% de minimis rate. Awards issued or amended on or after October 1, 2024 apply the revised 15% de minimis rate. The entity has elected to use the de minimis indirect cost rate, where applicable, allowed under the Uniform Guidance.

NOTE 3: SUBRECIPIENTS

During the fiscal year ended June 30, 2025, the entity disbursed $174,416 of federal awards to several subrecipients.

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness identified?		Yes	X	No
Significant deficiencies identified that are not considered to be material weaknesses?		Yes	X	None Reported
Noncompliance material to financial statements noted?		Yes	X	No

Federal Awards

Internal control over major programs:

Material weakness identified?		Yes	X	No
Significant deficiencies identified that are not considered to be material weaknesses?		Yes	X	None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?		Yes	X	No

Identification of major programs:

Assistance Listing Number	Name of Federal Program
14.871	Housing Voucher Cluster

Dollar threshold used to distinguish between type A and type B programs:	$750,000			
Auditee qualified as low-risk auditee?	X	Yes		No

Section II - Financial Statement Findings

No findings to be reported.

Section III - Federal Awards Findings and Questioned Costs

No findings to be reported.

City of Hawthorne
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2025

Financial Statement Findings

No prior year findings to report.

Federal Awards Findings and Questioned Costs

No prior year findings to report.

AGENDA ITEM NO. 23.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: City Manager

City Manager: Department Head:

SUBJECT:

Approval of Updated Lifeguard Pay Scale to Support Recruitment, Retention, and Public Safety

RECOMMENDED MOTION:

Staff recommends that the City Council approve the proposed update to the hourly pay scale for Aquatics staff positions to improve recruitment and retention and ensure continued safety at City aquatic facilities.

DISCUSSION:

The City of Hawthorne operates aquatic programs that require certified and qualified lifeguards to ensure the safety of residents and visitors using City pools and aquatic facilities. In recent years, cities across Los Angeles County have experienced increased competition for trained lifeguards, driven by high demand and a limited pool of available lifeguards. Staff has evaluated current compensation levels and compared them with those of surrounding jurisdictions to determine whether adjustments are necessary to remain competitive in the regional labor market.

After reviewing regional compensation data and assessing the operational needs of the City's aquatic programs, staff worked with the City Manager and Finance Director to develop a revised pay structure that better aligns with neighboring cities. Recruiting and retaining qualified lifeguards is critical to maintaining safe aquatic operations. Adequate staffing ensures that pools can operate safely, programs can continue without interruption, and emergency response capabilities remain strong.

Staff believes the proposed pay adjustments will:

- â€¢ Improve the City's ability to recruit qualified lifeguards
- â€¢ Increase retention of trained seasonal and returning staff
- â€¢ Maintain high safety standards at City aquatic facilities
- â€¢ Keep the City competitive with surrounding agencies

The City of Hawthorne's current pay rates for aquatic staff are as follows:
Lifeguard: $17.04 per hour

Senior Lifeguard: $19.06 per hour

Aquatics Director: $21.96 per hour

Staff is proposing the following updated hourly pay rates:
Lifeguard: $20.00 per hour

Senior Lifeguard: $22.00 per hour

Aquatics Director: $24.00 per hour

These rates were developed after reviewing compensation offered by nearby agencies.

REGIONAL PAY COMPARISON
City of Inglewood
Pool Supervisor: $25.75

Senior Lifeguard: $21.28

Lifeguard: $18.00

City of El Segundo
Senior Lifeguard: $26.00

Lifeguard: $22.00

City of Torrance
Senior Lifeguard: $26.77 -- $29.88 (step system)

Lifeguard: $20.51 -- $23.57 (step system)

City of Gardena
Senior Lifeguard: $21.02 -- $26.83

Lifeguard: $19.53 -- $24.93

City of Los Angeles
Senior Lifeguard: $21.02 -- $26.83

Lifeguard: $23.92

Maintaining safe aquatic facilities requires highly trained and dependable lifeguards. Adjusting the pay scale will strengthen the City's recruitment and retention efforts while ensuring the safety of residents and visitors who utilize City aquatic facilities. Staff respectfully recommends that the City Council approve the updated aquatics pay scale.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
N/A

FISCAL IMPACT:
The proposed pay adjustments will have a modest fiscal impact and can be accommodated within the existing Community Services Department budget allocated for seasonal aquatic staffing.

NOTICING PROCEDURE:
72 Hours posted notice pursuant to the Ralph M. Brown Act.

AGENDA ITEM NO. 24.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: Finance

City Manager: Department Head:



SUBJECT:
Agreement between the City of Hawthorne and Rogers, Anderson, Malody, & Scott, LLP, CPA's to perform independent audit services.

RECOMMENDED MOTION:
Staff recommends that the City Council approve the agreement between the City of Hawthorne and Rogers, Anderson, Malody, & Scott, LLP, CPA's to perform independent audit services for four years plus two optional years beginning with Fiscal Year ending June 30, 2026.

DISCUSSION:
The City's financial policies require the performance of an annual audit. The Government Finance Officers Association (GFOA) recommends that an annual audit of an agency's financial statements should be conducted by an external auditor as a best practice. The purpose of an annual audit is to provide stakeholders with an auditor's opinion on whether the financial statements of an entity are presented fairly in all material respects. As a result of the Office of Management and Budget Circular A-133 (also known as the Uniform Guidance), all non-federal government agencies spending more than $750,000 of federal awards in a fiscal year are required to obtain an annual audit from an independent certified public accountant.

These audits are to be conducted in conformance with Generally Accepted Government Auditing Standards (GAGAS) by a licensed independent public accounting firm. As such, auditors complete a risk assessment at the beginning of each audit during the planning stage and create a list of items to be tested while on-site during fieldwork. At a minimum, the City's financial principles require the City to bid for audit services every five to six years.

The City's current audit firm is Rogers, Anderson, Malody, & Scott, LLP, CPA's. The original contract with Rogers, Anderson, Malody, & Scott, LLP, CPA's has expired at the conclusion of the FY 2024-2025 audit. In accordance with the City's financial policies, staff issued a Request for Proposal (RFP), on January 12, 2026, for financial audit services for a new four-year engagement, including two optional years, to commence with Fiscal Year Ending June 30, 2026. The City solicited and issued a request for proposals (RFP) directly to sixteen firms. The City received nine proposals on or before March 19, 2026. Proposals were opened, and reviewed by members of the Finance staff.

Professional services, such as auditing, are awarded primarily on criteria other than cost, which include proposal content, resources, and technical abilities.

The Finance Department is recommending that the City engage the services of Rogers, Anderson,

Malody, & Scott, LLP, CPA's based on the overall proposal, along with the following Criteria:

â€¢ Experience in auditing mid-sized government entities;
â€¢ Technical qualifications;
â€¢ Personalized service;
â€¢ Referrals received on their behalf;
â€¢ Practical and streamlined approach to fieldwork; and
â€¢ Seasoned audit team.

Rogers, Anderson, Malody, & Scott, LLP, CPA's is a public accounting firm located in San Bernardino that has been providing audit services for more than 78 years, specializing in governmental agencies. As such, over sixteen thousand hours per year are devoted to governmental agencies. The firm is known for its partners and supervisory staff participating in the field with staff accountants, which lends greater expertise and ensures a smooth, efficient, and effective audit. Therefore, the Finance Department believes that the City of Hawthorne will get exceptional audit work for a reasonable cost and recommends the City Council award the contract for audit services to the firm of Rogers, Anderson, Malody & Scott, LLP for four fiscal years beginning with the June 30, 2026 year-end, with the option for two additional years.

Section 12410.6 of Assembly Bill (AB) 1345 prescribes that, effective fiscal 2013-2014, the lead partner in the audit engagement serves in that capacity for no more than 6 consecutive years. Thus, after fiscal year 2025-2026, the lead partner will change.

Staff recommends that the City Council approve a four-year contract with RAMS for financial audit services with an annual value of $78,715, and authorize the City Manager to extend the term of the agreement for an additional two-year period if deemed in the City's best interest. The City may cancel the contract at any time without cause.

Interim audit work for FY 2025-2026 is expected to commence in June, with fieldwork concluding in November, and the audit results will be presented to the City Council in February 2027.

ECONOMIC DEVELOPMENT STRATEGIC PLAN:
Establish partnerships with entities that can work toward City goals and objectives.

FISCAL IMPACT:
The amount of $78,715 for audit services to be performed has been appropriated in the FY 2026-27 annual budget in the General Fund, the Community Redevelopment Fund, and various Grant Funds. Sufficient funds will also be included in future budgets.

NOTICING PROCEDURE:
72 Hours posted notice pursuant to the Ralph M. Brown Act.

ATTACHMENTS
Agreement between City & RAMS
Proposal
Vendor Comparison

AGREEMENT BETWEEN THE CITY OF HAWTHORNE AND ROGERS ANDERSON MALODY & SCOTT, LLP FOR AUDIT SERVICES.

THIS AGREEMENT is made and effective as of April 15, 2026, between the City of Hawthorne ("City") and Rogers Anderson Malody & Scott, LLP ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. TERM

This Agreement shall commence on April 15, 2026 for various AUDIT SERVICES. This agreement shall remain and continue in effect until tasks described herein are completed, but in no event later than April 30, 2032, unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

Consultant shall perform the tasks described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full.

3. PERFORMANCE

Consultant shall at all times faithfully, competently, and to the best of its ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement.

4. CITY MANAGEMENT

The City Manager or the Finance Director shall represent CITY in all matters pertaining to the administration of this Agreement, review and approval of all products submitted by Consultant, but not including the authority to enlarge the Tasks to Be Performed or change the compensation due to Consultant. The City Manager shall be authorized to act on the City's behalf and to execute all necessary documents, which enlarge the Tasks to Be Performed or change the Consultant's compensation.

5. COMPENSATION

(a) The City agrees to pay Consultant in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit A, attached hereto and incorporated herein by this reference as though set forth in full, based upon a time and materials. This amount shall not exceed $491,260 for the 6 year contract period.

(b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement, which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by City Manager and Consultant at the time City's written authorization is given to Consultant for the performance of said services.

(c) Consultant will submit invoices for actual services performed. Payment shall be made within forty-five (45) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of

Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice.

6. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

(a) The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the consultant at least ten (10) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement, such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, the City shall pay to Consultant the actual value of the work performed up to the time of termination, provided that the work performed is of value to the City. Upon termination of the Agreement pursuant to this Section, the Consultant will submit an invoice to the City.

(c) Consultant may terminate this Agreement for cause if the City fails to cure a material default in performance within a period of 30 days, or such longer period as Consultant may allow, after receipt from Consultant of a written termination notice specifying the default in performance. In the event of termination for cause by Consultant, the City will pay Consultant for all services performed up to and including the effective date of termination.

7. DEFAULT OF CONSULTANT

(a) The Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Consultant. If such failure by the Consultant to make progress in the performance of work hereunder arises out of causes beyond the Consultant's reasonable control, and without fault or negligence of the Consultant, it shall not be considered a default.

(b) If the City Manager or his/her delegate determines that the Consultant is in default in the performance of any of the terms or conditions of this Agreement, he/she shall cause to be served upon the Consultant a written notice of the default. The Consultant shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Consultant fails to cure its default within such period of time, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

8. OWNERSHIP OF DOCUMENTS

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, or in the event of termination or suspension of this Agreement, and provided that consultant has been paid in full for services rendered hereunder, all original documents,

designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of the Consultant. Any reuse without written verification or adaptation by Consultant for the specific purpose intended will be at City's sole risk and without liability or legal exposure to Consultant.

9. INDEMNIFICATION

When the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, and hold harmless City and any and all of its officials, employees ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including reasonable attorney's fees and costs to the extent same are caused by any negligent act, error or omission of Consultant, its officers, agents, employees or sub-consultants (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement. With respect to the design of public improvements, the Consultant shall not be liable for any injuries or property damage resulting from the reuse of the design at a location other than that specified in Exhibit A without the written consent of the Consultant.

To the extent that the Consultant's services are subject to California Civil Code 2782.8, the above indemnity, including the cost to defense, shall be limited to the extent required by Civil Code Section 2782.8.

10. INSURANCE

(a) Consultant shall maintain in-force: Commercial General Liability and Professional Liability Insurance. During the term of this Agreement, Consultant shall maintain in full force and effect a policy of public liability insurance with minimum coverage of $2,000,000 in accordance with the requirements provided by City to Consultant. Consultant shall also maintain in-force; Professional Liability Insurance (and/or Errors & Omissions Insurance) with minimum limits of liability of $2,000,000 per claim against an injury, death, loss or damages because of wrongful or negligent acts or omissions by the named insured.

(b) Contractor shall maintain in-force Workers' Compensation and Employer's Liability Insurance as required by the California Labor Code. Evidence of coverage shall take the form of a Certificate of Insurance or a California Certificate to Self-Insure. Acceptable minimum limits for this coverage are: Workers' Compensation; Statutory in California; Employer's Liability: $1,000,000.

(c) Certificates of Insurance. Contractor shall furnish to City evidence of any insurance required by this Agreement. A Certificate of Insurance from an insurer admitted or authorized to do business in the State of California will be provided, indicating that the respective policy(s) meets the following requirements: (1) The City, its officers, employees, and agents shall be named as additional insured on the General Liability Insurance; (2) Insurance shall not be canceled or terminated without 30 days written notice to City or 10 day notice for non-payment of the premium; (3) General Liability shall be primary and any insurance held by City for its own protection shall be excess and shall be effective only upon exhaustion of Contractor's insurance; (4) Insurance shall be maintained for the duration of the Agreement, including any period extended beyond the expiration date of this Agreement required to complete performance as stipulated in this Agreement and all amendments thereto.

(d) To the extent permitted by law, Consultant's total aggregate liability arising out of or relating to this Agreement shall not exceed $2,000,000 or the total compensation received by Consultant under this Agreement, whichever is greater.

11. INDEPENDENT CONSULTANT

(a) Consultant is and shall at all times remain as to the City a wholly independent Consultant. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City inany manner.

(b) No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

12. LEGAL RESPONSIBILITIES

The Consultant shall keep itself informed of applicable State and Federal laws and regulations, which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations pursuant to sound professional practices. The City, and its officers and employees, shall not be liable at law or in equity occasioned by negligent failure ofthe Consultant to comply with this Section.

13. UNDUE INFLUENCE

Consultant declares that no undue influence or pressure is used against or in concert with any officer or employee of the City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City of Hawthorne will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

14. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenureor for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub- agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

15. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or sub-consultants, shall not without written authorization from the City Manager or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(b) Consultant shall promptly notify City should Consultant, its officers, employees, agents, or sub-consultants be served with any summons, complaint, subpoena, notice of deposition, request

for documents, interrogatories, request for admissions, or other discovery request, court order, or subpoena from any person or party regarding this Agreement and the work performed thereunder or with respect to any project or property located within the City. City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding. Consultant agrees to cooperate fully with City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

16. NOTICES

The Parties shall submit in writing all notices and correspondence that this Agreement requires or permits, and shall deliver the notices and correspondence to the places set forth below. The parties may give notice by: (a) personal delivery; (b) U.S. mail, first class postage prepaid; (c) "Certified" U.S. mail, postage prepaid, return receipt requested; (d) facsimile or (e) email.

CITY: Vontray Norris, City Manager
City of Hawthorne
4455 West 126th Street
Hawthorne, CA 90250

CONSULTANT: Rogers Anderson Malody & Scott, LLP
Scott Manno, CPA, CGMA, Partner
735 E Carnegie Drive, Suite 100
San Bernardino, CA 92408

17. ASSIGNMENT

The Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City. Because of the personal nature of the services to be rendered pursuant to this Agreement, only Consultant staff shall perform the services described in this Agreement.

18. LICENSES

At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

19. GOVERNING LAW

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over the City of Hawthorne.

20. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

21. AUTHORITY TO EXECUTE THIS AGREEMENT

The person or persons executing this Agreement on behalf of Consultant warrants and represents that he/she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the dayand year first above written.

CITY OF HAWTHORNE	**CONSULTANT**
Vontray Norris, City Manager City of Hawthorne	Scott Manno, CPA, CGMA, Partner Rogers Anderson Malody & Scott, LLP

EXHIBIT A

RAMS Proposal

Dated

MARCH 19, 2026

MARCH 19, 2026

CITY OF HAWTHORNE

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES
FOR THE FISCAL YEARS ENDING JUNE 30, 2026 THROUGH 2031
(WITH THE OPTION FOR UP TO TWO ADDITIONAL YEARS)

RFP #2025-006

CONTACT PERSONS:
SCOTT MANNO, CPA, CGMA
smanno@ramscpa.net

GARDENYA DURAN, CPA, CGMA
gduran@ramscpa.net

909.889.0871

PREPARED BY
ROGERS ANDERSON MALODY & SCOTT, LLP
735 E Carnegie Drive, Suite 100
San Bernardino, CA 92408

LICENSE #2596
FEIN 95-2662063

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Attachment A: Cost Data

RAMS
CERTIFIED PUBLIC ACCOUNTANTS

March 19, 2026

City of Hawthorne
4455 W. 126th Street
Hawthorne, CA 90250

We are pleased to respond, on behalf of Rogers, Anderson, Malody & Scott, LLP (RAMS), to your request for a proposal regarding professional auditing services. As a recognized industry leader and innovator for the past 78 years, our goal has been to provide honest, high-quality, and objective results to all our clients, including governmental organizations such as yours. This dedication has fueled our firm's tremendous organic growth while ensuring personalized, client-focused services, with some governmental clients being with us for over 25 years.

At RAMS, we are committed to achieving the highest quality audit in the most effective manner possible. We understand the complexities of performing governmental audits, which is why we have a dedicated team of auditors with specialized knowledge and experience to ensure our audits are planned and executed efficiently and effectively, providing you with the highest quality services.

We understand that the City of Hawthorne (the City) will review other proposals during this process, but we believe that RAMS is the exceptional choice for your audit for the following reasons:

Reputation: We are a local firm and have an established reputation in the governmental and not-for-profit accounting and auditing community for providing excellent, timely service with high-quality reporting.

Advanced Tools: We utilize Teammate Analytics, a suite of over 200 Computer Aided Audit Tools (CAATs), empowering our audit teams to perform powerful data analysis that enhances our substantive audit procedures and helps identify transactions or amounts indicative of potential fraud.

Risk-Based Approach: Our intelligent, risk-based audit (using CAAT) allows us to focus on key audit areas, increasing efficiency and resulting in a higher quality audit at a reasonable fee.

Experience: We currently provide auditing services to over 70 governmental agencies and not-for-profit organizations, including over 30 cities with enterprise activities and over 35 special districts.

Remote Capabilities: We have developed a comprehensive remote working environment for our audits. All our staff are equipped to work remotely, effectively and efficiently, ensuring a quality audit.

Commitment to Deadlines: We are committed to meeting all reporting/auditing deadlines, resolving any issues encountered during your audit, and providing you with quality audit services.

Minimizing Stress: We understand the audit process can be stressful for you and your staff. We strive to make the audit process as trouble-free as possible by comprehensively planning and utilizing our staff and audit technologies efficiently and effectively while minimizing disruptions and miscommunications.

Personable Team: Our audit team members are personable and easy to work with yet focused on the audit. Through open and responsive communication, we aim to minimize operational distractions for your staff while maximizing quality service.

Quality Control: We have an extensive internal quality control review process to ensure your financial reports meet the highest standards. Each report is prepared by the engagement team, reviewed by the engagement manager, and thoroughly examined by two partners and at least one professional proofreader.

Award-Winning Assistance: We have assisted many clients with the preparation of their Annual Comprehensive Financial Reports. All our clients who submitted reports for the GFOA award have received them. Our participation as a GFOA reviewer also indirectly benefits our clients in the quality review process.

Tel. 909-889-0871 | www.ramscpa.net | 735 E. Carnegie Dr. Suite 100, San Bernardino, CA 92408

Value for Investment: Our fee estimate provides a fair and reasonable investment, commensurate with the level of service provided and the experience of the audit team members. While we may not be the lowest bidder, our focus is on delivering the best value and high-quality services, pricing our engagements accordingly.

We are a local firm which has a total staff of 58 people, which includes nineteen certified public accountants. The staff consists of six partners, nine managers, thirteen supervisors/senior accountants, twenty-five staff accountants, and five support staff, all full time.

Our firm provides various services ranging from audits, consulting, management advisory services, tax preparation, etc. For additional information our range of activities, please refer to the "*About Our firm"* section on page 18.

We currently use an Engagement (audit software) and Teammate Analytics (a suite of over 200 dynamic Computer Aided Audit Tools (CAAT). For more information regarding the firm's information technology (IT) audit capabilities, please see the "*Segment 1 - Interim testing"* on page 11 and the "*Intelligent audit technology"* section on page 14.

Our firm has been auditing local government for over 78 years, we have extensive experience in this field. For a listing of the firm's recent auditing experience with similar audits and contact information for five of the audits refer "*Similar Engagements with Other Government Entities"* section on page 20.

Engagement offers integrated financial statement preparation directly from the audited trial balances. In addition, the firm has a department that specializes in formatting the financial statements and utilizes adobe acrobat for document publication. For more information on the staff proofreading expertise, refer to the "*Engagement quality control"* section on page 21.

Our proposal is prepared clearly, concisely, and in accordance with the request for proposal. We believe our firm, staff, and reputation as a leader in governmental auditing exceed the need for the typical excessive information found in other proposals.

Rogers, Anderson, Malody & Scott, LLP, is a local firm and is properly licensed to practice in California, including all the professional staff assigned to this engagement. Mr. Scott Manno, Partner, and Mrs. Gardenya Duran, Partner are authorized to represent the firm, submit the bid, and sign a contract with the City. They can be reached at 735 E Carnegie Drive, Suite 100, San Bernardino, CA 92408 or 909.889.0871. We understand the work to be done as listed in the section of this proposal titled "Services to be Provided," and we are committed to meeting any agreed-upon time frames.

Thank you for the opportunity to present our proposal to the City. We are committed to exceeding your expectations of an auditor and believe this proposal provides you with comprehensive information about our firm, service team members, and our customized audit approach. We look forward to establishing a long and mutually beneficial relationship with the City. Please feel free to contact us if you have any questions regarding this proposal.

Respectfully yours,

ROGERS, ANDERSON, MALODY & SCOTT, LLP



Scott W. Manno, CPA, CGMA
Partner

Audit Team

The quality of service you receive hinges on the capabilities of the individuals assigned to your engagement and how effectively these personnel resources are organized. Our professionals are highly trained, knowledgeable, and have a deep understanding of the environment in which governmental and not-for-profit entities operate. This expertise is crucial for providing the City with an effective and efficient audit.

Our engagement team brings significant experience and a practical understanding of governmental accounting and auditing, combined with a broad business perspective. Each member has access to a wide range of technical resources and knowledge bases, enabling them to offer practical observations and effective solutions to the City.

Partner and supervisory staff involvement

Our partners and supervisory staff are actively and continuously involved in all aspects of their engagements. We believe that their involvement is a key aspect of the overall audit process. This includes being on-site for interim and year-end fieldwork, ensuring a proper, efficient, and effective audit with minimal disruption to your staff. The time spent on-site by partners and supervisory staff allows them to understand the City's accounting processes and procedures thoroughly. This understanding helps in evaluating and developing opportunities for efficiency and offering practical advice to improve your accounting processes and procedures.

All professionals on this engagement have extensive experience with audits similar to the City's, eliminating the need for the City to train our team.

Staff continuity

Maintaining continuity of audit staff is a principal concern for our firm. To retain our staff, we offer competitive wages, advancement opportunities, generous medical packages, a retirement plan, bonus opportunities, and educational benefits. While we strive for continuity, we acknowledge that staff changes may occur. We plan to provide consistent staff year to year, which is in the best interest of both the City and our firm. Continuity ensures an orderly, efficient, and less disruptive audit experience. In case of staff changes, principal supervisory and management staff, including engagement partners, managers, other supervisory staff, and specialists, may be replaced if they leave the firm or are promoted. However, the City reserves the right to accept or reject replacements.

Due to the significant involvement of our partners in all engagements, any staff transition would have a minimal impact on audit efficiency and effectiveness in subsequent years. Other audit personnel may be changed at the discretion of the City provided that the replacements have substantially the same or better qualifications/experience.

Continuing Professional Education

Our auditor specialists stay current in this technical practice area by adhering to, and typically exceeding, the continuing professional education requirements of *Government Auditing Standards* and the State Board of Accountancy guidelines. All professionals at our firm participate in continuing professional education (CPE) programs sponsored by various organizations, including the Government Finance Officers Association, the American Institute of Certified Public Accountants, the California State Society of Certified Public Accountants, the California Society of Municipal Finance Officers, and the Association of Government Accountants. These programs ensure our clients are serviced by the best-trained and most proficient government auditors and accountants available. We also provide in-house training conducted by our partners and senior staff using published resources. All staff are required to attend fraud and ethics training. Our goal is to provide professional staff with continuing education that exceeds the minimum standard of 80 hours over two years.

Audit Team (continued)

According to our firm's Quality Control document and *Government Auditing Standards* (GAS), all staff working on audits subject to GAS must complete CPE in line with GAS standards, requiring 24 hours directly related to governmental accounting and auditing.

To further increase our technical knowledge, we utilize resources such as the Governmental Audit Quality Center Annual Webcast Update, other relevant seminars, and monthly publications from the AICPA, the GFOA, and other sources. We also attend conferences and seminars sponsored by the GFOA, California Society of Municipal Finance Officers, California State Society of Certified Public Accountants, and the California Special Districts Association.

Assigned personnel

Our goal is to provide you with capable, competent, and personable individuals who possess an extensive background in governmental accounting and auditing and general business practices. This allows us to offer practical solutions and technical support, keeping you at the forefront of governmental accounting and helping you navigate complex issues.

Our engagement team has the managerial and supervisory experience to provide the City with a comprehensive audit of the highest quality while focusing on personal service. The resumes of the key engagement personnel assigned to the audit are presented below. These individuals will be assigned to the engagement for the entire contract period.

Scott W. Manno, CPA, CGMA – Partner, Engagement Partner

Scott will serve as the Engagement Partner for your municipal audit. He is licensed to practice as a certified public accountant in the State of California and brings over 29 years of public accounting experience, specializing in serving local governments. As the engagement partner, Scott will be responsible for the overall quality of the engagement, ensuring it is performed efficiently and effectively. He will directly oversee all engagement staff, assist in planning and performing the engagement, and review all workpapers and required reports prepared during the engagement.

Scott, like all our partners, is a working partner and will be actively involved in all aspects of the engagement, ensuring a high standard of service and attention to detail throughout the process.

Gardenya Duran, CPA, CGMA – Partner, Concurring Partner

Garden will serve as the Concurring Partner for the engagement. She is licensed to practice as a certified public accountant in the State of California and brings over 16 years of public accounting experience, specializing in serving local governments. As the concurring partner, she will work directly with Scott in planning and performing the engagement. In addition, he will provide technical consultation for the engagement team.

Brianna Schultz, CPA – Partner, Quality Control Reviewer

Brianna will be the Quality Control Reviewer. She is licensed to practice as a certified public accountant in the State of California. She has over 16 years of practical, governmental accounting and auditing experience. Brianna will be responsible for the final quality control review of all released opinions and related reports

Audit Team (continued)

Laura Arvizu, CPA – Engagement Manager

Laura is a manager with the firm and is licensed to practice as a certified public accountant in the State of California. Laura has over 10 years of experience in providing accounting and auditing services for municipalities, special districts, and various nonprofit organizations. As the engagement manager, she will work directly with the audit in-charge and partner, while supervising the engagement team during all phases of the engagement. In conjunction with the audit in-charge, she will also oversee the preparation of any required reports.

Sean Schmidt, CPA – Audit Senior

Sean is an audit senior with the firm and is licensed to practice as a certified public accountant in the State of California. Sean is an Audit Senior with our firm, bringing four years of experience in providing accounting and auditing services to municipalities, special districts, and various not-for-profit organizations.

As an Audit Senior, Sean will work closely with the engagement partner and manager. He will be responsible for planning the audit, supervising the staff assigned to the engagement, and reviewing all workpapers prepared for the engagement. Additionally, he will oversee the preparation of any required reports, ensuring thoroughness and compliance with all standards.

Mr. Terry Shea, CPA – Consultant

Terry is a retired municipal audit partner with the firm providing consulting services. He is licensed to practice as a certified public accountant in the State of California. Terry has over 40 years of public accounting experience and has provided accounting, auditing, and consulting services for municipalities, special districts, water agencies, and various not-for-profit organizations. Terry will assist on an as needed basis with the engagement. In addition, he will provide technical consultation for the engagement team.

Staff level accountants

All our staff accountants working on governmental audits are highly qualified to perform these audits. Prior to the audit season, our staff undergoes rigorous training that covers all aspects of our audit process and programs, ensuring they have a solid foundation before starting fieldwork. Each staff member is encouraged to take on increased responsibilities in engagements they have previously worked on, enabling them to grow and continually enhance their skills and knowledge.

Currently, Scott, Gardenya, Brianna, and Laura are all GFOA ACFR reviewers.

In summary, we emphasize the credentials of the professionals who will be directly responsible for the quality of service you will receive. Additionally, our audit team possesses an important, albeit intangible, attribute: the professionals assigned to your audits have previously worked together as a multi-disciplined team. This ensures a smooth, efficient, and effective audit process. We are committed to allocating the necessary resources to ensure continuity of personnel throughout our relationship with the City.

Audit Team (continued)

Engagement team resumes



Scott W. Manno, CPA, CGMA
Engagement Partner

Professional experience

Mr. Manno began his career with Thomas, Bigbie and Smith in 1996 after serving in the United States Army. He spent six years with the firm primarily working on audits of municipalities, special districts and redevelopment agencies as well as various not-for-profit organizations. He joined Rogers, Anderson, Malody & Scott, LLP in July 2001. Currently, Mr. Manno serves as a technical reviewer for the GFOA ACFR Award program and he is also on the GFOA Special Review Executive Committee. In addition, he is part of the California State Society of Certified Public Accountants Governmental Accounting which meets periodically to discuss current events, pronouncements, etc.

Education/licenses

Bachelor of Science, Business Administration – California State University, San Bernardino
Certified Public Accountant – State of California
Chartered Global Management Accountant – American Institute of Certified Public Accountants

Related professional experience

Partial listing of relevant governmental agencies served (*includes enterprise fund accounting):

City of El Cajon*	Town of Yucca Valley	City of La Mesa*	City of Santee
City of Sierra Madre*	City of Santa Paula*	City of Eastvale	City of 29 Palms
City of Moreno Valley*	City of Beaumont*	City of San Marcos*	City of Loma Linda*
City of Live Oak*	City of Perris*	City of Exeter*	City of Woodlake*
City of San Jacinto*	City of Menifee	City of Rolling Hills Est.	City of Ojai*

Mr. Manno has completed over 183 hours of continuing professional education courses over the past three years of which the following select courses are relevant to this engagement:

- State and Local Government Audit Planning Considerations
- Audits of State and Local Governments
- 2025 Government Accounting and Auditing Update
- Auditing Internal Controls for Governments

Professional affiliations

Mr. Manno is a member of the following organizations:

- American Institute of Certified Public Accountants (AICPA)
- California Society of Certified Public Accountants (CalCPA)
- Association of Government Accountants (AGA)
- Association of Certified Fraud Examiners (ACFE)
- Government Finance Officers Association (GFOA)
- California Special Districts Association (CSDA)
- California Society of Municipal Finance Officers (CSMFO)

Audit Team (continued)



Gardenya Duran, CPA, CGMA
Concurring Partner

Professional experience

Mrs. Duran joined Rogers, Anderson, Malody & Scott, LLP in 2010. She works primarily on audits of governmental agencies, small to mid-sized businesses, and nonprofit organizations. Mrs. Duran has served as a technical reviewer for the GFOA ACFR Award program. Mrs. Duran specializes in advisory services gearing towards helping local governments restore their finance departments and compliance after staffing disruptions for governments, municipalities and various non-profit organizations. Prior to joining our firm, she was an Information Systems Technician in the U.S. Navy for nine years.

Education/licenses

Bachelor of Science, Business Administration – California State University, San Bernardino
Certified Public Accountant – State of California
Chartered Global Management Accountant – American Institute of Certified Public Accountants

Related professional experience

Partial listing of relevant governmental agencies served (*includes enterprise fund accounting):

City of Hawthorne*	City of El Cajon*	City of Aliso Viejo	City of Capitola
City of Poway*	City of San Jacinto*	City of San Bernardino	City of Goleta
City of Canyon Lake	City of San Marcos*	City of Redondo Beach*	City of West Covina*
City of La Mesa*	City of Thousand Oaks*	City of Claremont*	City of Chula Vista*

Continuing professional education

Mrs. Duran has completed over 145 hours of continuing professional education courses in the past three years of which the following select courses are relevant to this engagement:

- GASB Update - Recently issued Pronouncements
- Fundamental of Preparing an Annual Comprehensive Financial Report
- Single Audit Update
- Audits of State and Local Governments

Professional affiliations

Mrs. Duran is a member of the following professional organizations:

- American Institute of Certified Public Accountants (AICPA)
- California Society of Certified Public Accountants (CalCPA)
- Government Finance Officers Association (GFOA)
- California Society of Municipal Finance Officers (CSMFO)

Audit Team (continued)



Brianna Schultz, CPA, CGMA
Quality Control Partner

Professional experience

Mrs. Schultz began her career with Rogers, Anderson, Malody & Scott, LLP in 2014, and had over three years' experience with another public accounting firm serving the same industry. Currently, Mrs. Schultz serves as a technical reviewer for the GFOA ACFR Award program. During her time with the firm, she has worked primarily on audits of municipalities, special districts and redevelopment agencies, as well as various non-profit organizations.

Education

Bachelor of Science, Business Administration – California State University, San Bernardino
Certified Public Accountant – State of California
Chartered Global Management Accountant – American Institute of Certified Public Accountants

Related professional experience

Partial listing of relevant governmental agencies served (*includes enterprise fund accounting):

City of Menifee	City of Aliso Viejo	City of Claremont*	City of Chino*
City of Glendora*	City of Rolling Hills Est.	City of San Bernardino	City of Sierra Madre*
City of La Verne*	City of Loma Linda*	City of South Pasadena*	City of West Covina*
City of La Mesa*	City of Baldwin Park	City of El Cajon*	City of Hawthorne*

Mrs. Schultz obtained the AICPA's *Advanced Single Audit Certificate* in 2019 and the *Intermediate Single Audit Certificate* in 2017. She served as the contract Interim Accounting Manager for the City of Glendora in 2016 and the Senior Accountant for the City of Rancho Cucamonga in 2015. Additionally, she is a reviewer for the GFOA ACFR Program.

Continuing professional education

Mrs. Schultz has completed over 160 hours of continuing professional education courses over the past three years of which the following select courses are relevant to this engagement:

- Governmental Accounting and Auditing Conference
- Single Audit Update
- How to Implement GASBS 87 and Maintain Compliance

Professional Affiliations

Mrs. Schultz is a member of the following organizations:

- American Institute of Certified Public Accountants (AICPA)
- California Society of Certified Public Accountants (CalCPA)
- Government Finance Officers Association (GFOA)
- California Society of Municipal Finance Officers (CSMFO)

Audit Team (continued)



Laura Arvizu, CPA
Audit Manager

Professional Experience

Laura is an Audit Manager with the firm. She has over 10 years of experience in providing accounting and auditing services for municipalities, special districts and various nonprofit organizations. As an audit manager, she will work closely with the engagement partner and be responsible for planning the audit, supervising the staff assigned to the engagement, and performing reviews of all workpapers prepared for the engagement. In addition, she will also be responsible for the preparation of any required reports. Currently, Laura serves as a technical reviewer for the GFOA ACFR Award program.

Education

Bachelor of Arts, Business Administration – California State University, San Bernardino
Certified Public Accountant – State of California

Related professional experience

Partial listing of relevant governmental agencies served (*includes enterprise fund accounting):

City of Imperial Beach*	City of Yorba Linda*	City of El Cajon*	City of Brawley*
City of Twentynine Palms*	City of Claremont*	City of Ojai*	City of La Mesa*
City of San Dimas	City of Fountain Valley*	City of Wildomar	City of Hawthorne*
City of Sierra Madre*	City of Mission Viejo*	City of Live Oak*	

Continuing Professional Education

Ms. Arvizu has completed over 120 hours of continuing professional education courses over the past three years of which the following select courses are relevant to this engagement:

- Annual Governmental GAAP Update
- Government-wide Financial Statements, and Conversions and Consolidations
- GASB Update - Recently Issued Pronouncements
- GASB 101 Compensated Absences

Professional affiliations

Mrs. Arvizu is a member of the following professional organizations:

- American Institute of Certified Public Accountants (AICPA)
- California Society of Certified Public Accountants (CalCPA)
- California Society of Municipal Finance Officers (CSMFO)
- Government Finance Officers Association (GFOA)

Audit Team (continued)



Sean Schmidt, CPA
Audit Senior

Professional experience

Mr. Schmidt joined Rogers, Anderson, Malody & Scott, LLP in May 2021, primarily providing accounting and auditing services for municipalities, special districts, and various nonprofit organizations. As an audit senior, he will work closely with the engagement partner and manager and be responsible for planning the audit, supervising the staff assigned to the engagement, and performing reviews of all workpapers prepared for the engagement. In addition, he will also be responsible for the preparation of any required reports.

Education

Bachelor of Arts, Business Administration – California State University, San Bernardino
Master of Science in Accountancy – California State University, San Bernardino
Certified Public Accountant – State of California

Related professional experience

Partial listing of relevant governmental agencies served (*includes enterprise fund accounting):

City of Hawthorne*	City of Fountain Valley*	City of San Marcos*	Crestline-Lake Arrowhead Water Agency
City of San Bernardino*	City of San Jacinto*	City of Santee	City of San Dimas
West Basin Water District	Valley Water Company	City of El Cajon*	City of Exeter

Continuing professional education

Mr. Schmidt has completed the following select courses that are relevant to this engagement:

- 2025 Annual Governmental GAAP Update
- 2025 Auditing and Attestation Standards for CPAs: Spring Update
- GASB-103 and 104 - Gearing Up!

Professional affiliations

Mr. Schmidt is a member of the following professional organizations:

- American Institute of Certified Public Accountants (AICPA)
- California Society of Certified Public Accountants (CalCPA)
- California Society of Municipal Finance Officers (CSMFO)

Audit Scope and Provisions

Services to be provided

The City desires the auditor to express opinions on the fair presentation of the financial statements for the following: the City of Hawthorne, its component units: the Housing Authority, the Financing Authority and the Parking Authority and the Successor Agency in accordance with generally accepted accounting principles.

In addition, we shall:

- Perform procedures to determine whether the City has complied with laws and regulations that may have a material effect upon the financial statements.
- Examine the City's internal accounting controls and accounting procedures and render written reports of their findings and recommendations to the Finance Director.
- Prepare the financial statements (ACFR), in accordance with General Accepted Accounting Principles, with management's direct oversight and approval.
- Apply certain limited procedures related to Management's Discussion and Analysis and Required Supplementary Information and provide an "in-relation-to" report on the combining and individual fund financial statements and supporting schedules, if applicable.
- Auditors shall include all funds of the City and its component units: the Housing Authority, the Successor Agency, the Financing Authority and the Parking Authority.
- Prepare the component units' financial statements for each fiscal year, which shall include such component unit, general purpose and supplementary financial statements, notes to the financial statements and an opinion as to the fairness of their presentation in conformity with generally accepted accounting principles, applicable to the various funds or state the reasons for any exceptions to said principles.
- Provide opinions as to the compliance with the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (OMB Uniform Guidance). RAMS is to provide an "in-relation-to" report on the Schedule of Expenditures of Federal Awards based on the auditing procedures applied during the audit of the financial statements.
- Test compliance with Article XIIIB pertaining to the City's appropriation limit and prepare an Agreed-Upon Procedures report to the City Council regarding compliance.

Our audit(s) will be in accordance with:

- Generally Accepted Auditing Standards as promulgated by the American Institute of Certified Public Accountants, including requirements found in the most recent AICPA audit guide *Audits of State and Local Governments*.
- *Government Auditing Standards* issued by the Comptroller of the United States of America.
- Single Audit Act of 1984, as amended in 1996.
- Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (OMB Uniform Guidance).
- Any other applicable standards for other items outlined in the Scope of Work to be performed and/or reports to be issued.

Reports to be issued:

- A report on the fair presentation of the financial statements in conformity with GAAP.
- A report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards* (material weaknesses or significant deficiencies).
- A report in compliance with requirements applicable to each major federal program and internal control over compliance in accordance with the *Uniform Guidance*.
- Prepare Management Letter that includes significant and less significant (i.e., reportable and non-reportable) recommendations for improvements to internal control.
- We will issue reports to those charged with governance (SAS 114 letters) as required by auditing standards.

Audit Scope and Provisions (continued)

RAMS will also perform the following:

- Make an immediate, written notification of all irregularities and illegal acts or indication of illegal acts of which we become aware to the following: City Council, City Manager, City Attorney and Finance Director.

Engagement approach

Our engagement approach for your audit is meticulously designed to ensure measurable progress and successful outcomes. This involves setting clear goals and maintaining frequent communication between the engagement partner, lead auditor, and the team. Our approach leverages our extensive knowledge and expertise in governmental accounting and auditing to identify and address key audit and accounting risks specific to the government sector. Each year's audit includes a complete reassessment of the control environment, enabling us to respond to any changes in risk assessment effectively.

Key components of our engagement approach

Knowledge and Experience: With over 78 years of auditing governmental entities of all sizes, we possess in-depth knowledge of the governmental environment. This enables us to perform efficient and effective audits, conduct detailed risk assessments, and identify significant audit risk areas within the City's control environment.

Intelligent Design: Utilizing advanced audit software and data analytic tools (Engagement and Teammate Analytics), we can analyze large volumes of data quickly, enhancing both the efficiency and effectiveness of our audits.

Professional Oversight: Our partners, managers, and supervisors have extensive experience in governmental audits, allowing us to design and execute audit strategies that are both effective and efficient.

Timeliness: Meeting deadlines is a professional commitment for us. We ensure that all required and agreed-upon deadlines are met.

Open Communication: Maintaining open lines of communication with all parties involved, including City management and staff, helps eliminate surprises and ensures a smooth audit process.

Availability: Our engagement team members are available year-round for any questions or additional consultation. City staff will have direct access to the partner, manager, and supervisory staff during and after the engagement.

Cost-Effectiveness: Our customized audit approach and experienced auditors help reduce overall audit costs while delivering effective audits and high-quality reports.

Risk-Based Approach: We perform detailed risk assessment procedures to understand the City and its environment, including internal controls. This forms the basis for our assessment of risks of material misstatement at the financial statement and relevant assertion levels. We may perform further audit procedures concurrently with risk assessment as necessary.

Audit Scope and Provisions (continued)

As stated in our proposal, our primary objective is to conduct an audit of the financial statements in accordance with required auditing standards and to express an opinion on those statements. Our engagement approach also offers several value-added benefits at no additional cost:

Efficiency and Minimal Disruption: Our audits are designed to be efficient and effective, minimizing disruption to office operations.

Practical Observations and Recommendations: We provide practical observations and recommendations on internal control issues, accounting standards implementation, and related policies and procedures.

Operating Efficiency Opportunities: We identify opportunities for operating efficiencies that can help reduce the City's operating costs.

By employing this comprehensive engagement approach, we ensure that the City's audit is conducted with the highest standards of quality and professionalism.

Audit approach and proposed audit segmentation

The following is a summary of the audit team's approach for your engagement. The audit will be divided into the following segments:

Segment 1 - Interim Testing: Planning, Pre-Audit Administration, and Internal Control Testing

Objectives: During this phase, our principal objectives will be to gather information about the City and its environment, including its internal controls over financial reporting.

Approach:

- **Initial Meetings:**
  - Meet with the City's staff to determine convenient dates to begin our audit and to discuss the assistance to be provided by the City's staff.
- **Engagement Team Brainstorming:**
  - Hold brainstorming sessions with engagement team members to discuss the susceptibility of the City's financial statements to material misstatement and fraud.
- **Review and Evaluation:**
  - Review and evaluate the City's accounting and reporting processes by examining the prior year's audit workpapers, City-prepared documents such as budgets, in-house financial reports, previously issued ACFR, organizational charts, manuals, programs, policies and procedures manuals, and minutes of governance meetings.
  - Perform analytical procedures to enhance our understanding of the City and identify areas that may need further assessment and additional testing.
- **Regulatory Review:**
  - Review and retain copies of any pertinent local, state, and federal statutes, regulations, or charters that apply to the City.
  - Obtain a full population of potential compliance areas to perform testing and select a random or stratified sample, utilizing our data analytic software, to ensure a true representation of the appropriate compliance requirements are being selected.

Audit Scope and Provisions (continued)

- **Internal Control Evaluation:**
  - Obtain a thorough understanding of the City's internal controls over financial reporting and compliance by documenting key internal control components, utilizing questionnaires, walkthroughs, inquiries, and observation.
  - Evaluate the design of controls relevant to the audit and test controls, if control risk is to be assessed below maximum, by selecting a sample of transactions and reviewing supporting documentation.

- **Management Communication:**
  - Document and review any findings noted during the testing of internal controls with management.
  - Provide a preliminary management letter with recommendations for improving any weaknesses in operations and suggestions for enhancing the efficiency of the City's operations.

- **Audit Data Analytics:**
  - Utilize powerful audit data analytic software to analyze large amounts of data quickly and focus on areas/transactions that are red flagged.

IT General Controls:

- **Security Access Controls:**
  - Evaluate general system security settings, password parameters, processes for adding, deleting, and changing security access, access capabilities of various user types, access controls to networks and financial applications, data file access controls, and physical access to networks and servers.

- **Computer Operations:**
  - Evaluate backup and recovery processes and review procedures for identifying and handling operational problems.

- **System Development and Changes:**
  - Evaluate processes related to system development and system changes, if applicable.

- **Application Testing:**
  - Determine the necessity of testing application controls based on professional judgment during the planning stages of the engagement.

Audit Team: This phase will be performed by the audit senior and three to four staff accountants, under the direct supervision of the audit manager and partner.

This comprehensive approach ensures a thorough understanding of the City's financial environment and internal controls, setting a solid foundation for the audit.

Segment 2 - Year-End Testing: Substantive Testing

Objectives: During this phase, our primary objectives will be to assess the risk of material misstatement at the financial statement level and specific assertions, design overall responses to assessed risks and further audit procedures, perform substantive tests, and complete the audit while evaluating audit findings, if applicable.

Audit Scope and Provisions (continued)

Approach:

- **Risk Assessment and Audit Plan Development:**
  - Identify significant risks and develop a detailed audit plan using the results from Segment 1.

- **Design and Perform Substantive Tests:**
  - Design substantive tests of account balances tailored to the City's operations and assessed level of risk. Substantive procedures will include testing material balance sheet accounts, material revenue and expenditure/expense accounts, along with various analytical procedures as necessary.
  - Confirm various accounts with outside parties (e.g., cash, investments).

- **Risk Evaluation:**
  - Determine whether our testing supports the initially assessed level of risk at both the financial statement level and the assertion level.

- **Audit Adjustments:**
  - If any proposed audit adjustments are noted, we will discuss and explain them in detail with the appropriate level of management before posting.

Audit Team: This phase will be performed by the senior accountant and two to three staff accountants, under the direct supervision of the audit manager and partner.

Segment 3 - Reporting: Report Preparation and Audit Conclusion (Workpaper Review)

Objectives: During this phase, our principal objectives will be to evaluate whether the financial statements, as a whole, are free from material misstatement, form an opinion(s), and issue our report.

Approach:

- **Material Misstatement Evaluation:**
  - Determine, based on our substantive testing and other procedures, whether the financial statements, as a whole, are free of material misstatement. This will provide the basis for our opinion(s).

- **Workpaper Review:**
  - Review all audit workpapers to ensure the audit was performed in accordance with required standards (GAAS, GAGAS, etc.) and prepare drafts of all required reports by the agreed-upon dates.

- **Quality Control Review:**
  - Conduct an independent review of the financial statement draft by the engagement's quality control partner and issue all reports by the agreed-upon dates.

Audit Team: This phase will be performed by the audit senior and one staff accountant, under the direct supervision of the audit manager and partner. Additionally, the engagement's quality control partner will perform a detailed quality control review of the financial statements.

Customization and Communication: The procedures listed above are general. After our initial review of the City and our detailed risk assessment, we will customize the engagement to address the specifics of the City and the audit itself. We will determine which procedures to perform based on our risk assessment. All our audits are customized to each entity, ensuring a complete, effective, and efficient audit. Our approach is founded on open communication, a strong knowledge of the City's operations, and detailed planning at the initial stages of the audit.

Audit Scope and Provisions (continued)

Timeliness and Resource Allocation: Our firm is dedicated to performing a timely audit engagement. Prior to the start of the audit, we will meet with City staff to agree on adequate timeframes for the performance of the audit and the release of the financial statements. We will allocate the necessary resources to meet these agreed-upon timeframes.

Level of staff and approximate number of hours assigned to each segment

Segment	Partner	Manager	Senior	Staff	Total
Segment 1	8	11	27	92	138
Segment 2	13	17	44	122	196
Segment 3	17	15	38	29	99
Totals	38	43	109	243	433

Sample sizes (including for compliance testing)

Our sample sizes will be determined in accordance with the AICPA's *Audit and Accounting Guide, Audit Sampling*, and will be selected using professional judgment or our TeamMate Analytics software, depending upon circumstance, as permitted by Statement on Auditing Standards. Our methods are designed to provide the most audit coverage without expending excess time. Our sample sizes will depend upon our preliminary assessment of control risk, our planned substantive testing and analytical procedures as well as our professional judgement.

We utilize our Computer Aided Audit Tools (CAAT) software, Teammate Analytics, to draw our audit samples. The software allows us to generate random samples, systematic samples, stratified samples, attributes samples as well as monetary unit samples (also called probability-proportional-to-size or dollar unit sampling).

Intelligent audit technology

Our audits leverage advanced technology through powerful software tools such as Engagement and Teammate Analytics. Additionally, all audit team members are connected wirelessly, enabling real-time information sharing. The benefits of our audit technologies include:

- **Teammate Analytics:** This suite of over 200 dynamic Computer Aided Audit Tools (CAATs) allows us to analyze large amounts of data in seconds. Using data directly from the City, we can search for duplicate checks, detect transactions during unusual hours or on holidays/weekends, perform Benford's Law analysis, and identify instances where a vendor has issued multiple invoices with sequential references, among many other tests. This empowers our audit teams to perform powerful and meaningful data analysis, enhancing our value-added services.
- **Customized Analytical Schedules:** We create our own analytical schedules to easily compare current balances to prior year balances and current vs. budget balances, significantly reducing the time required from City staff.
- **Real-Time Financial Statement Analysis:** Once your trial balances and financial statements are entered into our software, we can review your financial statements in the field, allowing us to notice and address any variances immediately.

Audit Scope and Provisions (continued)

- **Linked Financial Statement Schedules:** We link financial statement schedules directly to our audit software trial balances, enabling us to provide the City with fund financial statements almost immediately after importing the trial balances.
- **Audited Trial Balances:** We provide the City with audited trial balances that show the coding of the financial statement schedules, making it easier for City staff to review. These reports include each account coded to a specific financial statement line item/function and journal entries posted during the audit.

Analytical Procedures

To effectively utilize analytical procedures, industry background and knowledge are essential. With our firm's extensive experience and qualified staff, we possess the necessary knowledge to apply analytical procedures efficiently throughout our audit of the City.

- **Interim Phase:**
  - Compare current and prior year unadjusted balances to identify areas requiring additional analysis.
  - Compare current year actual amounts to the City's annual budget (both original and adopted).

- **Final Phase:**
  - Perform procedures similar to those in the interim phase.
  - Compare certain financial ratios for current and prior years.
  - Conduct reasonableness tests.
  - Investigate any significant variances further through inquiry and additional substantive testing until resolved to our satisfaction.

- **Post-Fieldwork:**
  - Compare current and prior year audited balances, considering expected relationships based on our knowledge of the City, similar entities, and the general economic environment.
  - Utilize additional analytical techniques such as trend analysis as needed.

Unlike other audit firms, we use analytical procedures to supplement, not supplant, our substantive testing, ensuring a thorough and comprehensive audit.

Auditing in a remote environment

The evolution of technology has revolutionized the accounting and auditing profession, enabling us to provide high-quality services remotely with efficiency, precision, and timeliness. During the COVID-19 pandemic, our firm adapted quickly to a fully remote audit environment and developed processes that have since become integral to our standard approach. These advancements not only enhanced the quality of our audits but also resulted in significant efficiencies for both our team and our clients.

Remote Audit Approach

- **Technology Utilization:**
  - We use secure cloud-based platforms for document sharing and management, such as Engagement Organizer, ensuring client data remains safe and accessible.
  - Video conferencing tools (e.g., Zoom, Microsoft Teams) facilitate real-time communication with City staff, enabling collaborative discussions and efficient issue resolution.

- **Workflow and Communication:**
  - Regular Communication: We maintain routine contact with clients throughout all phases of the audit via email, phone calls, and video meetings.

Audit Scope and Provisions (continued)

- Responsiveness: Our team prides itself on quick turnaround times for questions or issues, making remote collaboration as seamless as on-site interactions.

- **Flexibility for On-Site Presence:**
  - While we anticipate performing the majority of our work remotely, we understand that some aspects of the audit may benefit from an on-site presence. If desired, we will work with the City to determine an acceptable staffing level for in-person activities, balancing health, safety, and operational needs.

Benefits of Remote Auditing

- **Efficiency Gains:**
  - Remote auditing reduces the need for travel time, allowing both auditor and auditee to focus on the tasks at hand, resulting in faster turnaround on requests and issue resolution.
  - Immediate access to digital documents and records eliminates delays associated with physical transfers of information.

- **Enhanced Quality of Life:**
  - By minimizing travel, our staff can dedicate more time to client work and professional development, improving overall morale and productivity.

- **Environmental Impact:**
  - Reducing unnecessary travel decreases traffic congestion, lowers fuel consumption, and contributes to improved air quality in Southern California.

- **Year-Round Availability:**
  - Our remote-first approach fosters an ongoing partnership, encouraging clients to reach out throughout the year for guidance on matters that could impact the audit or their financial reporting.

Audit Scope and Provisions (continued)

Proposed audit timing

Audit planning (continuous)

- Entrance conference to meet with management for pre-audit planning.
- Preliminary risk assessment procedures.

Segment 1 - Planning/internal control testing → Segment 2 - Substantive testing/analysis → Segment 3 - Report preparation/workpaper review

Anticipated timing of each segment		
June/July	**October/November**	**November/December**
• Obtain an understanding of systems, internal controls, and current-year issues. • Assess and evaluate design and implementation of key internal controls (including IT related). • Perform tests of internal controls as needed. • Identify control deficiencies • Perform detailed risk assessment procedures. • Draft internal control comment letter. • Develop detailed audit plan – provide management with a detailed listing of items needed to perform the audit, including the timing of when items are needed.	• Perform substantive audit fieldwork, including substantive analytical procedures. • Consider whether audit evidence is sufficient to form an opinion. • Conduct exit conference with management to discuss proposed entries, internal control issues, etc.	• Determine whether, based on our substantive testing and other procedures, the financial statements, taken as a whole, are free of material misstatement. • Review all workpapers. • Evaluate financial statements and note disclosures. • Perform final analytical procedures. • Draft required reports. • Issue final required reports by or before agreed upon date of December 17th of each year, provided that all previous milestones have been achieved. • Present to governing body if requested.

Cost Data

In accordance with the Request for Proposal for Audit Services issued by the City of Hawthorne, we have included Attachment A that includes the all-inclusive maximum fee and the total hours and hourly rates by staff classification that compose the all-inclusive maximum fee.

Additional Data

Independence

Rogers, Anderson, Malody & Scott, LLP is independent of the City and any component units, as defined by general standard number two of the generally accepted auditing standards, and by the second general standard for government auditing in the U.S. Government Accountability Office's *Government Auditing Standards*.

Additional Data (continued)

License to practice in California

Rogers, Anderson, Malody & Scott, LLP is licensed to practice in the State of California. Our key professional staff, which includes the partners, managers, and supervisors, are all certified public accountants licensed to practice in the State of California and follow all applicable Board of Accountancy standards.

Firm qualifications and experience

About our firm

We were established in 1948, located at 735 E. Carnegie Drive, Suite 100, San Bernardino, California. As a comprehensive accounting firm, we offer a full spectrum of services. With over 77 years of public practice experience, we are one of the oldest, most trusted, and respected CPA firms in Southern California, specializing in auditing, accounting, and management advisory services for governmental agencies and not-for-profit organizations. Annually, we dedicate over sixteen thousand hours to our audit practice, encompassing cities, redevelopment successor agencies, water districts, other special districts, not-for-profit corporations, and joint power authorities. Our focus on government accounting and auditing is a primary commitment, ensuring we deliver top-quality services to local governments.

We recognize the importance of engaging auditors with a deep understanding of the complex and ever-evolving accounting and compliance issues that governments face today. Our firm boasts a rich history in governmental accounting and auditing, equipping us with invaluable experience, in-depth knowledge, and the technical expertise necessary to conduct high-quality governmental audits. This expertise enables us to provide exceptional service and effective solutions at competitive fees, reflecting our value to clients. Furthermore, our active participation in various industry associations ensures we stay updated on the latest issues in governmental accounting, auditing, and operations. We promptly share any valuable insights with our clients to enhance their benefit.

Our firm has a total staff of 58 people, which includes nineteen certified public accountants. The staff consists of six partners, nine managers, thirteen supervisors/senior accountants, twenty-five staff accountants, and five support staff. The audit staff consists of thirty-six members who devote over 80% of their time to municipal engagements. The engagement team assigned to the City's engagement will consist of the following full-time staff: one audit partner, one audit manager, one audit supervisor/senior, and two to three staff auditors. Additionally, the engagement partner and audit manager are technical reviewers for the GFOA ACFR Award program.

Disciplinary action

Our firm has a spotless record with no disciplinary actions taken or pending against it by state regulatory bodies or professional organizations. Additionally, there has never been any pending or settled litigation, nor any civil or criminal investigations. We are also not aware of any federal or state desk reviews or field reviews of our audits in the last three years.

Our firm has no record of substandard work.

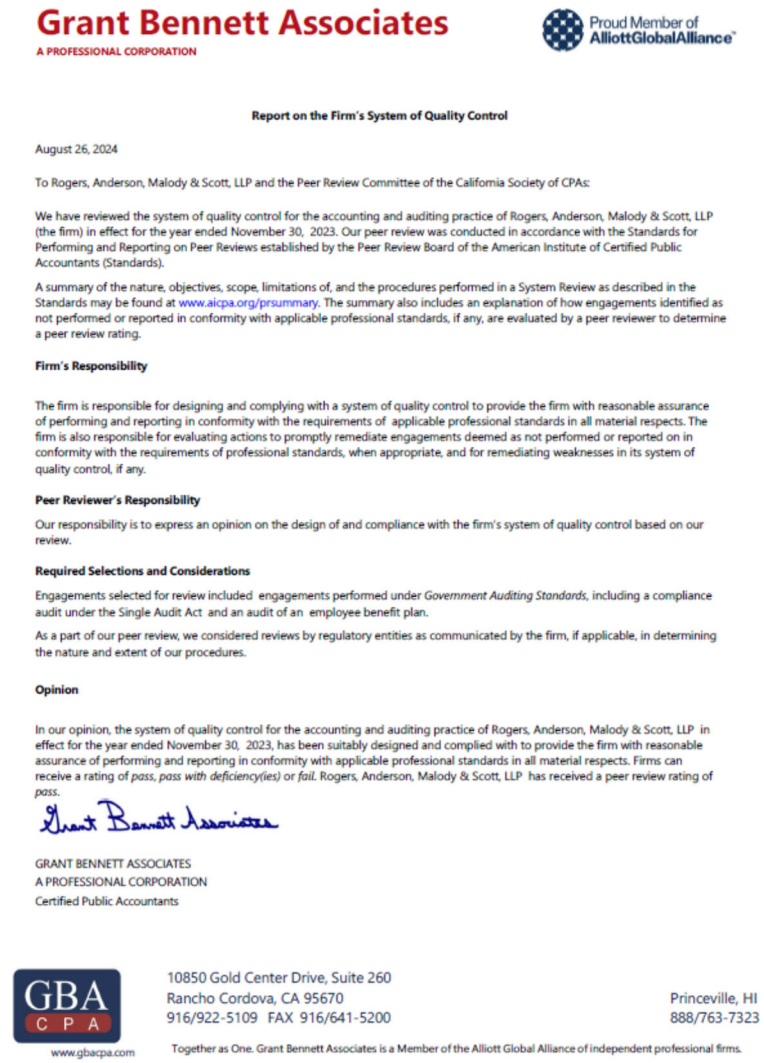
In addition to external quality control reviews, our firm conducts annual in-house monitoring procedures that mirror the external peer review processes, ensuring ongoing compliance and quality in our audit and attest engagements.

Additional Data (continued)

External quality control review

As a member of the AICPA Private Companies Practice Section, our firm has actively participated in the "Peer Review" program since 1993. Every three years, an independent firm of certified public accountants conducts an external review of our firm. This participation ensures that our engagements, firm policies, and audit procedures consistently meet the standards set by the AICPA, the Yellow Book, and the California State Board of Accountancy. Notably, throughout our participation in this program, our firm has consistently received pass ratings from the peer reviewers.

During each peer review, an independent firm assesses our policies and procedures and inspects a representative sample of engagement workpapers and reports, including those related to governmental entities and engagements subject to the Uniform Guidance. For the year ended November 30, 2023, our firm received a pass rating. This rating indicates that our auditing practices are suitably designed and complied with, providing reasonable assurance of performing and reporting in accordance with applicable standards. The results affirm that our custom audit approach and procedures are technically sound and compliant with all relevant standards.



Grant Bennett Associates
A PROFESSIONAL CORPORATION

Proud Member of AlliottGlobalAlliance

Report on the Firm's System of Quality Control

August 26, 2024

To Rogers, Anderson, Malody & Scott, LLP and the Peer Review Committee of the California Society of CPAs:

We have reviewed the system of quality control for the accounting and auditing practice of Rogers, Anderson, Malody & Scott, LLP (the firm) in effect for the year ended November 30, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act and an audit of an employee benefit plan.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Rogers, Anderson, Malody & Scott, LLP in effect for the year ended November 30, 2023, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass, pass with deficiency(ies)* or *fail*. Rogers, Anderson, Malody & Scott, LLP has received a peer review rating of *pass*.

Grant Bennett Associates

GRANT BENNETT ASSOCIATES
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Certified Public Accountants

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Princeville, HI
888/763-7323

Together as One. Grant Bennett Associates is a Member of the Alliott Global Alliance of independent professional firms.

Additional Data (continued)

Similar Engagements with Other Government Entities

Our firm has provided similar services to various public section agencies over the past three years. Below is a listing of those most similar to the City of Hawthorne.

Entity:	***City of Chula Vista***
Scope of work:	Financial Audit/ACFR*/Successor Agency/Single Audit/Measure Audits/BSCC Audit
Date:	Years ending June 30, 2024- present
Engagement partner:	Mrs. Gardenya Duran
Total hours:	Approximately 500 hours each year
Contact person:	Mr. Sarah Schoen, Finance Director (619) 409-3818, sschoen@chulavistaca.gov

Entity:	***City of El Cajon***
Scope of work:	City ACFR*/Successor Agency/Public Financing Authority/Single Audit/GANN limit/Measure O
Date:	Years ending June 30, 2008 - present
Engagement partner:	Mr. Scott Manno
Total hours:	Approximately 400 hours each year
Contact person:	Mr. Luca Gonzales, Financial Operations Manager, (619) 441-1543

Entity:	***City of Signal Hill***
Scope of work:	Financial Audit/ACFR*/Successor Agency/Single Audit/Measure Audits
Date:	Years ending June 30, 2019 - present
Engagement partner:	Mrs. Gardenya Duran
Total hours:	Approximately 250 hours each year
Contact person:	Ms. Siamlu Cox, Adminstrative Services Officer/Finance Director, (562) 989-7312, scox@cityofsignalhill.org

Entity:	***City of San Marcos***
Scope of work:	Financial Audit/ACFR*/Successor Agency/Single Audit/Measure Audits
Date:	Years ending June 30, 2010 - present
Engagement partner:	Mr. Scott Manno
Total hours:	Approximately 250 hours each year
Contact person:	Ms. Donna Apar, Finance Director, (760) 744-1050, ext. 3133, dapar@san-marcos.net

Entity:	***City of San Jacinto***
Scope of work:	Financial Audit/ Single Audit/Successor Agency
Date:	Years ending June 30, 2011 - present
Engagement partner:	Mr. Scott Manno/Mrs. Gardenya Duran
Total hours:	Approximately 350 hours each year
Contact Person:	Mr. Tom Prill, Deputy City Manager, (951) 487-7330, tprill@sanjacintoca.gov

*GFOA award recipients

Additional Data (continued)

Engagement quality control

Our internal quality control review process ensures your audit meets the highest standards. Financial reports prepared by a senior member of the engagement team undergo multiple levels of review: first by the engagement manager/supervisor, followed by the engagement partner, and finally a technical review by the engagement Quality Control partner. Additionally, all reports are proofread by at least one professional staff member. All audit workpapers are reviewed by the in-charge auditor and the partner in charge of the engagement.

Range of services

In addition to auditing services for governmental entities, our firm offers a wide range of other services, including:

- SB 341 compliance (Successor Agencies)
- Internal control agreed-upon procedures
- Finance director and accounting support services
- Studies and evaluations of financial condition and fiscal policies
- Development and review of accounting policies and procedures
- Cash management studies
- Assistance with financing and public bond offerings

Additionally, we provide accounting, auditing, attest, and consulting services to both for-profit and not-for-profit entities. Our services also include tax preparation and consulting for individuals, corporations, and partnerships. We offer complimentary tax consultation services to our municipal audit clients.

Governmental Audit Quality Center

As a member of the American Institute of CPAs *Governmental Audit Quality Center* (GAQC), we at RAMS are dedicated to maintaining the highest quality standards. Our commitment to the GAQC membership requirements includes designating a partner responsible for the quality of our governmental audit practice, establishing rigorous quality control programs, conducting annual internal inspections, and publicly sharing our peer review report findings. Our goal is to continually enhance our quality initiatives to provide the highest quality audit services possible.

Being a part of the GAQC also grants us access to comprehensive resources that further improve the quality of your audit. Our membership ensures we receive timely information on technical, legislative, and regulatory matters, which we apply to your audit to ensure compliance with current standards and regulatory changes, benefiting our clients.

Additional Data (continued)

Housing Authority and Successor Agency experience

Over the past five fiscal years, the firm has audited the Housing Authorities and Successor Agencies for the following entities:

City of South Pasadena	City of San Bernardino
City of Thousand Oaks	City of La Verne
City of San Marcos	City of San Jacinto
City of Moorpark	City of Twentynine Palms
City of Fillmore	City of La Mesa
City of Sierra Madre	City of Rosemead
City of El Cajon	City of Hawthorne
Town of Yucca Valley	City of West Covina
City of Poway	City of Claremont

Single audit experience

Many of our municipal clients, as well as other governmental and not-for-profit clients, require audits in accordance with Uniform Guidance. Recently, we have conducted single audits for numerous entities.

Our specialized Single Audits Team is led by Partners and Managers who hold Intermediate and Advanced Single Audit Certifications from the AICPA, ensuring a successful and thorough engagement.

ACFR preparation

We have extensive experience in preparing Annual Comprehensive Financial Reports (ACFR). For the fiscal years ending June 30, 2023, and 2024, our team prepared over 20 ACFRs, with each entity receiving the Certificate of Achievement for Excellence in Financial Reporting from the GFOA. For the fiscal year ending June 30, 2025, we prepared over 25 ACFRs for our clients for submission to the GFOA. Additionally, we have assisted many cities and special districts in developing their first-year reports for submission. Four of our audit partners and five of our managers/supervisory staff serve as technical reviewers for the GFOA award program. We ensure all ACFRs comply with the GFOA certificate program checklist and address any prior year comments to guarantee thorough and compliant reports.

Equal Opportunity Employer

Our firm is an equal opportunity employer committed to providing employment opportunities to all qualified individuals, regardless of race, color, sex, religion, national origin, or disability. Our diverse staff represents a wide range of cultures and ethnic backgrounds. We offer advancement opportunities based on ability, skill, and desire to progress within the firm.

Additional Data (continued)

References

Our firm has proudly partnered with a wide range of government entities over the past five years, including cities, successor agencies, special districts, and Federal Single Audit engagements. The breadth of our client base reflects our deep expertise in public sector auditing and our ability to deliver high-quality, reliable service tailored to each organization's unique needs.

Because of the large number of government clients we have served, providing a complete listing for this proposal would not be practical. However, we are pleased to provide detailed client references for five current clients, including contact information, the nature of services performed, and years of service, when such information is explicitly necessary for evaluation. This ensures that the requesting agency receives the most relevant examples of our experience. If a full client list is determined to be absolutely necessary, we can provide it upon request.

Entity:	***Town of Yucca Valley***
Scope of work:	Financial Audit/ACFR*/Successor Agency
Date:	Years ending June 30, 2008 - present
Engagement partner:	Mr. Scott Manno
Total hours:	Approximately 350 hours each year
Contact person:	Mr. Curtis Yakimow, Town Manager (760) 369-7207

Entity:	***City of Thousand Oaks***
Scope of work:	Financial Audit/ACFR*/Successor Agency/Single Audit
Date:	Years ending June 30, 2018 - present
Engagement partner:	Mrs. Gardenya Duran
Total hours:	Approximately 420 hours each year
Contact person:	Ms. Elisa Quezada, Accounting Manager, (805) 449-2216, equezada@toaks.gov

Entity:	***City of Sierra Madre***
Scope of work:	Financial Audit/ACFR*
Date:	Years ending June 30, 2012 - present
Engagement partner:	Mr. Scott Manno/Mr. Brad Welebir
Total hours:	Approximately 300 hours each year
Contact person:	Mrs. Rait Satnam, Finance and Budget Manager, (626) 355-7135, srait@sierramadreca.gov

Entity:	***City of San Dimas***
Scope of work:	Financial audit/ACFR*/Single Audit/Successor Agency
Date:	Years ending June 30, 2021- present
Engagement partner:	Mrs. Gardenya Duran
Total hours:	Approximately 350 hours each year
Contact person:	Mr. Michael O'Brien Finance Director, (909) 394-6200, mobrien@sandimasca.gov

Entity:	***City of Twentynine Palms***
Scope of work:	Financial Audit/ACFR*/Successor Agency/Single Audit
Date:	Years ending June 30, 2010 - present
Engagement partner:	Brianna Schultz
Total hours:	Approximately 225 hours each year
Contact person:	Mrs. Abigail Hernandez, Finance Director, (760) 367-6799 ex: 1013, ahernandez@29palms.org

*GFOA award recipients

Additional Data (continued)

Identification of potential audit problems

One potential problem could be the implementation of any future GASBS. With our deep understanding of governmental accounting and auditing, constant training, and broad resources, we do not anticipate any issues during a GASB implementation. Our approach to any GASB statement implementation would be as follows: gain a thorough understanding of the pronouncement; determine applicability to the City; if applicable, discuss the statement and how it will affect the City with City staff; and provide guidance to City staff on the accounting and financial reporting implications.

Working paper retention

Rogers, Anderson, Malody & Scott, LLP will retain all workpapers and reports related to the audit for a minimum of seven (7) years, unless we are notified by the City of Hawthorne to extend that period.

City of Hawthorne

Cost Summary

Not to exceed price for proposed services schedule

In accordance with the Request for Proposal for Audit Services issued by the City of Hawthorne, the Rogers, Anderson, Malody & Scott, LLP hereby submits the following cost proposal:

	FY2025/2026	FY2026/2027	FY2027/2028	FY2028/2029	FY2029/2030 Optional	FY2030/2031 Optional
Basic report to be issued						
City audit and related reports	$ 56,100	$ 56,100	$ 58,000	$ 58,000	$ 59,900	$ 61,800
Successor Agency	5,590	5,590	5,790	5,790	5,990	6,190
Parking Authority	5,275	5,275	5,465	5,465	5,655	5,845
Housing Authority	6,025	6,025	6,240	6,240	6,455	6,670
Single Audit* and related reports	5,725	5,725	5,930	5,930	6,135	6,340
Out of pocket expenses	-	-	-	-	-	-
Total	$ 78,715	$ 78,715	$ 81,425	$ 81,425	$ 84,135	$ 86,845

** = for the first major program, each additional major program $4,750 for fiscal year 2026 and 2027, $5,000 for fiscal years 2028 and 2029, and $5,250 for fiscal year 2030 and 2031.*

Rates for additional professional services:

Position	FY2025/2026	FY2026/2027	FY2027/2028	FY2028/2029	FY2029/2030 Optional	FY2030/2031 Optional
Partner	$ 340	$ 340	$ 345	$ 345	$ 350	$ 355
Manager	215	215	220	220	225	230
Senior accountant	185	185	195	195	205	215
Staff accountant	150	150	155	155	160	165
Clerical	55	55	60	60	60	65
Other	-	-	-	-	-	-

Certification: Scott Manno, CPA, CGMA is entitled to represent Rogers, Anderson, Malody & Scott, LLP, empowered to submit the bid, and is authorized to sign a contract with the City of Hawthorne. In addition, we can comply with the requirements of the professional services agreement and insurance requirements.

Scott Manno, CPA, CGMA
Partner

City of Hawthorne
Schedule of professional fees and expenses
For the audit of the June 30, 2026 Financial Statements

	Standard Hourly Rates	Quoted Hourly Rates	Hours	Total
Partners	$ 450	$ 340	38	$ 12,920
Manager	230	215	42	9,030
Senior	210	185	109	20,165
Staff	185	150	244	36,600
			433	
Total for audit services				78,715
Out-of-pocket expenses				-
Meals and lodging				-
Transportation				-
Other (specify): _____				-
Total all-inclusive maximum price for 2026 audit				$ 78,715

City of Hawthorne
Schedule of professional fees and expenses
For the audit of the June 30, 2027 Financial Statements

	Standard Hourly Rates	Quoted Hourly Rates	Hours	Total
Partners	$ 455	$ 340	38	$ 12,920
Manager	235	215	42	9,030
Senior	215	185	109	20,165
Staff	190	150	244	36,600
			433	
Total for audit services				78,715
Out-of-pocket expenses				-
Meals and lodging				-
Transportation				-
Other (specify): _____				-
Total all-inclusive maximum price for 2027 audit				$ 78,715

City of Hawthorne
Schedule of professional fees and expenses
For the audit of the June 30, 2028 Financial Statements

	Standard Hourly Rates	Quoted Hourly Rates	Hours	Total
Partners	$ 460	$ 345	38	$ 13,110
Manager	240	220	42	9,240
Senior	220	195	109	21,255
Staff	195	155	244	37,820
			433	
Total for audit services				81,425
Out-of-pocket expenses				-
Meals and lodging				-
Transportation				-
Other (specify): _____				-
Total all-inclusive maximum price for 2028 audit				$ 81,425

City of Hawthorne
Schedule of professional fees and expenses
For the audit of the June 30, 2029 Financial Statements

	Standard Hourly Rates	Quoted Hourly Rates	Hours	Total
Partners	$ 465	$ 345	38	$ 13,110
Manager	245	220	42	9,240
Senior	225	195	109	21,255
Staff	200	155	244	37,820
			433	
Total for audit services				81,425
Out-of-pocket expenses				-
Meals and lodging				-
Transportation				-
Other (specify): _____				-
Total all-inclusive maximum price for 2029 audit				$ 81,425

City of Hawthorne
Schedule of professional fees and expenses
For the audit of the June 30, 2030 Financial Statements

	Standard Hourly Rates	Quoted Hourly Rates	Hours	Total
Partners	$ 470	$ 350	38	$ 13,300
Manager	250	225	42	9,450
Senior	230	205	109	22,345
Staff	205	160	244	39,040
			433	
Total for audit services				84,135
Out-of-pocket expenses				-
Meals and lodging				-
Transportation				-
Other (specify): _____				-
Total all-inclusive maximum price for 2030 audit				$ 84,135

City of Hawthorne
Schedule of professional fees and expenses
For the audit of the June 30, 2031 Financial Statements

	Standard Hourly Rates	Quoted Hourly Rates	Hours	Total
Partners	$ 475	$ 355	38	$ 13,490
Manager	255	230	42	9,660
Senior	235	215	109	23,435
Staff	210	165	244	40,260
			433	
Total for audit services				86,845
Out-of-pocket expenses				-
Meals and lodging				-
Transportation				-
Other (specify): _____				-
Total all-inclusive maximum price for 2031 audit				$ 86,845

City of Hawthorne
Vendor Quotation Record

	E-Mail Sent 4/9/26	E-Mail Sent 4/9/26	E-Mail Sent 4/9/26	E-Mail Sent 4/9/26	E-Mail Sent 4/9/26
RFP #2026-006 Auditing Services	**COMPANY #1**	**COMPANY #2**	**COMPANY #3**	**COMPANY #4**	**COMPANY #5**
NAME	CLA - Nitin Patel	LSL, LLP	Rogers Anderson Malody & Scott	The Pun Group	Vasquez & Co.
ADDRESS	2875 Michelle Drive Ste 300	500 Technology Dr., Ste 350	735 E Carnegie Dr Ste 100	6 Hutton Center Drive, Ste 1200	655 N. Central Avenue, St 1550
CITY/ST/ZIP	Irvine, CA 92606	Irvine, CA 92618	San Bernardino 92408	Santa Ana 92707	Glendale, CA 91203
TELEPHONE	714-795-5483	949-829-8299	909-889-0871	949-777-8800	213-873-1720
E-mail	joe.ludin@claconnect.com	Ryan.Domino@lslcpas.com	smanno@ramscpa.net	frances.kuo@pungroup.cpa	ccanieda@vasquezcpa.com
			gduran@ramscpa.net		
CONTACT	Joseph Ludin	Ryan Domino	Scott Manno	Frances J. Kuo	Cristy Canieda
			Gardenya Duran		
DATE	3/19/2026	3/19/2026	3/19/2026	3/19/2026	3/19/2026
Fiscal Years:	**Cost**	**Cost**	**Cost**	**Cost**	**Cost**
2026	$104,850.00	$89,500.00	$78,715.00	$95,000.00	$81,500.00
2027	$102,230.00	$89,500.00	$78,715.00	$99,750.00	$84,100.00
2028	$107,350.00	$93,970.00	$81,425.00	$104,738.00	$86,700.00
2029	$112,720.00	$93,970.00	$81,425.00	$109,974.00	$89,400.00
2030	$118,360.00	$98,660.00	$84,135.00	$115,473.00	$92,200.00
Estimate NO PROPOSED FEE 2031	**$124,041.28**	$98,660.00	$86,845.00	$121,247.00	$95,300.00
Total 6 year Quote	**$669,551.28**	**$564,260.00**	**$491,260.00**	**$646,182.00**	**$529,200.00**
	9	**6**	**1**	**7**	**4**

Total Hours Allocated	**485**	**485**	**433**	**543**	**765**
Partner	65	25	38	55	54
Manager	120	70	43	100	130
Senior	150	121	109	190	86
Staff	150	269	243	198	495
Percentage increase/decrease	0.36	0.15	0	0.32	0.08
	178,291.28	73,000.00		154,922.00	37,940.00
	$ 669,551	$ 564,260	$ 491,260	$ 646,182	$ 529,200
Hours proposed over RAMS	**52**	**52**	**0**	**110**	**332**

City of Hawthorne
Vendor Quotation Record

	E-Mail Sent 4/9/26	E-Mail Sent 4/9/26	E-Mail Sent 4/9/26	E-Mail Sent 4/9/26
RFP #2026-006 Auditing Services	**COMPANY #6**	**COMPANY #7**	**COMPANY #8**	**COMPANY #9**
NAME	Brown Armstrong Accountancy	Eadie and Payne, LLP	Badawi & Associates	Moss Levy & Hartzheim
ADDRESS	4200 Truxtun Avenue, St 300	3880 Lemon St, St 300	5901 Christie Avenue, Ste 307	5800 Hannum Ave Ste E
CITY/ST/ZIP	Bakersfield, CA 93309	Riverside, CA 92501	Emeryville, CA 94608	Culver City, CA 90230
TELEPHONE	661-324-4971	951-241-7805	510-768-8244	310-670-2745
E-mail	lzimmerman@ba.cpa	ecasareno@eadiepaynellp.com	abadawi@b-acpa.com	trobertson@mlhcpas.com
CONTACT	Lindsey Zimmerman	Eden Casareno	Ahmed Badawi	Craig Hertzheim
DATE	3/19/2026	3/19/2026	3/19/2026	3/19/2026
Fiscal Years:	**Cost**	**Cost**	**Cost**	**Cost**
2026	$88,600.00	$121,700.00	$74,548.00	$79,750.00
2027	$88,600.00	$127,700.00	$76,895.00	$81,965.00
2028	$88,600.00	$134,100.00	$79,222.00	$84,380.00
2029	$88,600.00	$140,700.00	$81,430.00	$86,825.00
2030	$97,570.00	$147,900.00	$83,846.00	$89,300.00
Estimate NO PROPOSED FEE 2031	$97,570.00	$155,300.00	$86,590.00	$91,925.00
Total 6 year Quote	**$549,540.00**	**$827,400.00**	**$482,531.00**	**$514,145.00**
	5	**8**	**2**	**3**

Total Hours Allocated	**590**	**1145**	**508**	**560**
Partner	40	**375**	54	110
Manager	100	**310**	79	180
Senior	150	210	128	130
Staff	300	250	247	140
Percentage increase/decrease	0.12	0.68	-0.02	0.05
	58,280.00	336,140.00	-8,729.00	22,885.00
	$ 549,540	$ 827,400	$ 482,531	$ 514,145
Hours proposed over RAMS	**157**	**712**	**75**	**127**

AGENDA ITEM NO. 25.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: City Manager

SUBJECT:
Exhibit A -- List of Organizations for City Council Stipend Donations for Review - A. Monteiro

Attachments

Resolution 8434, Exhibit A

EXHIBIT A

1. Movies in the Park – Sponsored by Hawthorne Police Department (HPD)
2. Hawthorne President's Council Holiday Assistance Dinner
3. Hawthorne Education Foundation (HEG) Golf Tournament
4. Service Provider Fair/Earth Day/Bunny Extravaganza
5. Hawthorne Parks & Recreation Foundation Gold Tournament
6. National Night Out (HPD)
7. Ramona Neighborhood Picnic (Ramona Homeowner's Association)
8. American Cancer Society Relay for Life
9. Wiseburn Education Foundation (WEF) Rock Around the Block
10. Hawthorne President's Council Volunteer Appreciation Day
11. Hawthorne President's Council K-9 BBQ Dinner
12. Wounded Heroes of America Golf Tournament
13. Sociedad Jose Marti Cuban Festival
14. Hawthorne Historical Society Good Neighbor's Day
15. Hawthorne Historical Society Holiday Celebration
16. St. Joseph's Fiesta
17. North Hawthorne Community Association Picnic/Egg Hunt
18. Hawthorne Police Dept. (HPD) Youth League Program/Basketball Clinic
19. Chamber of Commerce/Hope is Helping Events
    a. Thanksgiving Turkey Basket Donation
    b. Christmas Gift/Toy Basket Donation
    c. Golf Tournament
20. Holly Park HOA Pancake Breakfast
21. New Star Family Justice Center Domestic Violence Workshop
22. Senior Citizen Resource Fair
23. Hawthorne Business Expo
24. Hawthorne Imperial Lions Club Vision Screening Program
25. Hawthorne World Fest
26. Hawthorne Juneteenth Day Celebration
27. Hawthorne Mother's Day Celebration
28. Hawthorne Women's History Month Celebration
29. Women's Health Resources Fair
30. Feed The Street Cali Foundation
31. American Heart Association
32. Summer Concert Series

AGENDA ITEM NO. 26.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: City Manager

SUBJECT:
4/10 Work Schedule Pilot Program for City Staff - A. Vargas

AGENDA ITEM NO. 27.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: City Manager

SUBJECT:
Annual Appointment of Elected Officials to Regional Committees - A. Vargas

AGENDA ITEM NO. 29.

CITY OF HAWTHORNE
City Council
AGENDA BILL
For the meeting of 04/14/2026
Originating Department: City Attorney

SUBJECT:
CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
(Pursuant to Gov. Code Section 54956.9(d)(1))

Name of Case: *Barry Rosen v. City of Hawthorne*
LASC Case No. 23STLC01829
