WASHINGTON COUNTY
Community Development Agency

Finance Committee and Board Meeting Packet

January 21, 2020

2:30 pm – CDA Board Meeting

CDA Office, 7645 Currell Blvd., Woodbury

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

CDA FINANCE COMMITTEE MEETING
January 21, 2020

Washington County CDA Office
7645 Currell Blvd.
Woodbury, Minnesota

Item No.			Page No.
1	**2:30 p.m.**	**CALL MEETING TO ORDER**	
2		**ROLL CALL** Commissioner Zeller Commissioner Widen Commissioner Ryan	
4		**DISCUSSION**	
		D-1 2019 Audit Update	3
5		**ADJOURN**	

WASHINGTON COUNTY
Community Development Agency

7645 Currell Boulevard, Woodbury, MN 55125
office: 651-458-0936 fax: 651-458-1696

Memo to: CDA Finance Committee

From: Aaron Christianson Finance Director

Date: January 20, 2020

RE: 2019 Audit Update

Background

At the Board meeting on November 17, 2015, the Board approved hiring Redpath and Company, (the Auditors), for professional audit services. As part of the service, the Auditors agreed to meet with the full Board, or Finance Committee, as appropriate, to discuss the progress of the audit. These meetings were to occur after key parts of the audit were complete.

Audit Planning

On November 6, 2019 the Finance Director had an audit planning meeting with the Partner and Manager from Redpath and Company. This meeting was to discuss any new issues encountered during 2019. It was also decided at this meeting that interim fieldwork was scheduled to be performed December 4th.

On November 22, 2019 Staff received the "Interim Client to Provide" schedule. See Attachment A. This schedule includes the documents that the Auditor requests to be provided at the time of, or prior to, their arrival for interim fieldwork. In reviewing Attachment A, one can see a column labeled "Audit Area". This column gives the Committee an indication on what kind of tests the Auditors are performing, i.e. tests over controls, Single Audit testing, general control testing and Minnesota legal compliance testing.

Interim Fieldwork – December 4th

Interim audit fieldwork is complete and Dave Mol, Partner, Redpath and Company, will be presenting the progress made on the 2019 audit at the January 21, 2019 Finance Committee meeting.

Final Fieldwork – March 30th – April 10th

Final fieldwork has been scheduled to occur March 30th through April 10th. Redpath and Company will present final audit results to the Board at the May board meeting.

Recommendation

Staff recommends that the Committee use this presentation as a time to ask Mr. Mol any questions it may have about the 2019 audit, including procedures performed at interim fieldwork, any current issues or unusual risks members may be concerned about as it applies to the Agency and the outcome of control testing performed at interim. It is also a time for the Committee to share any thoughts it may have in regards to the Agency in general or specifically towards the audit.

Washington County Community Development Agency
2019 Audit

Due Date - Not Set

Categ	Subca	ID	Name	Description	Due Date
Interim					
	Control Testing				
		1	Provide a copy of YTD 2019 check register by check number and by vendor. We will use listing to select sample for disbursement control testing.		11-30-2019
		2	Provide copy of G/L detail for FY 2019 to date.		12-04-2019
		3	TB as of date of interim, including budget - used for preliminary import and account grouping		12-04-2019
		4	Provide payroll register for first pay period in April and October 2019		12-04-2019
		5	Access to payroll registers, time cards and HR records supporting wage rates and benefit elections for selected		12-04-2019
		6	Provide listing of all new employees hired during 2019		12-04-2019
		7	Access to credit card records, expense reimbursement detail, wire transfer information and bank statements as requested.		12-04-2019
	General				
		8	List of Board Members at 12/31/19, including term of office		12-04-2019
		9	Provide a copy of 2018 certificate comments - when received		
		10	Description of internal control procedures, review and update prior year documentation.		12-04-2019
		11	Copies of any new financial related policies - 2019 revisions and/or new policies		12-04-2019
		12	For selected contracts: Provide actual bids or bid tabulations, publication notices and contractor performance and payment bonds. (if applicable) Items can be uploaded here once contract is selected for testing		12-04-2019
		13	Provide list of all contracts over $175,000.		12-04-2019
		14	Provide copy of resolution index		12-04-2019
		15	Chart of accounts		12-04-2019
		16	Updated Budget Areas and Responsiblities document		12-04-2019
		17	Copy of employee handbook - if changed during 2019. If there were no changes, please leave a comment indicating as such		12-04-2019
		18	Copy of any communications from federal agencies regarding noncompliance. Copies of reports from site visits, audits, etc.		12-04-2019
		19	Copies of plan documents for deferred compensation plans		12-04-2019
		20	Deferred Compensation - reports/info as requested. We anticipate making additional requests relating to the deferred compensation plans.		
		21	Prepare a memo summarizing your conclusion regarding any interest income/arbitrage issues relating to The Glen		
	Budget				
		22	Copy of approved budget and related resolution for 2019		12-04-2019
		23	Detail of approved budget adjustments for 2019. Provide resolutions for amendments made. If you anticipate 2019 budget adjustments to be approved after interim, this request can wait until all adjustments are approved.		12-04-2019
		24	Copy of approved budget and related resolution for 2020 - when available		12-04-2019
	Legal Compliance				
		25	Complete Legal Compliance Summary Inquiry List		12-04-2019
		26	Provide copies of all "Broker Acknowledgement Forms" signed at the end of 2019 for 2020		12-31-2019
		27	Schedule of unclaimed property and copy of reports submitted State Commissioner of Commerce (345.41)		12-04-2019
		28	Provide signed Legal Compliance Representation letters from all board members. (template attached)		12-31-2019
		29	Provide copy of Annual Disclosure of TIF if updated since December 31, 2018		12-04-2019
		30	Provide 2018 Annual Report Form document for TIF districts. (submitted 2019)		12-04-2019
	Insurance				
		31	Provide list of 2019 YTD Insurance claims and indicate if there were any claims in excess of coverage		12-04-2019
		32	If the CDA self insures or had any significant reductions in insurance coverage from last year, please provide a description.		12-04-2019
Prior to Fieldwork					
	Planning				
		33	Prepare signed confirmations (cash, investment, a	As soon as available	
		34	Copies of bond books or mortgage, promissory nc	As soon as available	
		35	Updated Internal control narrative information, if	If no changes from interim, please add a comment indicating as such.	
		36	Electronic version of 2019 trial balance, with all closing and other adjustments posted		03-23-2020
		37	Electronic version of 2019 G/L detail as of date of trial balance		03-23-2020
		38	Electronic version of 2019 disbursement register (include checks and EFT's).		03-23-2020
		39	Electronic report of all manual journal entries posted during 2019.		03-23-2020
		40	Copies of all Desk Review Results/Correspondence		03-23-2020
	Receivables				
		41	Electronic version of 2020 receipt ledger from January 1 - 3/20/2020		03-23-2020
	Payables				
		42	Electronic version of 2020 disbursement register from January 1 - 3/20/2020		03-23-2020

Fieldwork			
	Cash & Investments		
	43	For all bank/broker accounts (including trust accounts) provide a copy of the December reconciliation and bank statements.	03-30-2020
	44	Provide a listing of any new trust accounts and indicate which property/debt issue they relate to.	03-30-2020
	45	Provide access to January 2020 Statements for all accounts	03-30-2020
	46	Schedules of year-end deposits and investments, detailing each investment as of 12/31/19 by broker/institution, description, and fair value measurement level , reconciled to footnote disclosure amounts. See description for additional requested details.	03-30-2020
	Receivables		
	47	Schedule of the detail of accounts receivable and "Accounts Receivable & DFOG Lead Schedule"	03-30-2020
	48	Copy of aged tenant accounts receivable report	03-30-2020
	49	Schedules of Loan Receivables including interest accrual calculations. Fund 280 Loans Receivable GAP Financing Loans Receivable	03-30-2020
	50	Calculation of receivable balances not expected to be collected within one year	03-30-2020
	51	Analysis of any allowance necessary for doubtful accounts	03-30-2020
	52	Capital Lease Receivable amortization schedule - i If no changes, please leave a comment noting as such.	03-30-2020
	Property Taxes		
	53	Schedule of delinquent tax activity (reconciled to County balances) including calculation of the balance not expected to be collected within one year/ Note: Instead of creating an additional schedule for us, the calculation of the balance not expected to be collected in one year, could be included on the same schedule that includes levy/settlements by fund. Last year you called this WP, "98 & 99 - Taxes Current, Deliqent and TIF 2018"	03-30-2020
	54	Schedule of Ad Valorem and TIF property tax levy The workpaper that includes the following schedules fulfills this re	03-30-2020
	55	Copy of the Resolution adopting the Pay 2019 Tax Levy	03-30-2020
	56	Copies of all Washington County Tax Settlement statements	03-30-2020
	57	Copy of the Resolution adopting the Pay 2020 Tax Levy	03-30-2020
	58	Copies of County Certification of TIF net tax capacities for taxes payable in 2019 for TIF district 75 and 78.	03-30-2020
	Interfund Activity		
	59	Matrix of interfund transfers including description and approval/authorization.	03-30-2020
	60	Due to and Due from other funds balances detail Please indicate on the schedule if any amounts are not expected t	03-30-2020
	61	Provide schedules for Red Rock loan and Whispering Oaks TIF Loan from 2014	03-30-2020
	62	Provide a copy of any new Interfund Loan docum If there were no new interfund loans, please leave a comment indi	03-30-2020
	Prepaids		
	63	Schedule of prepaid balances and detail by fund with supporting documentation for significant items.	03-30-2020
	Capital Assets		
	64	Capital Asset Lead Schedule including beginning balances, additions, deletions and ending balances and changes in a	03-30-2020
	65	Detail Capital Asset Schedules for buildings and structures, grounds and land improvements, furniture and fixtures ar	03-30-2020
	66	Detail listing of all asset additions, reconciled to capital outlay as applicable	03-30-2020
	67	Detail listing of all asset disposals, including a schedule of gain/loss on disposal	03-30-2020
	68	Schedule of depreciation by function Historically, all governmental activities depreciation has been char	03-30-2020
	69	Provide workpaper showing calculation of deferred gain on sale of property.	03-30-2020
	Property held for resale		
	70	Schedule of property held for resale, including details of any additions, deletions or changes in balance (consider if th	03-30-2020
	71	Have supporting documentation available for all purchases and sales of property held for Resale.	03-30-2020
	Payables		
	72	Schedule of detail of accounts payable and DTOG at year end, by fund, including identification of and supporting doc	03-30-2020
	73	Schedules of PILOT accrual amounts, including municipal equity service charge	03-30-2020
	Construction		
	74	Schedule of construction activity by fund, including identification of amounts capitalized and expensed.	03-30-2020
	75	Schedule of Contracts Payable and Retainage payable by project/fund, including identification of contract commitme	03-30-2020
	76	Listing of all open projects at 12/31/2019, with identification of the related fund and contract details (including disclc	03-30-2020
	Payroll Related		
	77	Schedule of salaries payable at 12/31/19, reconciled to related payroll checks from 2020	03-30-2020
	78	Provide copy of payroll registers to support salaries payable calculation.	03-30-2020
	79	Summary of 2019 contributions to the 457 plan including identification of the employee and employer shares, recon	03-30-2020
	80	Provide summary plan description if changes wer Note: We already have some documents filed in the planning/gene	03-30-2020
	81	Schedule of Compensated Absences by employee as of 12/31/19, including FICA/Medicare accruals. Include details r	03-30-2020
	82	Calculation of Compensated Absences estimated to be due in one year.	03-30-2020
	83	Provide documentation to support any changes in OPEB position. (PY documented that WCCDA position is implicit ra	03-30-2020
	Deposits payable		
	84	Schedules for escrow, security, FSS and other deposits payable, including reconciliation of the deposit amount to the	03-30-2020
	Debt		
	85	For Governmental Activities Long term Debt, provide a schedule of beginning balances, additions, deletions, ending b	03-30-2020
	86	Provide loan/mortgage/bond documents includin If there are no new items, please leave a comment indicating as su	03-30-2020
	87	For Proprietary Notes and Mortgages payable, provide a schedule of beginning balances, additions, deletions, ending	03-30-2020
	88	For Revenue Bonds, provide a schedule of beginning balances, additions, deletions, ending balances and identificatio	03-30-2020
	89	For new refundings of debt, prepare calculations t If there are no new items, please leave a comment indicating as su	03-30-2020

	90	For any other new or updated agreements, provic	If there are no new items, please leave a comment indicating as su 03-30-2020
	91	Provide a schedule of accrued interest payable at	If accrued interest payable is already included on the respective de 03-30-2020
	92	Provide amortization schedules for gains/loss, premiums, and discounts, etc.	03-30-2020
	93	Schedule of conduit debt outstanding	03-30-2020
	94	Schedule of deferred refunding costs	03-30-2020
	95	Schedule of compliance with debt covenants	03-30-2020
	96	Provide workpaper to summarize information for Debt footnotes. (including revenues pledged)	03-30-2020
Leases			
	97	For any significant leases (annual payments greater than $20,000) provide copies of lease documents (if new or chan	03-30-2020
Deferred Revenue			
	98	Schedule of unavailable/unearned revenue by fund and nature of revenue	03-30-2020
Equity			
	99	Schedule of the components of net position	03-30-2020
	100	Schedule of the components of fund-based equity	Policy authorizes the Executive Director to assign components of s 03-30-2020
	101	Updated fund balance or net position policies incl	If no changes to the existing policy, please leave a comment indica 03-30-2020
	102	Calculation to determine targeted unassigned fund balance amount per the policy	03-30-2020
Intergovernmental Revenue			
	103	Intergovernmental Revenue lead schedule listing out individual grant amounts, with fund identification and reconcili	03-30-2020
	104	Provide 2019 disbursement schedule for Housing Choice Voucher Program.	03-30-2020
	105	Provide G/L detail summary of HOME grant expenditures and access to request for reimbursement for largest reimb	03-30-2020
	106	Provide detailed IDIS reconciliation to G/L for CDBG Grant Expenditures.	03-30-2020
	107	Provide ELOCCS draw report for all 2019 draws for Whispering Pines operating subsidy.	03-30-2020
	108	Provide ELOCCS draw report for all 2019 draws for Shelter Plus Care.	03-30-2020
	109	Provide additional supporting documentation from grant files as requested during audit.	03-30-2020
	110	Provide final Schedule of Expenditures of Federal Awards with reconciliation to federal revenues as identified on IGR	03-30-2020
	111	Provide ELOCCS draw report for all 2019 draws for ROSS/FSS	03-30-2020
Other Revenue			
	112	Schedule of Vacancy Rates by month, property and unit size	03-30-2020
	113	Schedule of 2019 rent rates by property and unit size	03-30-2020
	114	Provide explanations and supporting documentation for any significant, non-routine revenue sources in the properti	03-30-2020
Other			
	115	Provide copy of the Shelter agreement or extensic	We have a copy of the extension dated 9/25/18, through 12/31/2(03-30-2020
Legal Compliance			
	116	If there were any decertified TIF Districts, provide a copy of the "confirmation of decertified TIF District" submitted tc	03-30-2020
During and After Fieldwork			
General			
	117	During the course of testing, we generally will ide	On-going
CAFR			
	118	Transmittal Letter	Prior to Audit Issuance
	119	MD&A	Prior to Audit Issuance
	120	CAFR cover	Prior to Audit Issuance
	121	Organizational Chart	Prior to Audit Issuance
	122	Provide copy of Certificate of Achievement from 2	Prior to Audit Issuance
	123	Provide updated language for Note 1B - Reportin	Prior to Audit Issuance
	124	Provide copies of financial statements and govern	Prior to Audit Issuance
	125	Statistical section (tables 7,9-15)	Prior to Audit Issuance

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

CDA BOARD AGENDA
January 21, 2020

Washington County CDA Office
7645 Currell Blvd.
Woodbury, Minnesota

Item No.			Page No.
1.		**ELECTION OF OFFICERS** Chairperson Vice Chairperson Secretary	11
2.		**APPOINTMENT OF CDA COMMITTEE MEMBERS** Executive Committee Finance Committee Personnel Committee	
3.	**3:00 p.m.**	**CALL REGULAR MEETING TO ORDER**	
4.		**ROLL CALL**	
5.		**OPEN FORUM**	
6.		**CONSENT CALENDAR**	
		Minutes of Regular Board Meeting December 17, 2019	13
		Minutes of the Personnel Committee Meeting January 6, 2020	20
		Abstract of Bills December 2019 Total: $ 2,289,079.49	22
	A-1	Resolution No. 20-01: Resolution Authorizing Mileage Reimbursement Rate for 2020 (Aaron Christianson, Finance Director)	33

	A-2	Resolution No. 20-02: Resolution Designating a Section 504 Coordinator and Adopting a Section 504 Grievance Procedure for the Washington County Community Development Agency (Melissa Taphorn, Deputy Executive Director)	36
	A-3	Resolution No. 20-03: Resolution Adopting a Regular Schedule for Meetings of the Board of Commissioners, The Executive Committee, The Finance Committee, and the Personnel Committee (Melissa Taphorn, Deputy Executive Director)	41
7		**PRESENTATION**	
	P-1	Recognition of Chris Eng, Economic Development Director for "Outstanding Economic Development Effort Award – Minnesota Association of Professional Economic Developers (MAPCED) for the Minnesota Technology Corridor" (Barbara Dacy, Executive Director)	46
8		**NEW BUSINESS**	
	A-4	Resolution No. 20-04: Resolution Approving the 2020-2022 Washington County Community Development Agency Economic Development Plan (Chris Eng, Economic Development Director)	48
9		**ADMINISTRATION**	
	A-5	Consideration of motion from Personnel Committee that the Board of Commissioners authorize the Executive Committee to negotiate with Melissa Taphorm an employment agreement for the position of Executive Director (Ryan Gruber, Human Resources and Communications Coordinator)	75
	A-6	Resolution No. 20-05: Resolution Appointing the Deputy Executive Director to the position of Acting Executive Director effective Monday, February 10, 2020 (Barbara Dacy, Executive Director)	78
	A-7	Resolution No. 20-06: Resolution Authorizing Depository Services for Governmental Entities (Aaron Christianson, Finance Director)	81

	A-8	Resolution No. 20-07: Resolution Recognizing Barbara Dacy for her 19 years of Service to the Washington County Community Development Agency (Melissa Taphorn, Deputy Executive Director)	85
10		**DISCUSSION**	
	D-1	Proposed Changes to Housing Choice Voucher Administrative Plan (Ann Hoechst, Housing and Administrative Services Director)	89
11		**REPORTS**	
		COMMUNITY DEVELOPMENT December 2019 Report Melissa Taphorn, Deputy Executive Director	242
		ECONOMIC DEVELOPMENT December 2019 Report Chris Eng, Economic Development Director	251
		FINANCE AND PROPERTY MANAGEMENT December 2019 Report Aaron Christianson, Finance Director	259
		HOUSING ASSISTANCE AND ADMINISTRATIVE SERVICES December 2019 Report Ann Hoechst, Director of Housing and Administrative Services	292
		EXECUTIVE DIRECTOR December 2019 Report Barbara Dacy, Executive Director	295
12		**BOARD MEMBER COMMENTS**	
13		**EXECUTIVE CLOSED SESSION**	
		A portion of this meeting may be closed to the public pursuant to Minnesota Statutes Section 13D.03 or 13D.05.	
14		**ADJOURN**	

WASHINGTON COUNTY
Community Development Agency

7645 Currell Boulevard, Woodbury, MN 55125
office: 651-458-0936 fax: 651-458-1696

MEMO TO: CDA Board of Commissioners
FROM: Barbara Dacy, Executive Director
DATE: January 15, 2020
RE: Annual Meeting Appointment of Officers and Committees

The January Board meeting is the "Annual" meeting defined in the Agency By-Laws to nominate and approve the Chair, Vice-Chair, and Secretary.

The current Chair should open nominations for each position and a motion made to appoint a Commissioner to each position.

Once decided, I also recommend that the Board determine the members of the CDA Committees. There are three committees; the Executive Committee, the Finance Committee, and the Personnel Committee. Here are the current members of the Committees:

1) The Executive Committee is composed of the Chair, Vice-Chair, and Secretary. Their primary responsibility is to conduct the performance review of the Executive Director. In 2020, as recommended by the proposed performance evaluation system, it is proposed that Executive Committee meet quarterly with the Executive Director to check on progress of quarterly goals. Due to the transition of the Executive Director position, it is proposed that the quarterly meetings occur in April, July, October and December.
2) The Finance Committee is currently composed by Commissioner Zeller, Commissioner Belisle, Commissioner Ryan, and Commissioner Widen. The primary responsibility is to review the budget and audit process. The Finance Committee will meet in January, June, and October
3) The Personnel Committee is currently composed by Commissioner Miron and Commissioner Dingle. The primary responsibility is to review policies regarding personnel administration. These meetings will occur in March and November.

You will note that none of these meetings overlap on the same month so that there is just one committee meeting before the regular meeting. In that way, the Commissioners can expect the meetings will conclude at a reasonable hour.

CONSENT CALENDAR

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA
DECEMBER 17, 2019

The Washington County Community Development Agency Board of Commissioners convened in Regular Session at Washington County CDA, 7645 Currell Blvd., Woodbury, MN on November 19, 2019 at 3:00 p.m. Staff present: Barbara Dacy, Executive Director; Melissa Taphorn, Deputy Executive Director; Chris Eng, Economic Development Director; Ann Hoechst, Housing Assistance and Administrative Services Director; Ashley Engh, Assistant Finance Director; Becky Nelson, Senior Accountant; Angie Shuppert, Community Development Programs Manager; Bill Lightner, Project Manager II; Kathryn Paulson, Project Manager II; Kristen Scobie, Project Manager II; Elena Shulman, Project Manager I and Lori Creamer, Administrative Specialist.

Guests present were Luke Breeden; Beth Breeden; Lon Pardun, Councilmember City of Marine on St. Croix; Lee Hall, COO. Metropolitan Consortium of Community Developers (MCCD); Tyler Hilsabeck, Business Advisor Open to Business

Chair Belisle called the meeting to order at 3:01 P.M.

ROLL CALL

Commissioners Dingle, Miron, Ryan, Belisle, Zeller, Widen and Green were present.

Commissioner Absent: None

OPEN FORUM
None

CONSENT CALENDAR
Consent Calendar agenda items are generally defined as items of routine business, not requiring discussion, and approved in one vote. Commissioners may elect to pull a Consent Calendar item(s) for discussion and/or separate action.

Minutes of Regular Meeting
November 19, 2019

Minutes of Personnel Committee Meeting
November 19, 2019

Abstract of Bills November 2019
Total $ 1,3,68,216.95

A-1 Resolution No.19-53: Resolution Authorizing Depository Services for Government Entities

A-2 Resolution No.19-54: Resolution Approving the 2020 Operating Budget for Public Housing

A-3 Resolution No.19-55: Resolution Amending the 2020 Low Income Housing Tax Credit Program Procedural Manual

Commissioner Widen moved to approve the Consent Calendar, seconded by Commissioner Dingle. Motion carried 7-0.

PRESENTATION

P-1 Recognition Plaque for Elmer Morris, Former Washington County HRA Commissioner

Barbara Dacy, Executive Director, introduced Beth Breeden, daughter of former commissioner Elmer Morris, and Luke Breeden, his grandson. Ms. Dacy stated the purpose of the presentation today is to bring forward the Agency's history and connect it to the importance of what is being done today. The conversation started when Luke had some questions of his mother about what his grandfather did, and they brought in a collection of plaques and pictures. Mr. Morris was one of the five original commissioners to the HRA appointed by the County Board on January 13, 1981. Mr. Morris served on the HRA board from 1981 to 1994. He was involved in the decision to create a portfolio of affordable senior and workforce housing, which was unique for that time. This is a reminder of the value commissioners play in the mission of the organization and is much appreciated.

Executive Director Dacy presented a recognition plaque to Ms. Breeden on behalf of the Board, the staff and members of the community.

NEW BUSINESS

A-4 Resolution No. 19-56: Resolution Approving and Adopting the 2020 Budget

Barbara Dacy, Executive Director, presented in summary the 2020 Budget. The budget has not changed since the previous deliberations by the Board and the Finance Committee. The levy amount is the same. The recommendation is to approve the 2020 Budget.

Commissioner Belisle asked if the $50,000 increase in the housing services budget was for hiring a new person in the rental assistance area. Ann Hoechst, Housing and Administrative Services Director, replied yes, there will be an additional employee added.

Commissioner Zeller moved to approve Resolution 19-56, seconded by Commissioner Widen Motion carried 7-0.

A-5 Resolution No. 19-57: Resolution Authorizing Execution of the 2020 Contract for the Open to Business Program

Chris Eng, Economic Development Director, introduced Mr. Lee Hall, Chief Operating Officer of the Metropolitan Consortium of Community Developers which operates the Open to Business program and Mr. Tyler Hilsabeck, Washington County's Business Advisor for Open to Business. Director Eng stated in 2019, the Open to Business program has served 94 businesses either with starting a small business or expanding an existing business.

Mr. Lee addressed the Board with some general information about the program. The Open to Business Program has been operating in Washington County since the middle of 2017 and as of the beginning of December Mr. Hilsabeck has meet with about 106 clients.

Economic Development Director Eng asked the Board to authorize the execution of 2020 contract for the Open to Business Program.

Commissioner Belisle asked if those results were as expected. Mr. Lee stated yes; serving between 100 and 125 clients for a relatively new program is very good. Mr. Hilsabeck added the program has assisted clients with 14 loans through the program.

Commissioner Green moved to approve Resolution 19-57, seconded by Commissioner Dingle. Motion carried 7-0.

A-6 Resolution No. 19-58: Resolution Approving Pre-Development Fund Grant Agreement for City of Marine on St. Croix.

Chris Eng, Economic Development Director, introduced Mr. Lon Pardun, Councilmember for City of Marine on St. Croix. Director Eng presented the pre-development fund proposal submitted by the City of Marine on St. Croix. The City is proposing to commit $1.7 million in funds to match the requested $40,000 of CDA funds to spur and guide future commercial development and/or redevelopment in the Marine Village Center Revitalization Area, which could bring both additional jobs and commercial tax base into the city and county.

Commissioner Ryan stated he will be recusing himself from the vote on this request as a relative of his is on the Marine on St. Croix City Council.

Commissioner Miron stated the City of Marine on St. Croix leadership is very progressive with the downtown revitalization efforts. They have a strong preservation mind-set, yet open to opportunities that exist.

Commissioner Belisle asked about the school that closed in the city along with three others in Stillwater. Councilmember Pardun responded the initiative before you today are separate from the school; however, the City purchased the school building and grounds and are looking to find a charter school that would be interested in the space. The City feels strongly about having a school and that building has been in town for over 175 years. Currently it is being utilized by the Marine Mills Folk School a couple days per week and open gym for the community several evenings.

Commissioner Miron moved to approve Resolution 19-58, seconded by Commissioner Widen. Motion carried 6-0. Commissioner Ryan abstained.

DISCUSSION

D-1 Changes to the Admissions and Continued Occupancy Plan (ACOP)

Ann Hoechst, Housing and Administrative Services Director, presented the proposed changes to the Agency's Admissions and Continued Occupancy Plan for public housing. The changes are required by the U.S. Department of Housing and Urban Development. Director Hoechst outlined the changes proposed to Chapters 4, 7, 8, 13, and 14.

Changes to chapter 4 include, under applications, an online application process will be used to accept applications for public housing.

Chapter 7 is changed to designate the use of the income verification tool for every annual and interim rent change.

Chapter 8 is changed to designate minimum heating standards.

Chapter 13 designates that there will be a single hearing officer for grievances. All grievance procedures are updated.

On the agenda in January will be the proposed changes to the Housing Choice Voucher Administrative Plan. No action required at this time.

REPORTS

COMMUNITY DEVELOPMENT

Melissa Taphorn, Deputy Executive Director, reported meetings regarding potential new housing developments including a Washington County housing parenting group looking for housing options for persons with developmental disabilities, Habitat for Humanity regarding a site in St. Paul Park, and Presbyterian Homes regarding senior housing. There were a couple of grand opening this week for a Habitat for Humanity home on the former Cottage Grove city pool site which received GROW funds and for Green Twig Villas, a senior housing development in Oak Park Heights which received 4% credits and a small GROW fund. The Glen at Valley Creek open house is scheduled for February 5, 2019. Formal invites will be sent to commissioners.

Deputy Executive Director Taphorn talked about the recent fire at a public housing apartment building in Minneapolis. Whispering Pines, the CDA's public housing building, is sprinklered. She stated most of the portfolio is sprinklered; however, there are a few properties where sprinkler systems were not required or are not feasible such as single-story units and properties served by well water. Staff has identified Woodland Park, The Groves, and Park Place as properties to get cost estimates to retrofit with sprinkler systems. Ms. Taphorn noted that Woodland Park has sprinklers in the garage and trash chutes.

Commissioner Belisle asked if The Hemmingway received a partial allocation of tax credits. Deputy Executive Director Taphorn stated they did not but plan to re-apply in June. A GROW fund loan request will be before the board in January for The Hemingway apartments in Cottage Grove.

Commissioner Belisle asked Deputy Director Taphorn to talk about some take-aways from the recent Affordable Housing Summit. Deputy Executive Director Taphorn stated the Affordable Housing Summit is an annual Minnesota Real Estate Journal event sponsored in part by the CDA. There were three panel discussions including housing finance and Naturally Occurring Affordable Housing (NOAH). Very engaging conversation on development and finance trends. The NOAH panel identified many of the same issues that the Board discussed in November.

Commissioner Ryan asked with the growth of the economy if the demand for affordable housing was dropping. Executive Director Taphorn responded no, the need for affordable housing is still great as even though unemployment is done and wages are rising, they are not rising in pace with rent increases.

Commissioner Green asked if this conversation would include the developmentally disabled workforce or senior housing needs.

ECONOMIC DEVELOPMENT

Chris Eng, Economic Development Director, stated here were no additions to his written report.

FINANCE AND PROPERTY MANAGEMENT

Ashley Engh, Assistant Finance Director, stated there were no additional comments to be added to the monthly report, but would like to schedule a Finance Committee meeting at 2:30 PM on January 21, 2020, prior to the regularly scheduled Board Meeting.to discuss the 2019 audit progress.

Commissioners Widen, Zeller and Ryan indicated they will be able to attend. Commissioner Belisle indicated that he will likely be out of town but to not schedule around his schedule.

RENTAL ASSISTANCE

Ann Hoechst, Housing and Administrative Services Director, stated the Agency has applied for 25 additional Family Unification Program (FUP) vouchers. The Agency was awarded 30 Mainstream vouchers which would serve people ages 18-62 with disabilities. The vouchers will be targeted to those eligible applicants who are homeless or on the verge of being homeless, victims of family violence, persons transitioning out of institutions or at serious risk of institutionalization, and persons currently in the Shelter Plus Care program who no longer need the supportive services.

Commissioner Belisle asked if any of these vouchers would be able to meet the needs Deputy Executive Director Taphorn mentioned in the Community Development report. Deputy Executive Director Taphorn stated it is possible they could address one criteria factor. Director Hoechst responded it depends if the people qualify for that targeting level.

EXECUTIVE DIRECTOR

Barbara Dacy, Executive Director, reminded the commissioners that January is the time when the chair, vice chair and secretary are elected for the year.

Sharon Klumpp, the consultant with Baker Tilly, who was invited to talk through the succession plan and process options for selecting and hiring the next Executive Director is ill and was unable to attend. If the Board has specific questions, Executive Director Dacy is happy to bring them back to Ms. Klumpp and the answers can be communicated either in writing or phone conversation.

Commissioner Zeller asked if the Agency has already engaged Baker Tilly in this process. Executive Director Dacy stated the Agency has not signed a contract, Ms. Klumpp was invited because of the Agency's on-going relationship with her company and was deemed a marketing appearance at no charge. Commissioner Zeller stated there isn't a lot of time and asked if there was a proposal the Board should be addressing, considering or formalizing and suggested the Board needs to at least appoint an interim executive director. Executive Director Dacy stated the purpose was to have Ms. Klumpp go through the three options set forth in the succession plan.

Commissioner Belisle asked if this should be a discussion of the Personnel Committee and they would make a recommendation to the full Board or what the next steps should be. He pointed out that there isn't a lot of time for the Board to look at the three options and at least think about an interim director. He deferred to Commissioner Miron.

Commissioner Miron stated Washington County is in a similar position right now with the retirement of the County Administrator. The County Board had a discussion with the Human Resource Director to layout out the options and directed staff to negotiate with the Deputy Administrator. The County Board has full discretion to appoint someone to the position. What was reported to the County Board was if the governing body is satisfied with the direction and there appears to be continuity within the organization, there is no need to do an external search. The CDA Board has the same authority and options. to direct staff to negotiate a contract with the Deputy Executive Director. He posed that if the Board is satisfied with the direction of the Agency, whether it would be advantageous to go outside for a search and then end up appointing the Deputy Executive Director to the position.

Executive Director Dacy stated Resolution No. 18-56, which was sent under separate cover, has the succession plan and three options for appointing a new Executive Director.

Commissioner Miron continued, Executive Director Dacy has done a superb job at providing leadership development opportunities, and in all circumstances maintaining the continuity in her absence. Everything he has seen in his time on the CDA Board has been extremely satisfying with the direction. It would be appropriate to direct human resources to negotiate a contract with the Deputy Executive Director.

Commissioner Belisle wondered if commissioners should have some time to think about it, since it is probably new to many of the members. Give the Board a few weeks and have this item on the agenda in January.

Commissioner Zeller stated yes and no. He would prefer to receive input from Executive Director Dacy either in a closed executive session or one on one to gain some in-sight if possible, then the Personnel Committee could make a recommendation.

Commissioner Miron stated if we wait until the January meeting the board would want to consider appointing an interim Executive Director because of the timeframe. It takes a considerable amount of time to conduct a search, interview and negotiate a contract.

Executive Director Dacy replied she cannot be part of the deliberation for the new Executive Director and the discussion must remain on record as it does not meet the criteria for a closed meeting. Ms. Klumpp would be able to assist with the process or engaging in another resource to assist.

Commissioner Zeller asked what human resource options there were available to the Board and if perhaps they could utilize Washington County. Executive Director Dacy stated but for Ms. Klumpp's illness today, she would have answered your questions.

Commissioner Belisle asked if the performance appraisals and that type of information would be available to the Board.

Executive Dacy responded, that would be a legal issue she would have to check on to able to advise correctly. Kathleen Lamb, the Agency's attorney can certainly assist with that.

Commissioner Zeller stated if the Personnel Committee is willing to have a meeting and move forward with a recommendation considering the options, he's certainly comfortable with that option, more comfortable than waiting a month.

Commissioner Green asked if there was a need to engage Sharon Klumpp from Baker Tilly for purposes of those discussions or is it something we can just do with internal staff. Commissioner Green added that the obvious question would be making sure that all the qualifications for the job description are in line with what the candidate has to offer. It will be important to also look at workload and temporary assignments. It is appropriate for the board to make sure due diligence is done with the process.

Commissioner Belisle stated it would personally give him a little comfort just to make sure, like Commissioner Green said, that we are doing our due diligence. Commissioner Belisle continued, he thought the succession plan was a good document. The plan is to have the Personnel Committee meet in early January with Ms. Klumpp and for the Board to receive a recommendation from Personnel Committee and act on the direction at the January board meeting.

Commissioner Miron moved seconded by Zeller to refer this item to a special meeting of the Personnel Committee in early January. The Personnel Committee would then make a recommendation to the full Board on January 21, 2020. Motion carried 7-0.

Commissioner Miron concluded Executive Director Dacy has been the face of the /cdA. She has dedicated 20 years of her life to this fascinating, stellar, challenging work. He suspects there will be additional opportunities to recognize Barbara and the work she's doing and has done. Make sure to thank her and celebrate her.

Commissioner Belisle stated the staff is an indication of a good leader. Executive Director Dacy has a team behind has built a legacy. Thank you.

BOARD COMMENTS

Commissioner Miron acknowledged Economic Development Director Eng for the work done on the Minnesota Technology Corridor and this work won the 2019 Minnesota Association of Professional County Economic Developers' (MAPCED) Outstanding Economic Development Award. Commissioner Miron added, this project is in its infancy and to receive an award is quite amazing statewide. Congratulations Director Eng on the good work.

ADJOURNMENT

Commissioner Zeller moved to adjourn; seconded by Commissioner Dingle. Motion carried 7-0.

Meeting adjourned at 4:23 p.m.

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Chair/Vice Chair Commissioner

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

The Personnel Committee Meeting was held Monday, January 6, 2020 at the Washington County Community Development Agency, 7645 Currell Blvd., Woodbury, MN 55125. Staff present were Ryan Gruber, Human Resources and Communications Coordinator; Lori Creamer, Administrative Specialist
Guest Speaker: Sharon Klumpp with Baker Tilly

Meeting called to order at 11:00 am by Commissioner Dingle.

ROLL CALL
Commissioner Dingle, Commissioner Green and Commissioner Miron were present.

DISCUSSION

Hiring Process Options for Executive Director Position

Sharon Klumpp with Baker Tilly (formerly Springsted) began by outlining her firm's history with the CDA, which began approximately ten years ago. She reviewed the benefits and drawbacks of doing both an internal search and an external search.

Ms. Klumpp highlighted that search processes are often selected based on whether the Board feels as though it is satisfied with the direction of the Agency. For organizations that are pleased with the current direction, an internal search often makes sense. When organizations are looking to change direction, an external search is often most logical. She also indicated that public perception is a key factor in whether external candidates apply for leadership positions. Many individuals in high-ranking jobs are reluctant to have their names made public as part of a search process if they do not believe that the organization is likely to hire an external candidate.

Ms. Klumpp and Mr. Gruber then responded to questions. What follows is a summary of the matters discussed.

- Organizations typically appoint an interim Executive Director while an external search occurs. The succession plan outlines that the natural individual to fulfill that role would be the Deputy Executive Director.

- The job description for the existing position is current and contains the information required for the next candidate to perform the job. Transitions also provide a good time to revisit existing job descriptions if the Board wishes to do so.
- The existing Employment Agreement between the Board and the Executive Director is well-written, and it is unlikely that major changes will be needed as part of any negotiation.

- The salary range is current and receives the same general wage adjustments as other CDA employees. Ms. Klumpp indicated that the Board may struggle to hire a qualified candidate at the bottom of the range. There are no anticipated issues with pay equity compliance. The range for the position was revised most recently in 2017 as part of an Agency-wide compensation plan.

- In terms of an internal search, the Board can choose to open the process to all employees, or the Board may choose to enter negotiations directly with a qualified individual.

Commissioner Miron indicated that he was comfortable with recommending that the Board enter negotiations with the Deputy Executive Director and provided his rationale for doing so. He also indicated that the Deputy Executive Director had already submitted her resume to Board members and therefore he was confident that the Deputy Executive Director would be interested in the position should the Board extend to her an offer to negotiate a contract.

Discussion occurred regarding how the Board would proceed in that situation and it was decided that the Board's Executive Committee should handle the negotiation process. The Board reviewed the current members of the Executive Committee but was reminded by Mr. Gruber that elections for Board officers are generally held at the Board's regular meeting in January, and so the Executive Committee would be comprised of those officers elected at that regular meeting.

Recommendation for Executive Director hiring process

Commissioner Miron moved to recommend to the Board that the Executive Committee enter into negotiations with the Deputy Executive Director, Melissa Taphorn, for the purpose of executing an employment agreement that would make her the Executive Director, and that the Executive Committee bring that agreement to the Board for approval at its February 18th meeting. Commissioner Green seconded the motion.

The motion was adopted 3-0.

The commissioners expressed their appreciation to Ms. Klumpp for her assistance moving through this process.

Chair Dingle called for adjournment at 11:47 am.

ADJOURNMENT Meeting adjourned

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Chair/Vice Chair Commissioner

Washington County CDA
Checks Issued
General Checking
December 1 - 31, 2019

Check Number	Vendor Check Name	Check Date		Amount
88111	WASTE MANAGEMENT	12/2/2019	$	300.53
88112	SUNDBERG AMERICA LLC	12/2/2019		49.36
88113	10 POINTE LLC	12/2/2019		1,327.00
88114	LOGAN BRANJORD	12/2/2019		613.00
88115	GENTRY PLACE	12/2/2019		605.00
88116	GIRARD MANAGEMENT INC	12/2/2019		529.00
88117	GREEN TWIG VILLAS LLP	12/2/2019		601.00
88118	956 ASSOCIATES LLP	12/2/2019		594.00
88119	CANVAS HEALTH INC	12/2/2019		6,339.00
88120	COMMON BOND CITY WALK LP	12/2/2019		846.00
88121	COTTAGES OF STILLWATER	12/2/2019		495.00
88122	COTTAGES PHASE III	12/2/2019		593.00
88123	CURVE CREST VILLAS LP	12/2/2019		1,325.00
88124	FOREST OAK APARTMENTS LP	12/2/2019		712.00
88125	FOREST RIDGE TOWNHOMES	12/2/2019		5,979.00
88126	MENARDS OAKDALE	12/2/2019		403.94
88127	MENARDS STILLWATER	12/2/2019		132.78
88128	TED BIGOS INVESTMENT COMPANY	12/2/2019		984.00
88129	OAKDALE VILLAGE	12/2/2019		2,445.00
88130	OOLMAN PROPERTY OF 255 DEJON CT	12/2/2019		1,118.00
88131	ORLEANS HOMES	12/2/2019		3,319.00
88132	STEVE JOHNSON COMPANY	12/2/2019		492.00
88133	VILLAGE APARTMENTS	12/2/2019		1,004.00
88134	WOODLAND PARK APARTMENTS	12/2/2019		1,129.00
88135	XCEL ENERGY	12/2/2019		1,124.00
88136	HURON GROUP LLC	12/2/2019		822.00
88137	FRATTALONE'S/WOODBURY ACE	12/2/2019		20.97
88138	Brick Pond Apartments	12/2/2019		864.00
88139	Briar Pond Apartments	12/2/2019		2,888.00
88140	Cypress Senior Living, Red Oak Preserve Senior Housing	12/2/2019		2,176.00
88141	The Groves Apartment LLC	12/2/2019		377.00
88142	Historic Legion Villas LLC	12/2/2019		1,575.00
88143	RIDGECREST APARTMENTS LLC	12/2/2019		569.00
88144	STILLWATER GREELEY LLC	12/2/2019		1,203.00
88145	ALL INC	12/6/2019		8,796.80
88146	ALLIED WASTE SERVICES OF NORTH AMERICA LLC	12/6/2019		15,467.02
88147	J.D. WINDOWS & DOORS INC	12/6/2019		2,151.60
88148	RENOVATION SYSTEMS INC.	12/6/2019		4,305.57
88149	ROBERT B HILL COMPANY	12/6/2019		351.66
88150	SCHINDLER ELEVATOR CORPORATION	12/6/2019		787.41
88151	STATE OF MINNESOTA	12/6/2019		90.00
88152	XCEL ENERGY	12/6/2019		8,735.38
88153	GREAT GARAGE INC	12/6/2019		159.00
88154	GIERTSEN COMPANY OF MINNESOTA INC.	12/6/2019		705.00
88155	CLASSIFIED VENTURES LLC	12/6/2019		1,758.00
88156	Paul C Hokr Painting Company, Inc	12/6/2019		478.00
88157	DEY DISTRIBUTING	12/6/2019		78.24

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Check Number	Vendor Check Name	Check Date	Amount
88158	PITNEY BOWES PURCHASE POWER	12/6/2019	1,000.00
88159	BDH & YOUNG INC	12/6/2019	1,450.00
88160	ERICKSON PLUMBING HEATING COOLING	12/6/2019	1,444.50
88161	PAFFY'S PEST CONTROL INC	12/6/2019	175.50
88162	ABBOTT PAINT & CARPET INC.	12/6/2019	11.49
88163	TURNOVER APARTMENT PAINTING INC.	12/6/2019	2,595.00
88164	NATUS CORPORATION	12/6/2019	1,541.98
88165	HD SUPPLY	12/6/2019	2,967.51
88166	NATURE'S TREES INC	12/6/2019	2,304.00
88167	SUNDBERG AMERICA LLC	12/6/2019	46.92
88168	MWSTAR WASTE HOLDINGS CORP	12/6/2019	1,549.79
88169	US BANK CORPORATE TRUST SERVICES	12/6/2019	7,612.58
88170	SCUTTLEBUTT SOCIAL MARKETING LLC	12/6/2019	378.59
88171	THE SHERWIN-WILLIAMS COMPANY	12/6/2019	26.43
88172	DELUXE CORPORATION	12/6/2019	411.45
88173	US BANK	12/6/2019	7,949.16
88174	CHRISTENSEN GROUP, INC	12/6/2019	84,978.13
88175	ALLSTREAM BUSINESS US, INC	12/6/2019	179.30
88176	8BITSTUDIO DESIGN LLC	12/6/2019	200.00
88177	ACS ASPHALT CONCRETE SOLUTIONS INC	12/6/2019	140,229.00
88178	CLOG UN-BOGGLER INC	12/6/2019	550.00
88179	KATHLEEN H KLINE	12/6/2019	208.70
88180	RUMPCA SERVICES INC	12/6/2019	492.00
88181	ST CROIX VALLEY LANDSCAPING LLC	12/6/2019	2,188.75
88182	WOOD CREST BUILDERS	12/6/2019	18,000.00
88183	ACE HARDWARE STILLWATER	12/6/2019	237.46
88184	CITY OF OAK PARK HEIGHTS	12/6/2019	3,549.16
88185	CITY OF WOODBURY	12/6/2019	1,356.26
88186	CITY WIDE MAINTENANCE OF MN	12/6/2019	1,182.22
88187	COTTAGE GROVE AREA CHAMBER OF COMMERCE	12/6/2019	190.00
88188	FOREST LAKE AREA CHAMBER OF COMMERCE	12/6/2019	250.00
88189	MEI MINNESOTA ELEVATOR INC	12/6/2019	795.00
88190	MENARDS OAKDALE	12/6/2019	115.07
88191	MENARDS COTTAGE GROVE	12/6/2019	575.01
88192	MENARDS FOREST LAKE	12/6/2019	236.02
88193	MENARDS STILLWATER	12/6/2019	169.80
88194	MJ'S CONTRACT APPLIANCE INC	12/6/2019	284.00
88195	SHERWIN WILLIAMS	12/6/2019	361.52
88196	TR COMPUTER SALES	12/6/2019	5,373.99
88197	WASHINGTON COUNTY ACCOUNTING & FINANCE	12/6/2019	92.00
88198	HOUSING INSURANCE SERVICES INC	12/6/2019	311,466.00
88199	COMCAST	12/6/2019	50.36
88200	FRATTALONE'S/WOODBURY ACE	12/6/2019	118.88
88201	PUBLIC HOUSING AGENCY OF THE CITY OF ST. PAUL, M	12/6/2019	207.84
88202	MADDEN GALANTER HANSEN, LLP	12/6/2019	416.00
88203	INTEREUM, INC.	12/6/2019	66,988.82
88204	BRINE'S MARKET, LLC	12/6/2019	484.74

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Check Number	Vendor Check Name	Check Date	Amount
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88206	TENNIS SANITATION, LLC	12/6/2019	324.75
88207	CULLIGAN - INVER GROVE HTS	12/13/2019	40.95
88208	BFT LP	12/13/2019	136.80
88209	J.D. WINDOWS & DOORS INC	12/13/2019	345.50
88210	NARDINI FIRE EQUIPMENT CO.,INC	12/13/2019	792.80
88211	PARK SUPPLY, INC.	12/13/2019	148.38
88212	RENOVATION SYSTEMS INC.	12/13/2019	3,989.18
88213	SHELTER CORPORATION	12/13/2019	114,644.91
88214	XCEL ENERGY	12/13/2019	8,049.52
88215	MAINTENANCE SERVICE SOLUTIONS LLC	12/13/2019	1,644.25
88216	VERIZON WIRELESS	12/13/2019	619.63
88217	GREAT GARAGE INC	12/13/2019	139.00
88218	BRIAN STEVENS	12/13/2019	14,875.00
88219	CLASSIFIED VENTURES LLC	12/13/2019	225.00
88220	SCREENING REPORTS INC	12/13/2019	450.00
88221	SPOK INC.	12/13/2019	27.23
88222	JONATHAN RICHARD PULLIS	12/13/2019	250.00
88223	CITY OF OAKDALE	12/13/2019	7,386.97
88224	DEY DISTRIBUTING	12/13/2019	313.34
88225	WASTE MANAGEMENT OF WI-MN	12/13/2019	994.26
88226	SYLLOGISTIC MANAGEMENT SOLUTIONS LLC	12/13/2019	1,725.21
88227	CANVAS HEALTH INC	12/13/2019	4,202.21
88228	PAFFY'S PEST CONTROL INC	12/13/2019	235.00
88229	KONE INC	12/13/2019	320.90
88230	TURNOVER APARTMENT PAINTING INC.	12/13/2019	1,745.00
88231	NATUS CORPORATION	12/13/2019	14,633.30
88232	HD SUPPLY	12/13/2019	625.83
88233	TECHNOLOGY SERVICE SOLUTIONS LLC	12/13/2019	2,554.26
88234	CINTAS CORPORATION NO. 2	12/13/2019	44.80
88235	SUNDBERG AMERICA LLC	12/13/2019	167.03
88236	MANAGERS CHOICE	12/13/2019	445.00
88237	ADVANCED COMMUNICATIONS (AC3), LLC	12/13/2019	141.99
88238	CHRIS AMDAHL LOCKSMITH INC	12/13/2019	1,143.50
88239	INSIDE OUTSIDE ARCHITECTURE INC	12/13/2019	6,693.75
88240	LAKESIDE TOWNHOMES LIMITED PARTNERSHIP	12/13/2019	1,235.03
88241	PONDVIEW TOWNHOMES OF WOODBURY LIMITED PAF	12/13/2019	1,543.78
88242	AMAZON ENVIRONMENTAL INC	12/13/2019	513.04
88243	ACE HARDWARE STILLWATER	12/13/2019	41.02
88244	AFSCME COUNCIL 5	12/13/2019	707.42
88245	BOARD OF WATER COMMISSIONERS	12/13/2019	636.00
88246	CITY OF FOREST LAKE	12/13/2019	2,256.00
88247	DIALOG ONE LLC	12/13/2019	260.00
88248	CHRISTOPHER ENG	12/13/2019	126.35
88249	BLIA HER	12/13/2019	31.32
88250	ANN HOECHST	12/13/2019	111.82
88251	LINDSEY SOFTWARE SYSTEMS INC	12/13/2019	389.00

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Check Number	Vendor Check Name	Check Date	Amount
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88254	MENARDS COTTAGE GROVE	12/13/2019	537.40
88255	MENARDS FOREST LAKE	12/13/2019	294.21
88256	MENARDS STILLWATER	12/13/2019	470.77
88257	MIDCONTINENT COMMUNICATIONS	12/13/2019	35.54
88258	MJ'S CONTRACT APPLIANCE INC	12/13/2019	1,980.00
88259	MN COMMERCIAL ASSOCIATION OF REAL ESTATE	12/13/2019	600.00
88260	MN MANAGEMENT & BUDGET	12/13/2019	15,687.50
88261	SHERWIN WILLIAMS	12/13/2019	337.59
88262	SRC INC	12/13/2019	403.30
88263	TR COMPUTER SALES	12/13/2019	4,722.50
88264	COMCAST	12/13/2019	1,650.79
88265	COMCAST	12/13/2019	88.11
88266	COMCAST	12/13/2019	108.06
88267	JUSTIN TAYLOR COMPANIES LLC	12/13/2019	13,767.00
88268	CITY OF SCANDIA	12/13/2019	7,892.00
88269	MEDSYNERGIES LLC	12/13/2019	60.00
88270	LUIS R PENA II	12/13/2019	47.47
88271	COMFORT LAKE-FOREST LAKE WATERSHED DISTRICT	12/13/2019	4,260.00
88272	FINANCE AND COMMERCE, INC	12/13/2019	32.00
88273	JOHN BELISLE	12/13/2019	59.36
88274	HANBERY & TURNER PA	12/19/2019	3,073.50
88275	RENOVATION SYSTEMS INC.	12/19/2019	8,204.18
88276	ROBERT B HILL COMPANY	12/19/2019	692.24
88277	SHELTER CORPORATION	12/19/2019	11,330.33
88278	TIME COMMUNICATION	12/19/2019	775.76
88279	XCEL ENERGY	12/19/2019	378.00
88280	MAINTENANCE SERVICE SOLUTIONS LLC	12/19/2019	3,160.00
88281	GREAT GARAGE INC	12/19/2019	151.00
88282	MINNESOTA NAHRO	12/19/2019	515.00
88283	BRIAN STEVENS	12/19/2019	150.00
88284	SCREENING REPORTS INC	12/19/2019	50.00
88285	JONATHAN RICHARD PULLIS	12/19/2019	375.00
88286	Paul C Hokr Painting Company, Inc	12/19/2019	1,470.00
88287	DEY DISTRIBUTING	12/19/2019	203.03
88288	ERICKSON PLUMBING HEATING COOLING	12/19/2019	18,152.50
88289	SYLLOGISTIC MANAGEMENT SOLUTIONS LLC	12/19/2019	320.00
88290	JOHNSTONE SUPPLY	12/19/2019	26.90
88291	PAFFY'S PEST CONTROL INC	12/19/2019	367.75
88292	KONE INC	12/19/2019	664.39
88293	ABBOTT PAINT & CARPET INC.	12/19/2019	1,760.43
88294	TURNOVER APARTMENT PAINTING INC.	12/19/2019	480.00
88295	COMCAST	12/19/2019	408.94
88296	HD SUPPLY	12/19/2019	1,619.96
88297	CENTURYLINK COMMUNICATIONS LLC	12/19/2019	95.78
88298	CHRISTENSEN GROUP, INC	12/19/2019	12,721.00

Washington County CDA
Checks Issued
General Checking
December 1 - 31, 2019

Check Number	Vendor Check Name	Check Date	Amount
88299	CHRIS AMDAHL LOCKSMITH INC	12/19/2019	193.00
88300	GUARDIAN FIRE PROTECTION INC	12/19/2019	500.00
88301	J LEWIS BUILDING AND REMODELING LLC	12/19/2019	32,500.00
88302	RAMSEY COUNTY FAIR HOUSING	12/19/2019	5,000.00
88303	RUMPCA SERVICES INC	12/19/2019	2,505.00
88304	ALLEGRA MIDWAY	12/19/2019	765.21
88305	CITY OF LANDFALL	12/19/2019	15,000.00
88306	EDAM	12/19/2019	495.00
88307	BILL LIGHTNER	12/19/2019	171.10
88308	MCGRANN SHEA CARNIVAL STRAUGHN & LAMB CHART	12/19/2019	11,004.30
88309	MEI MINNESOTA ELEVATOR INC	12/19/2019	189.58
88310	MENARDS COTTAGE GROVE	12/19/2019	543.91
88311	MENARDS STILLWATER	12/19/2019	119.80
88312	MN COMMERCIAL ASSOCIATION OF REAL ESTATE	12/19/2019	1,800.00
88313	KATHRYN PAULSON	12/19/2019	51.96
88314	KRISTEN SCOBIE	12/19/2019	280.91
88315	SHERWIN WILLIAMS	12/19/2019	543.20
88316	TWO RIVERS COMMUNITY LAND TRUST	12/19/2019	7,000.00
88317	COMCAST	12/19/2019	53.77
88318	COMCAST	12/19/2019	399.39
88319	NEWTRAX, INC	12/19/2019	2,200.00
88320	FRATTALONE'S/WOODBURY ACE	12/19/2019	3.99
88321	CAL-TEX CONSTRUCTION SERVICES, LLC	12/19/2019	6,618.30
88322	STATE OF MINNESOTA	12/19/2019	1,120.00
88323	Eugene Michael Olsen	12/19/2019	6,693.85
88324	ACCESSIBLE HOMES, LLC	12/19/2019	14,400.00
88325	CHRISTOPHER OLSSON	12/19/2019	15.09
88326	PROGRAM PARTICIPANT	12/19/2019	254.19
88327	PROGRAM PARTICIPANT	12/19/2019	442.81
88328	PROGRAM PARTICIPANT	12/19/2019	524.61
88329	PROGRAM PARTICIPANT	12/19/2019	313.03
88330	PROGRAM PARTICIPANT	12/19/2019	120.00
88331	PROGRAM PARTICIPANT	12/19/2019	59.00
88332	PROGRAM PARTICIPANT	12/19/2019	120.00
88333	PROGRAM PARTICIPANT	12/19/2019	120.00
88334	PROGRAM PARTICIPANT	12/19/2019	95.00
88335	PROGRAM PARTICIPANT	12/19/2019	18.00
88336	DANA SLIMMER	12/19/2019	18.62
88337	ALL INC	12/31/2019	562.00
88338	DEY DISTRIBUTION	12/31/2019	125.54
88339	J.D. WINDOWS & DOORS INC	12/31/2019	290.50
88340	RENOVATION SYSTEMS INC.	12/31/2019	1,637.51
88341	ROBERT B HILL COMPANY	12/31/2019	862.65
88342	SHELTER CORPORATION	12/31/2019	10,811.08
88343	TIME COMMUNICATION	12/31/2019	252.29
88344	XCEL ENERGY	12/31/2019	17,271.26
88345	MAINTENANCE SERVICE SOLUTIONS LLC	12/31/2019	5,795.00

Washington County CDA
Checks Issued
General Checking
December 1 - 31, 2019

Check Number	Vendor Check Name	Check Date	Amount
88346	CHRISTOPHER J ZWEBER	12/31/2019	325.00
88347	GREAT GARAGE INC	12/31/2019	3,395.00
88348	COLLINS ELECTRICAL CONSTRUCTION CO.	12/31/2019	1,516.94
88349	DEY DISTRIBUTING	12/31/2019	236.67
88350	ERICKSON PLUMBING HEATING COOLING	12/31/2019	82,285.00
88351	CENTRAIRE HEATING AND	12/31/2019	66,268.00
88352	PAFFY'S PEST CONTROL INC	12/31/2019	223.50
88353	Sensible Land Use Coalition	12/31/2019	250.00
88354	TURNOVER APARTMENT PAINTING INC.	12/31/2019	1,545.00
88355	BRAUN INTERTEC CORPORATION	12/31/2019	1,958.00
88356	HD SUPPLY	12/31/2019	1,963.38
88357	MOVE SALES INC.	12/31/2019	97.00
88358	SUNDBERG AMERICA LLC	12/31/2019	49.64
88359	MANAGERS CHOICE	12/31/2019	420.00
88360	OAKDALE AREA CHAMBER OF COMMERCE	12/31/2019	300.00
88361	P. Q. L., INC.	12/31/2019	66.52
88362	US BANK	12/31/2019	1,346.86
88363	8BITSTUDIO DESIGN LLC	12/31/2019	55.50
88364	CHRIS AMDAHL LOCKSMITH INC	12/31/2019	368.00
88365	INSIDE OUTSIDE ARCHITECTURE INC	12/31/2019	350.00
88366	RUMPCA SERVICES INC	12/31/2019	433.00
88367	ACE HARDWARE STILLWATER	12/31/2019	7.16
88368	AFLAC	12/31/2019	174.12
88369	CITY OF COTTAGE GROVE	12/31/2019	6,298.89
88370	CITY OF WOODBURY	12/31/2019	611.98
88371	CORELOGIC CREDCO LLC	12/31/2019	95.87
88372	HABITAT FOR HUMANITY	12/31/2019	91,888.90
88373	MENARDS OAKDALE	12/31/2019	198.94
88374	MENARDS COTTAGE GROVE	12/31/2019	870.45
88375	MENARDS FOREST LAKE	12/31/2019	32.70
88376	MENARDS STILLWATER	12/31/2019	355.26
88377	MJ'S CONTRACT APPLIANCE INC	12/31/2019	659.00
88378	PARK CAFE	12/31/2019	760.73
88379	SHERWIN WILLIAMS	12/31/2019	390.24
88380	TR COMPUTER SALES	12/31/2019	835.00
88381	WASHINGTON COUNTY ACCOUNTING & FINANCE	12/31/2019	29.00
88382	SPINNAKER COVE COURTHOME ASSOCIATION	12/31/2019	300.00
88383	COMCAST	12/31/2019	108.06
88384	COMCAST	12/31/2019	50.36
88385	JUSTIN TAYLOR COMPANIES LLC	12/31/2019	6,993.25
88386	DANIEL JOSEPH DINGLE	12/31/2019	64.28
88387	STEVEN JOHN RYAN	12/31/2019	60.22
88388	JAMES W. WIDEN	12/31/2019	61.38
88389	ROGER EUGENE GREEN	12/31/2019	57.32
88390	ECM PUBLISHERS, INC.	12/31/2019	134.30
88391	CNC CONSTRUCTION LLC	12/31/2019	96,494.00
88392	TSA CLEAN, LLC	12/31/2019	1,675.00

Washington County CDA
Checks Issued
General Checking
December 1 - 31, 2019

Check Number	Vendor Check Name	Check Date	Amount
88393	JTR ROOFING, INC.	12/31/2019	13,392.26
88394	MENTAL HEALTH RESOURCES	12/31/2019	1,363.80
88395	AVI SYSTEMS, INC.	12/31/2019	640.00
88396	TIKI OSWALD	12/31/2019	138.59
88397	BELINDA REAVES	12/31/2019	21.33
88398	FRAN MIRON	12/31/2019	55.00
88399	JOHN BELISLE	12/31/2019	79.36
		TOTAL CHECKS:	**$ 1,617,697.88**

Washington County CDA
Checks Voided and Electronic Payments
General Checking
December 1 - 31, 2019

VOIDED Check Number	Vendor Check Name	Date Voided	Amount
	NONE		

Type	Vendor	Electronic Payment Date	ACH Amount
ACH	Dougherty Mortgage	12/2/2019	$78,096.20
ACH	First State Bank Wyoming	12/2/2019	12,552.29
ACH	Automatic Data Processing	12/3/2019	218.32
ACH	Automatic Data Processing	12/5/2019	11,840.08
ACH	Automatic Data Processing	12/5/2019	49,043.31
ACH	Great-West Trust (Empower)	12/9/2019	7,185.68
ACH	Great-West Trust (Empower)	12/9/2019	10,160.33
ACH	Optum Bank	12/9/2019	702.29
ACH	State of Minnesota	12/9/2019	870.00
ACH	Automatic Data Processing	12/10/2019	2,488.52
ACH	Cash Management Services	12/13/2019	477.25
ACH	Optum Bank	12/17/2019	37.50
ACH	Automatic Data Processing	12/17/2019	208.33
ACH	Automatic Data Processing	12/19/2019	11,269.68
ACH	Automatic Data Processing	12/19/2019	49,507.12
ACH	State of Minnesota	12/20/2019	870.00
ACH	Wire to US Bank Trust-2010B	12/20/2019	88,961.63
ACH	Great-West Trust (Empower)	12/23/2019	7,592.73
ACH	Great-West Trust (Empower)	12/23/2019	10,200.99
ACH	Optum Bank	12/23/2019	689.13
ACH	Automatic Data Processing	12/24/2019	193.00
ACH	Automatic Data Processing	12/31/2019	880.00
		TOTAL ELECTRONIC PAYMENTS:	**$ 344,044.38**

Washington County CDA
Checks Issued
Section 8
December 1 - 31, 2019

Check Number	Vendor Check Name	Check Date	Amount
61712	COTTAGES PHASE III	12/2/2019	$ 313.00
61713	GENEVA VILLAGE LTD. PARTNERS	12/2/2019	972.00
61714	GENTRY PLACE APARTMENTS	12/2/2019	2,465.00
61715	EAST GROVE ESTATES	12/2/2019	1,429.00
61716	MINNEHAHA MANOR	12/2/2019	1,264.00
61717	RIDGECREST APARTMENTS LLC	12/2/2019	489.00
61718	ORLEANS HOMES LIMITED PARTNER	12/2/2019	10,165.00
61719	ORLEANS HOMES II	12/2/2019	2,732.00
61720	PIONEER APARTMENTS	12/2/2019	404.00
61721	JOHN JERGENS ESTATES	12/2/2019	524.00
61722	WOODLAND PARK APARTMENTS	12/2/2019	12,090.00
61723	ANN BODLOVICK APTS.	12/2/2019	743.00
61724	STOBBE, ALVIN	12/2/2019	574.00
61725	COTTAGES OF COTTAGE GROVE	12/2/2019	2,338.00
61726	PATTEN, LINDA	12/2/2019	1,225.00
61727	BRIAR POND	12/2/2019	19,515.00
61728	BRICK POND APARTMENTS	12/2/2019	378.00
61729	COBBLEHILL APTS.	12/2/2019	2,482.00
61730	SHIH, AMY	12/2/2019	1,047.00
61731	RSRC Ashwood LLC	12/2/2019	9,725.00
61732	BRIARCLIFF MANOR	12/2/2019	1,833.00
61733	EASTWOOD INVESTMENTS LLC	12/2/2019	2,035.00
61734	BARBARA GAUGHAN FAMILY LTD PAR	12/2/2019	1,324.00
61735	GENEVA VILLAGE L.P.	12/2/2019	1,346.00
61736	MULLER MANOR	12/2/2019	394.00
61737	ECHO RIDGE APARTMENTS - PHM	12/2/2019	582.00
61738	WOODLAND TOWNHOMES	12/2/2019	8,219.00
61739	COREY, SHELDON	12/2/2019	293.00
61740	PHM/WOODBURY INC.	12/2/2019	1,918.00
61741	LAKESIDE TOWNHOMES	12/2/2019	13,980.00
61742	LONG LAKE VILLAS	12/2/2019	8,640.00
61743	CASSELLS, CRANSTON	12/2/2019	1,081.00
61744	LARKIN, STACY	12/2/2019	298.00
61745	NORTH SHORE ASSOCIATES LLC	12/2/2019	649.00
61746	MC CUNE,SHELLY	12/2/2019	744.00
61747	VIGG CO. LLC	12/2/2019	669.00
61748	CURVE CREST VILLAS	12/2/2019	2,646.00
61749	PONDVIEW TOWNHOMES	12/2/2019	13,069.00
61750	NOVAK, GREG	12/2/2019	607.00
61751	LONG, THOMAS	12/2/2019	763.00
61752	BENASSI, CAROL	12/2/2019	662.00
61753	I-Properties LLC	12/2/2019	1,996.00
61754	DESHLER, DAVID	12/2/2019	677.00
61755	WEBER, MARTY	12/2/2019	837.00
61756	FAROOQ, REHAN	12/2/2019	1,220.00
61757	FOREST RIDGE TOWNHOMES	12/2/2019	3,953.00
61758	CHHEN, STEVEN	12/2/2019	886.00
61759	LEE, BLONG	12/2/2019	578.00
61760	SIENNA RIDGE TOWNHOMES	12/2/2019	7,638.00
61761	COTTAGES OF ASPEN LP	12/2/2019	1,540.00
61762	COTTAGES OF STILLWATER	12/2/2019	718.00
61763	JD PONDVIEW LLC	12/2/2019	8,670.00
61764	BLEW HOLDINGS, LLC	12/2/2019	1,055.00
61765	MARK VIEROW	12/2/2019	1,350.00

Washington County CDA
Checks Issued
Section 8
December 1 - 31, 2019

Check Number	Vendor Check Name	Check Date	Amount
61766	RED OAK PRESERVE FAMILY LP	12/2/2019	6,760.00
61767	PETERSON, TONIA C.	12/2/2019	485.00
61768	OSBORN, ROBERT	12/2/2019	902.00
61769	OAKDALE-GRANADA LAKES LTD. PAR	12/2/2019	11,426.00
61770	GOLDEN STONE LLC	12/2/2019	676.00
61771	SETAC PROPERTIES	12/2/2019	481.00
61772	JACOBSEN, ELENA	12/2/2019	272.00
61773	EAST GATE APARTMENTS LP	12/2/2019	183.00
61774	VILLAGE APARTMENTS	12/2/2019	2,718.00
61775	CYPRESS SR. LIVING	12/2/2019	4,628.00
61776	NEW CHALLENGES, INC	12/2/2019	1,849.00
61777	ZHANG, HAIYAN	12/2/2019	659.00
61778	TOY, DAVID LLC	12/2/2019	1,101.00
61779	Century Oaks, LLC	12/2/2019	25,283.00
61780	COMMON BOND CITY WALK LIMITED	12/2/2019	2,531.00
61781	RSRC ASHWOOD LLC	12/2/2019	1,373.00
61782	TSEGAI, DANIEL	12/2/2019	1,460.00
61783	FRANK, ANTHONY	12/2/2019	264.00
61784	GRIFFIN COURT C LLC	12/2/2019	788.00
61785	NUR, MOHAMED	12/2/2019	1,165.00
61786	ST CROIX VILLAGE LLC	12/2/2019	7,093.00
61787	THE GROVES APARTMENTS LLC	12/2/2019	4,806.00
61788	Jodi Baggenstoss	12/2/2019	1,308.00
61789	INVITATION HOMES	12/2/2019	2,670.00
61790	PETERSEN, ALLAN	12/2/2019	282.00
61791	BOYUM C/O APPLEGATE PROP MGMT.	12/2/2019	565.00
61792	FOREST OAK APTS	12/2/2019	1,586.00
61793	SEVEN PINES INVESTMENTS II	12/2/2019	887.00
61794	LILY LAKE TERRACE APTS	12/2/2019	2,428.00
61795	FOREST OAK APTS II LTP PAR	12/2/2019	1,096.00
61796	STILLWATER GREELEY	12/2/2019	1,371.00
61797	EVERSON, RANDY	12/2/2019	1,101.00
61798	PICCADILLY SQUARE OF MAHTOMEDI	12/2/2019	2,677.00
61799	TEASDALE PINES TLC LLC	12/2/2019	827.00
61800	ATIA MBAH	12/2/2019	690.00
61801	Sumner, Jacqueline	12/2/2019	1,072.00
61802	CARSON, STEVEN	12/2/2019	471.00
61803	OAKDALE TERRACE LLC	12/2/2019	6,047.00
61804	COURTLY COMMERCIALS LLC	12/2/2019	3,783.00
61805	TRAILSIDE SENIOR LIVING	12/2/2019	1,042.00
61806	IH3 Property MN L.P.	12/2/2019	3,516.00
61807	FLEMING, DEBRA	12/2/2019	810.00
61808	RED ROCK SQUARE	12/2/2019	3,770.00
61809	BEUKE, JAMESON	12/2/2019	566.00
61810	CLEVELAND, NANCY	12/2/2019	1,101.00
61811	SINGHAL, NISHANT	12/2/2019	705.00
61812	GREEN TWIG LLP	12/2/2019	641.00
61813	THE LEGENDS OF CG/DOMINIUM	12/2/2019	1,249.00
61814	BUTT, MANAN	12/2/2019	691.00
61815	WOODBURY UNITED METHODIST	12/2/2019	1,719.00
61816	KATHY MADORE	12/2/2019	916.00
61817	MURR, VICKY	12/2/2019	1,382.00
61818	COMMUNITY ACTION PARTNERSHIP	12/2/2019	669.00
61819	GIRARD MANAGEMENT, INC.	12/2/2019	548.00

Washington County CDA
Checks Issued
Section 8
December 1 - 31, 2019

Check Number	Vendor Check Name	Check Date	Amount
61820	BRANJORD PROPERTIES, LLC	12/2/2019	310.00
61821	FRESNO MANAGEMENT SERVICE LLC	12/2/2019	1,121.00
61822	SCHUETTE DONALD	12/2/2019	956.00
61823	MORA HRA	12/2/2019	1,804.32
61824	PEDERSEN, DOUG	12/2/2019	1,600.00
61825	VOLOVIK, ANNA	12/2/2019	1,786.00
61826	HALL, MATT & KRISTIN	12/2/2019	1,247.00
61827	THE LEGENDS OF WOODBURY	12/2/2019	3,561.00
61828	HEGNA, ROBERT	12/2/2019	683.00
61829	LOCKNER, TINA	12/2/2019	691.00
61830	B & E REAL ESTATE, LLC	12/2/2019	232.00
61831	TESSA P. MONSEN	12/2/2019	995.00
61832	NEWPORT X, LLC	12/2/2019	2,533.00
61833	BAKEWELL, MARY	12/2/2019	1,575.00
61834	HO, TRUNGKIEN	12/2/2019	1,451.00
61835	(SOUTHERN NEVADA REGIONAL HA	12/2/2019	958.97
61836	REMACKEL, TRISHA	12/2/2019	911.00
61837	KHAN, ZAHEER	12/2/2019	1,639.00
61838	ARENDS, BETH	12/2/2019	205.00
61839	MAKI, JUDITH	12/2/2019	601.00
61840	THE GLEN AT VALLEY CREEK	12/2/2019	501.00
61841	JOHN JERGENS ESTATES	12/20/2019	56.00
61842	BRIAR POND	12/20/2019	58.00
61843	(METRO HRA	12/20/2019	1,291.94
61844	RSRC Ashwood LLC	12/20/2019	2,521.00
61845	WOODLAND TOWNHOMES	12/20/2019	1,177.00
61846	CURVE CREST VILLAS	12/20/2019	1,961.00
61847	COTTAGES OF STILLWATER	12/20/2019	1,630.00
61848	OAKDALE-GRANADA LAKES LTD. PAR	12/20/2019	869.00
61849	Century Oaks, LLC	12/20/2019	67.00
61850	RED ROCK SQUARE	12/20/2019	1,400.00
61851	SINGHAL, NISHANT	12/20/2019	485.00
61852	THE GLEN AT VALLEY CREEK	12/20/2019	708.00
61853	KRAUSE, MARGARET AND DANIEL	12/20/2019	919.00
		TOTAL SECTION 8 CHECKS:	**$ 327,337.23**

VOIDED

NONE

Total General Checking, Electronic Payments and Section 8 Checks: $ 2,289,079.49

WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

REQUEST FOR BOARD ACTION

January 21, 2020
BOARD MEETING DATE

AGENDA ITEM A-1

Finance
ORIGINATING DEPARTMENT/SERVICE

Aaron Christianson 1/10/2020
REQUESTOR'S NAME/DATE

BOARD ACTION REQUESTED

RESOLUTION AUTHORIZING MILEAGE REIMBURSEMENT RATE FOR 2020

BACKGROUND/JUSTIFICATION

The Agency follows the IRS allowable mileage reimbursement rate for all mileage reimbursement. The rate in effect for 2019 was 58 cents per mile. The IRS changed this rate effective January 1, 2020 to 57.5 cents per mile. Staff recommends the Board approve this new rate effective January 1, 2020.

Approval of the attached resolution is recommended.

PREVIOUS ACTION ON REQUEST/OTHER PARTIES ADVISED

EXECUTIVE DIRECTOR/DATE:	**ATTACHMENT LIST:**	**FINANCIAL IMPLICATIONS: $** Minor
Barbara Dacy 1/15/20		**BUDGETED:** ☒ **YES** ☐ **NO**
		FUNDING: All Funds

COMMENTS

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

DATE January 21, 2020 RESOLUTION NO. 20-01

MOTION BY COMMISSIONER _____ SECOND BY COMMISSIONER _____

==========

RESOLUTION AUTHORIZING THE MILEAGE REIMBURSEMENT RATE FOR 2020

	YES		NO
BELISLE	☐	BELISLE	☐
GREEN	☐	GREEN	☐
ZELLER	☐	ZELLER	☐
DINGLE	☐	DINGLE	☐
WIDEN	☐	WIDEN	☐
RYAN	☐	RYAN	☐
MIRON/KARWOSKI	☐	MIRON/KARWOSKI	☐

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STATE OF MINNESOTA)
SS
COUNTY OF WASHINGTON)

I, Barbara Dacy, duly appointed, qualified and acting Executive Director of the Washington County Community Development Agency of Washington County, Minnesota do hereby certify that I have compared the foregoing copy of a Resolution with the original minutes of the proceedings of the Washington County Community Development Agency Board of Commissioners, at its session held on the 21ST day of January, 2020, now on file in my office and have found the same to be true and correct thereof. Witness my hand and official seal this 21st day of January, 2020.

_____ CDA Secretary

_____ Barbara Dacy, Executive Director

WASHINGTON COUNTY
COMMUNITY DEVELOPMENT AGENCY

RESOLUTION NO. 20-01

RESOLUTION AUTHORIZING MILEAGE REIMBURSEMENT RATE FOR 2020

WHEREAS, the Washington County Community Development Agency (the "Agency") reimburses employees traveling on Agency business with a privately-owned automobile at the current authorized Internal Revenue Service ("IRS") rate according to the Agency's Personnel Policy; and

WHEREAS, the IRS has changed the reimbursement rate to 57.5 cents per mile for business purposes effective January 1, 2020.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY that the reimbursement rate for authorized business mileage effective January 1, 2020 will be 57.5 cents per mile.

Adopted this 21st day of January 2020.

_____
Chair

Attest:

_____
Secretary

WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

REQUEST FOR BOARD ACTION

January 21, 2020
BOARD MEETING DATE

AGENDA ITEM A-2

Administration
ORIGINATING DEPARTMENT/SERVICE

Melissa Taphorn 1/10/2020
REQUESTOR'S SIGNATURE/DATE

BOARD ACTION REQUESTED

RESOLUTION DESIGNATING A SECTION 504 COORDINATOR AND ADOPTING A SECTION 504 GRIEVANCE PROCEDURE FOR THE WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

BACKGROUND/JUSTIFICATION

As a recipient of federal assistance for a variety of housing programs, the Agency is subject to Section 504 of the Rehabilitation Act of 1973 which prohibits discrimination based on the presence of a disability. Section 504, and regulations codified at 24 CFR part 8, states that no qualified individual with a disability shall, solely by reason of his or her disability, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program, service, or activity receiving Federal financial assistance.

24 CFR part 8 applies to all applicants for, and recipients of, U.S. Department of Housing and Urban Development financial assistance in the operation of programs or activities receiving such assistance. Section 504 covers all programs, services, and activities of recipients and subrecipients of HUD financial assistance, including the Agency's public housing, rental assistance, housing counseling, family self-sufficiency, CDBG, HOME, and capital fund programs.

The Agency, as a Federal assistance recipient with more than 15 employees is subject to additional requirements. Those requirements include the establishment of a grievance procedure and designation of a Section 504 Coordinator. As regulations apply to programs across departments and to Agency employment, it is recommended the Executive Director be designated as the Agency's Section 504 Coordinator.

Staff respectfully recommends approval of the attached resolution designating the Executive Director as the Agency's Section 504 Coordinator and adopting the Section 504 Grievance Procedure.

PREVIOUS ACTION ON REQUEST/OTHER PARTIES ADVISED

EXECUTIVE DIRECTOR/DATE:	**ATTACHMENT LIST:**	**FINANCIAL IMPLICATIONS: $** N/A
Barbara Dacy 1/15/20	None	**BUDGETED:** ☐ **YES** ☐ **NO**
		FUNDING: _____

COMMENTS

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

DATE January 21, 2020 RESOLUTION NO. 20-02

MOTION BY COMMISSIONER _____ SECOND BY COMMISSIONER _____

==========

RESOLUTION DESIGNATING A SECTION 504 COORDINATOR AND ADOPTING A SECTION 504 GRIEVANCE PROCEDURE FOR THE WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

	YES	NO
BELISLE	☐	☐
GREEN	☐	☐
ZELLER	☐	☐
DINGLE	☐	☐
WIDEN	☐	☐
RYAN	☐	☐
MIRON/KARWOSKI	☐	☐

==========

STATE OF MINNESOTA)
SS
COUNTY OF WASHINGTON)

I, Barbara Dacy, duly appointed, qualified and acting Executive Director of the Washington County Community Development Agency of Washington County, Minnesota do hereby certify that I have compared the foregoing copy of a Resolution with the original minutes of the proceedings of the Washington County Community Development Agency Board of Commissioners, at its session held on the 21ST day of January, 2020, now on file in my office and have found the same to be true and correct thereof. Witness my hand and official seal this 21st day of January, 2020.

_____ CDA Secretary

_____ Barbara Dacy, Executive Director

WASHINGTON COUNTY
COMMUNITY DEVELOPMENT AGENCY

RESOLUTION NO. 20-02

RESOLUTION DESIGNATING A SECTION 504 COORDINATOR AND ADOPTING A SECTION 504 GRIEVANCE PROCEDURE FOR THE WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

WHEREAS, the Washington County Community Development Agency (the "Agency") is a recipient of assistance from the United States Department of Housing and Urban Development ("HUD") which includes, but is not limited to, Public Housing, Section 8 Project Based Rental Assistance, Section 8 Tenant Based Rental Assistance, Community Development Block Grants, and HOME Investment Partnerships program; and

WHEREAS, Section 504 of the Rehabilitation Act of 1973 (the "Act") specifies an employer of 15 or more persons receiving federal funding must designate a Section 504 Coordinator; and

WHEREAS, as an employer of more than 15 persons and recipient of federal funding, the Agency must designate a Section 504 Coordinator; and

WHEREAS, a Section 504 Coordinator is responsible for the Agency's affirmative compliance with the Act ensuring employment, properties, and programs are readily accessible and usable by qualified people with disabilities; and

WHEREAS, a Section 504 Coordinator is responsible for the Agency's development and implementation of reasonable accommodations and grievance procedures; and

WHEREAS, the Agency has determined the Executive Director is the most appropriate position to act as the Agency's Section 504 Coordinator due to their authority and direction over employment and personnel policies and applicable projects and programs; and

WHEREAS, the Act requires recipients of federal assistance to adopt grievance procedures; and

WHEREAS, the Agency has developed a procedure to hear, investigate, and resolve alleged violations of Section 504.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY, AS FOLLOWS:

1. The findings set forth above are hereby found to be true and correct and are incorporated herein in their entirety.

2. The Executive Director is hereby designated as the Section 504 Coordinator for the Washington County Community Development Agency.

3. The Section 504 Grievance Procedure (Exhibit A) is adopted.

4. The Executive Director is hereby authorized, empowered, and directed to do all other acts and things as she deems necessary or desirable in her discretion to effectuate the purposes of the foregoing Resolutions.

Adopted this 21st day of January 2020.

_____
Chair

ATTEST:

_____
Secretary

EXHIBIT A – SECTION 504 GRIEVANCE PROCEDURE

Washington County Community Development Agency
Section 504 Grievance Procedure

The Washington County Community Development Agency (the "Agency") has adopted an internal grievance procedure providing for prompt and equitable resolution of complaints alleging any action prohibited by the U.S. Department of Housing and Urban Development regulations (24 CFR Subpart A, Section 8.4(a)) implementing Section 504 of the Rehabilitation Act of 1973 as amended.

Any person who believes they have been subjected to discrimination on the basis of disability may file a grievance under this procedure. It is against the law for the Agency, or any grantee or sub-recipient acting on behalf of the Agency, to retaliate against anyone who files a grievance or cooperates in the investigation of a grievance.

The grievance procedures established herein shall address concerns regarding Section 504 of the Rehabilitation Act of 1973, as amended, as it applies to the Agency's federal grant housing and community development programs, services and activities.

Complaints should be addressed to:

Section 504 Coordinator /Executive Director
Washington County Community Development Agency
7645 Currell Boulevard
Woodbury, MN 55125

A complaint should be filed in writing, contain the name and address of the person filing it, and briefly describe the alleged violation of the regulations. The complaint must state the problem or action alleged to be discriminatory and the remedy or relief sought. Alternative means of filing complaints, such as personal interviews or a tape recording of the complaint, will be made available for persons with disabilities upon request. A complaint should be filed within thirty (30) calendar days after the complainant becomes aware of the alleged violation.

An investigation, as may be appropriate, shall follow a filing of a complaint. The investigation will be conducted by the Agency's Section 504 Coordinator, or their designee. These rules contemplate informal but thorough investigations, affording all interested persons and their representatives, if any, an opportunity to submit evidence relevant to a complaint.

A written determination as to the validity of the complaint and description of resolution, if any, shall be issued by the Agency's Section 504 Coordinator, and a copy forwarded to the complainant no later than thirty (30) days after its filing. The Section 504 Coordinator shall maintain the files and records of the Agency relating to the complaints filed.

The complainant can request a reconsideration of the case in instances where he or she is dissatisfied with the resolution. The request for reconsideration should be made within fifteen (15) calendar days to the Agency. The right of a person to a prompt and equitable resolution of the complaint filed hereunder shall not be impaired by the person's pursuit of other remedies such as the filing of a Section 504 complaint with the U.S. Department of Housing and Urban Development (HUD). Utilization of this grievance procedure is not a prerequisite to the pursuit of other remedies.

These rules shall be construed to protect the substantive rights of interested persons, to meet appropriate due process standards and assure that the Agency complies with Section 504 and HUD regulations.

WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

REQUEST FOR BOARD ACTION

January 21, 2020
BOARD MEETING DATE

AGENDA ITEM A-03

Administration
ORIGINATING DEPARTMENT/SERVICE

Melissa Taphorn 1/15/20
REQUESTOR'S SIGNATURE/DATE

BOARD ACTION REQUESTED

RESOLUTION ADOPTING A REGULAR SCHEDULE FOR MEETINGS OF THE BOARD OF COMMISSIONERS, THE EXECUTIVE COMMITTEE, THE FINANCE COMMITTEE, AND THE PERSONNEL COMMITTEE

BACKGROUND/JUSTIFICATION

The adoption of a schedule for regular meetings allows the Agency to comply with public notice requirements by maintaining a schedule of its regular meetings on file at its main office. This complies will all relevant state statutes regarding public notice requirements and the open meetings law. Accordingly, the Agency will not need to spend money publishing notice of these meetings in its official newspaper, the Stillwater Gazette.

The Agency may still deviate from this schedule if circumstances warrant by publishing a notification of such change in the official newspaper.

PREVIOUS ACTION ON REQUEST/OTHER PARTIES ADVISED

EXECUTIVE DIRECTOR/DATE:

Barbara Dacy 1/15/20

ATTACHMENT LIST:

Attachment A – 2020 Washington County CDA Board of Commissioners Meeting Calendar

FINANCIAL IMPLICATIONS: $ N/A

BUDGETED: ☐ **YES** ☐ **NO**

FUNDING: _____

COMMENTS

2020 Washington County CDA Board of Commissioners Meeting Calendar

January						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
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February						
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March						
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April						
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31						

June						
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28	29	30				

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30	31					

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November						
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29	30					

December						
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20	21	22	23	24	25	26
27	28	29	30	31		

Board meetings

Tuesday, January 21 -- 3:00 p.m.
Tuesday, February 18 -- 3:00 p.m.
Tuesday, March 17 -- 3:00 p.m.
Tuesday, April 21 -- 3:00 p.m.
Tuesday, May 18 -- 3:00 p.m.
Tuesday, June 16 -- 3:00 p.m.
Tuesday, July 21 -- 3:00 p.m.
Tuesday, August 18 -- 3:00 p.m.
Tuesday, September 15 -- 3:00 p.m.
Tuesday, October 20 -- 3:00 p.m.
Tuesday, November 17 -- 3:00 p.m.
Tuesday, December 15 -- 3:00 p.m.

Executive Committee meetings

Tuesday, February 18 -- 2:00 p.m.
Tuesday, April 21 -- 2:00 p.m.
Tuesday, July 21 -- 2:00 p.m.
Tuesday, December 15 -- 2:00 p.m.

Personnel Committee meetings

Tuesday, January 6 -- 11:00 a.m.
Tuesday, March 17 -- 2:00 p.m.
Tuesday, November 17 -- 2:00 p.m.

Finance Committee meetings

Tuesday, January 21 -- 2:00 p.m.
Tuesday, June 14 -- 2:00 p.m.
Tuesday, October 20 -- 2:00 p.m.

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

DATE January 21, 2020 RESOLUTION NO. 20-03

MOTION BY COMMISSIONER _____ SECOND BY COMMISSIONER _____

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RESOLUTION ADOPTING A REGULAR SCHEDULE FOR MEETINGS OF THE BOARD OF COMMISSIONERS, THE EXECUTIVE COMMITTEE, THE FINANCE COMMITTEE, AND THE PERSONNEL COMMITTEE

YES	NO
BELISLE _____	BELISLE _____
GREEN _____	GREEN _____
ZELLER _____	ZELLER _____
DINGLE _____	DINGLE _____
WIDEN _____	WIDEN _____
RYAN _____	RYAN _____
MIRON/KARWOSKI _____	MIRON/KARWOSKI _____

==========

STATE OF MINNESOTA)
SS
COUNTY OF WASHINGTON)

I, Barbara Dacy, duly appointed, qualified and acting Executive Director of the Washington County Community Development Agency of Washington County, Minnesota do hereby certify that I have compared the foregoing copy of a Resolution with the original minutes of the proceedings of the Washington County Community Development Agency Board of Commissioners, at its session held on the 21ST day of January, 2020, now on file in my office and have found the same to be true and correct thereof. Witness my hand and official seal this 21st day of January 2020.

_____ CDA Secretary

_____ Barbara Dacy, Executive Director

WASHINGTON COUNTY
COMMUNITY DEVELOPMENT AGENCY

RESOLUTION NO. 20-03

ADOPTING A REGULAR SCHEDULE FOR MEETINGS OF THE BOARD OF COMMISSIONERS, THE EXECUTIVE COMMITTEE, THE FINANCE COMMITTEE, AND THE PERSONNEL COMMITTEE

WHEREAS, the Washington County Community Development Agency (the "Agency") endeavors to be transparent in the conduct of public business; and

WHEREAS, the Agency believes a regular schedule of meetings for its Board of Commissioners and committees, where practical, best serves this goal;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY, AS FOLLOWS:

1. The regular meeting time for the Board of Commissioners is established as 3:00 p.m. on the third Tuesday of each month, at the Agency office, 7645 Currell Boulevard, Woodbury, Minnesota.
2. The regular meeting time for the Executive Committee is established as 2:00 p.m. on the third Tuesday of the month in the months of February, April, July, and December, at the Agency office.
3. The regular meeting time for the Finance Committee is established as 2:00 p.m. on the second Tuesday of June and on the third Tuesday of January and October, at the Agency office.
4. The regular meeting time for the Personnel Committee is established as 2:00 p.m. on the third Tuesday of the month in the months of March and November, at the Agency office.
5. All meetings of these bodies which occur at other times will be properly noticed in accordance with state law.

Adopted this 21st day of January 2020.

_____
Chair

ATTEST:

_____
Secretary

PRESENTATION

WASHINGTON COUNTY
Community Development Agency

7645 Currell Boulevard, Woodbury, MN 55125
office: 651-458-0936 fax: 651-458-1696

Memo To: CDA Board of Commissioners

From: Barbara Dacy, Executive Director

Date: January 14, 2020

RE: Recognition of Chris Eng, Economic Development Director for "Outstanding Economic Development Effort Award – Minnesota Association of Professional Economic Developers (MAPCED) for the Minnesota Technology Corridor"

Presentation

I am very pleased to announce that the partnership between the Washington County CDA, Connexus Energy, and the Anoka County HRA won the Outstanding Achievement Award from MAPCED (Minnesota Association of Professional County Economic Developers). The award was presented at the Awards Banquet breakfast on Wednesday, December 11, 2019 at the Rivers Edge Convention Center as part of the Association of Minnesota Counties conference. Municipal partners in the corridor, include Centerville, Columbus, Forest Lake, Hugo and Lino Lakes.

Commissioner Miron announced this award at the end of the December meeting. We have received the plaque that we share with our city partners and Anoka County HRA and Connexus Energy. I wanted to formalize the recognition for Chris Eng as we have done with other staff when they are recognized by state/national professional associations.

One of the initial tasks that the CDA Economic Development Director was originally tasked to do was to raise the visibility of the county in the metro area and to be a first stop connection to the county. We are very proud of the positive partnerships Chris has initiated and the ongoing dedication he demonstrates daily to foster economic development in the county. This award is testimony to his initiative and commitment to productive partnerships.

NEW BUSINESS

WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

REQUEST FOR BOARD ACTION

January 21, 2020
BOARD MEETING DATE

AGENDA ITEM A-4

Economic Development **ORIGINATING DEPARTMENT/SERVICE** Chris Eng **REQUESTOR'S SIGNATURE/DATE**	**BOARD ACTION REQUESTED** RESOLUTION APPROVING THE 2020-2022 WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY ECONOMIC DEVELOPMENT PLAN

BACKGROUND/JUSTIFICATION

In May 2017, the CDA Board approved the 2017-2019 Washington County Economic Development Plan. In June 2017, the Economic Development Plan was presented to and acknowledged by the County Board. Since the approval of the 2017-2019 plan, many of the economic development goals action items and deliverables have been completed. A number of the original goals, action items and deliverables continue to be relevant looking forward to the next three years. As such, these goals, action items and deliverables are important initiatives the CDA is dedicating to be ongoing core economic development programs and services we will continue providing our communities and businesses.

CDA staff continues meeting with and obtaining input from the economic development work group consisting of local community partners from within the county. CDA staff has received important feedback and input in the 2020-2022 economic development plans goals, action steps and deliverables to be implemented through 2022.

It is recommended that the CDA Board approve the 2020-2022 Washington County Economic Development Plan, subject to the recommendations from the Washington County Board of Commissioners. The 2020-2022 economic development plan is included as Exhibit A. The plan upon approval will be presented to the County Board for review at a later date.

PREVIOUS ACTION ON REQUEST/OTHER PARTIES ADVISED

Approval of the 2017-2019 Economic Development Plan by the CDA Board in May 2017. CDA staff has numerous ongoing meetings to obtain input by the Economic Development Work Group (community partners).

EXECUTIVE DIRECTOR/DATE: Barbara Dacy 1/15/20	**ATTACHMENT LIST:**	**FINANCIAL IMPLICATIONS: $** NA **BUDGETED:** ☐ **YES** ☐ **NO** **FUNDING:** _____

COMMENTS

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

DATE January 21, 2020 RESOLUTION NO. 20-04

MOTION BY COMMISSIONER _____ SECOND BY COMMISSIONER _____

==========

RESOLUTION APPROVING THE 2020-2022 WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY ECONOMIC DEVELOPMENT PLAN

	YES		NO
BELISLE	☐	BELISLE	☐
GREEN	☐	GREEN	☐
ZELLER	☐	ZELLER	☐
DINGLE	☐	DINGLE	☐
WIDEN	☐	WIDEN	☐
RYAN	☐	RYAN	☐
MIRON/KARWOSKI	☐	MIRON/KARWOSKI	☐

==========

STATE OF MINNESOTA)
SS
COUNTY OF WASHINGTON)

I, Barbara Dacy, duly appointed, qualified and acting Executive Director of the Washington County Community Development Agency of Washington County, Minnesota do hereby certify that I have compared the foregoing copy of a Resolution with the original minutes of the proceedings of the Washington County Community Development Agency Board of Commissioners, at its session held on the 21ST day of January, 2020, now on file in my office and have found the same to be true and correct thereof. Witness my hand and official seal this 21st day of January 2020.

_____ _____
CDA Secretary Barbara Dacy, Executive Director

WASHINGTON COUNTY
COMMUNITY DEVELOPMENT AGENCY

RESOLUTION NO. 20-04

RESOLUTION APPROVING THE 2020-2022 WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY ECONOMIC DEVELOPMENT PLAN

WHEREAS, the Washington County Community Development Agency (the "Agency") has held meetings since August 2016 with the Washington County Economic Development Work Group (the "Economic Development Work Group) comprised of representatives from Forest Lake, Scandia, Hugo, Mahtomedi, Washington County Administration, Stillwater, Oak Park Heights, Bayport, Baytown Township, Afton, Lake Elmo, Landfall, Oakdale, Woodbury, Newport, St. Paul Park, Cottage Grove and Hastings; and

WHEREAS, the Economic Development Work Group meetings have previously resulted in the creation of the 2017-2019 Washington County Community Development Agency Economic Development Plan (the "Plan") approved by the Agency in May 2017; and

WHEREAS, many of the 2017-2019 Plan goals, action items and deliverables were successfully implemented; and

WHEREAS, a new 2020-2022 Economic Development Plan (the "2020-2022 Plan") was developed by Agency staff with direct input and feedback from the Economic Development Work Group; and

WHEREAS, the Agency staff finds that the 2020-2022 Plan will further the Agency's strategic goals and initiatives and recommends approval by the Agency Board of Commissioners as presented in Exhibit A.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY, AS FOLLOWS:

1. The findings set forth above are hereby found to be true and correct and are incorporated herein in their entirety.

2. That the 2020-2022 Economic Development Plan is hereby approved.

3. The Executive Director is hereby authorized to implement the 2020-2022

Economic Development Plan as she deems necessary.

Adopted this 21st day of January 2020.

_____
Chair

ATTEST:

_____
Secretary

Exhibit A – 2020-2022 Economic Development Plan

2020-2022

Economic Development Plan

WASHINGTON COUNTY
Community Development Agency

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INTRODUCTION

The Washington County Board of Commissioners adopted the first Economic Development Strategic Plan in May of 2014. Prior to this action, the County's role in economic development had been focused on providing robust county services to foster a vibrant local economy, including well-planned infrastructure, parks and open spaces, and maintaining a low tax rate. The 2014 Plan sought to establish a single point of contact for economic development within the County, update tax increment and abatement policies and incorporate economic development considerations in all of its decision making. It also sought to expand the County role in marketing.

The Washington County Board of Commissioners determined that adding an economic development component to the Washington County Housing and Redevelopment Authority (HRA) would enable the county to deliver programming on par with other counties in the metropolitan area. In 2016, the state legislature approved an amendment to the HRA enabling the creation of EDA powers and renaming the Agency to the Washington County Community Development Agency (CDA). The CDA offers several areas of assistance including housing, community development and economic development. This document is focused solely on the CDA's economic development related vision, goals, programs and resources. The CDA serves many economic development purposes, including monitoring changing trends, promoting economic development and ensuring the availability of programs and services for the diverse cities and townships within the County.

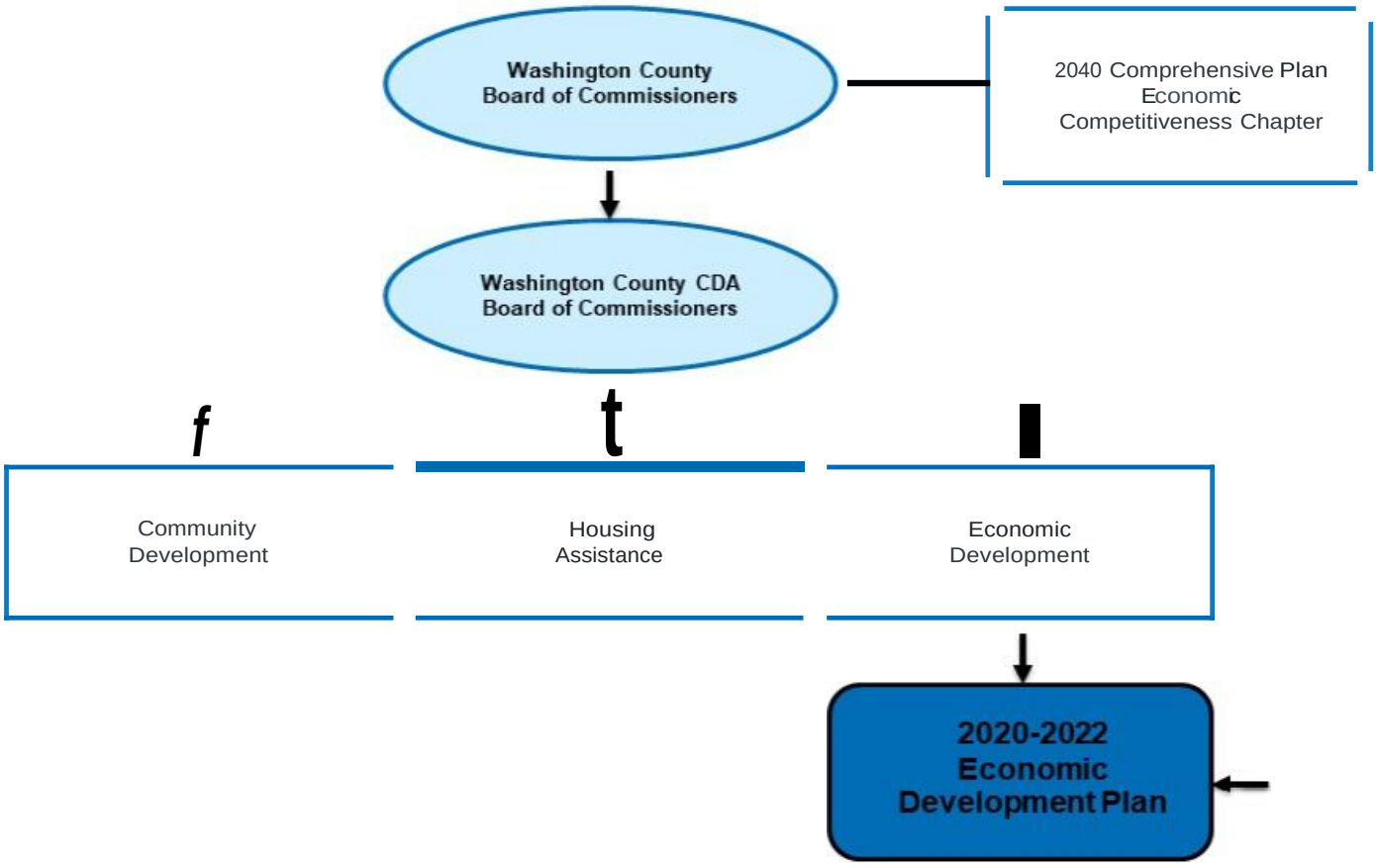
The organizational structure and relationship between the Washington County Board of Commissioners and the Community Development Agency (CDA) is illustrated in Figure 1 on the next page. The County Board appoints the CDA Board and as shown, economic development is one of the CDA's responsibilities. The County Board is responsible for reviewing and approving the 2040 Comprehensive Plan for the County, which includes a chapter on economic competitiveness. The relationship between the Comprehensive Plan and this Economic Development Plan is illustrated in Figure 1.

The County is required to complete a Comprehensive Plan every ten years per the Metropolitan Land Planning Act. While the economic competitiveness chapter was not a required element of the 2040 Plan, Washington County chose to include the chapter, realizing the benefits of planning for future economic development opportunities. The economic competitiveness chapter includes the following sections:

- **Existing Conditions:** Washington County Employment, Employment Industries, Wages in Washington County, Unemployment, Workforce Development.
- **Key Industries/Centers of Employment**
- **Opportunities and Challenges**
- **Goals, Policies and Strategies**

The purpose of this Economic Development Plan is to set out specific programs and strategies aimed at responding to the needs of communities and townships over the next three years and to guide CDA budgeting. The plan also identifies strategies to continue to promote the county for business development. The plan serves as an ongoing tool to implement the County's 2040 Economic Competitiveness Chapter.

Figure 1. Relationship between the Comprehensive Plan and the CDA Economic Development Plan



VISION AND GOALS

Economic Development Vision:

The Washington County Community Development Agency helps communities across the county achieve their housing and economic development goals. The agency's economic development vision is: A thriving and competitive local economy provides family-supporting jobs, employment opportunities for our young people, and a tax base that supports critical public investments in our safety, schools, and quality of life.

Guiding Principles:

- The private sector is the lead that drives the economy.
- The County will not duplicate or replace the work of cities or other public agencies.
- The County supports a strong collaborative approach to economic development.
- Business attraction and business retention are essential policy objectives.
- The diversity of the County requires an adaptable and open-minded approach
- A deliberate, purposeful and strategic plan is required.

Economic Development Goals:

1. Promote and market the quality of life, rich diversity and assets of the county.
2. Provide resources to help entrepreneurs get started and existing businesses grow.
3. Be a value-added partner to other public and private entities.
4. Find ways to help our businesses attract and retain talent and find ways to keep our working residents here in the County.
5. Promote strong infrastructure, multi-modal transportation and high-speed broadband.

Strategic Partners

Our local communities are our primary strategic partners. The CDA convenes a Work Group of community development professionals to advise the CDA on an ongoing basis regarding our economic development initiatives. In addition, the CDA works in collaboration with local chambers, state and regional professional associations, nonprofit organizations, utility companies, Greater MSP and public agencies. Our partnerships are crucial to our collaborative approach to economic development and to help communities accomplish their economic development goals. The goals and programs specified in this plan rely on these strategic partnerships.

CORE PROGRAMS

The Washington County CDA currently offers several successful core programs and services for economic development which are planned to continue over the next three years. The core programs were initiated in 2017, and in part implement the first three economic development goals. The core programs and services are detailed in this plan, along with targeted deliverables for their continued success.

Open to Business

The Open to Business program in Washington County started in 2018 and is available through a partnership with the Metropolitan Consortium of Community Developers (MCCD). This program is a key strategy to help existing businesses grow and entrepreneurs get started. The program provides free, confidential business counseling to current and prospective entrepreneurs. The program's experienced consultants work with small business owners to access the technical assistance and financing options they need to succeed.

Examples of services offered through the Open to Business program include:

- Loans for both new/emerging and second-stage/growing businesses
- Acquisition financing for real estate
- Assistance with business plans, financial projections, and loan applications
- Technical assistance with all aspects of business operations

Between July 1, 2017 and January 1, 2019, the Open to Business program in Washington County served 250 clients and provided nearly $1,024,000 in loans, which leveraged an additional $1.4 million in outside investment. The program served business clients in a wide breadth of industries including service, retail, food, manufacturing, construction/real estate, health/fitness, professional/consulting and technology. The program also served businesses in several diverse communities. A breakdown of program metrics in 2017 - 201 is shown in AWWDFKPHQW %.

A survey of initial participants was completed at the end of 2018 and revealed strong satisfaction ratings. 86% of respondents would recommend the program to others. Continued marketing of the program is needed however to increase awareness.

An additional program through MCCD will be explored for potential implementation. "Working Your Business" is a cohort learning model for existing 2nd stage businesses and entrepreneurs who aspire to grow their business efficiently, sustainably and profitably – but are stuck in a cycle where the entrepreneur's energy and resources are consumed in maintaining their current business model. Working Your Business is for entrepreneurs who want to transition from working in their business to working on their business- and having that business work for them. It will introduce participants to proven tools and management frameworks and will allow participants to engage with and learn from a network of peers.

Working Your Business will challenge participants to strategically and critically analyze their business, apply new tools, and create a plan for efficient, sustainable growth. Participants are established owner/operators who have moved out of the start-up phase and demonstrated operating stability but are experiencing limited growth in sales or assets. It is available to

entrepreneurs who received assistance from Open to Business to establish a business, and to any existing small business in a community that meets the target profile. Participants will receive continued one-on-one consulting with the advisor, learn from technical experts, and participate in peer-to-peer learning groups.

The deliverables for the program over the next three years include:

- Conduct at minimum five engagement events annually to increase awareness of program, in addition to routine agency marketing.
- Initiate “Working Your Business” program by 2021.
- Evaluate Open to Business program through the CDA annual community survey tool.

Find Your Perfect Fit

The Washington County CDA provides a connection between businesses and the 33 diverse and vibrant East Metro communities. The Find Your Perfect Fit program identifies a location specialist for businesses hoping to locate somewhere within Washington County. This program positions the CDA to be the first point of contact and a source of assistance for site selectors and businesses. The CDA also has a strategic partnership with the Minnesota Commercial Association of Real Estate (MNCAR) to provide a searchable database of available commercial parcels within Washington County. The number and diversity of communities in Washington County is of interest to site selectors and other business audiences because it means there will likely be a right fit for them. The CDA plays a crucial role in attracting these site selectors by sharing the benefits of East Metro and by assisting in matching business needs with available locations.

The deliverables for the program over the next three years include:

- Receive and distribute any new business inquiries obtained through partnership organizations to our local community partners and pass new listings on to the community where the listing is located. The CDA will work with communities when requested to respond to business inquiries.
- Establish a dedicated website for economic development Website redesign: This is an ongoing effort to improve the functionality of the CDA website. The CDA will explore and maintain community microsite pages, tourism and chamber of commerce participation.
- Evaluate the program through the CDA annual community survey tool.

Predevelopment Finance Fund

The Predevelopment Finance Fund was created by the CDA Board in 2018. The fund responds to requests for grant funding from cities and townships to help lower the cost burden of predevelopment technical studies. The Work Group noted that recent elimination of state and regional grant resources for these types of activities sharpened the need for CDA involvement. The purpose of the Predevelopment Finance Fund is to:

- Increase the availability of shovel ready commercial and industrial sites
- Provide opportunities for our existing businesses to stay and grow
- Spur new development opportunities
- Provide new opportunities for business diversity
- Create increased commercial and industrial market values
- Assist with redeveloping blighted properties

The CDA Board allocated a total of $150,000 annually towards the program for two tiers of grant funding. Each grant operates as a match to funds provided by the local jurisdiction. The small pool includes grants totaling less than $10,000 and the large pool includes grant amounts between $10,000-$40,000; however, the CDA Board may authorize a larger amount in unique circumstances. As of September 2019, eleven grant awards to six communities had been made. Approximately 320 acres have been evaluated for potential future commercial or industrial development.

The deliverables for the program over the next three years include:

- Seek comment from communities and streamline the funding application.
- Assist communities to create 50 acres of developable commercial and industrial land annually.
- Evaluate the Predevelopment Finance Fund program through the CDA annual community survey tool.

Educational and Networking Programs

The CDA is involved in a variety of educational and networking activities which help to increase visibility and make strategic connections within Washington County. The CDA is an active member/partner with the Washington County Workforce Development Board (WDB). The Workforce Development Board is composed of representatives from business, organized labor, and various public agencies. By participating, the CDA gains connections with local businesses and provides a conduit between business and labor.

The CDA convenes the annual East Metro Development Summit with the assistance of the Minnesota Real Estate Journal (MREJ). Over the past few years, the CDA has organized a panel focused on highlighting successful development within Washington County. This is a collaborative effort with communities and helps to shine a light on economic development achievements and resources.

The Washington County CDA will continue to work hand in hand with our local communities to attend, advertise, co-sponsor and market the county at various promotional events including, Minnesota Commercial Real Estate Association (MNCAR) Expo, MN Real Estate Journal Land Development Conference and MN Real Estate Journal Industrial Development Summit. We will co-sponsor three or more events per year and advertise and publish three articles per year in the MN Real Estate Journal monthly publication.

Washington County CDA will continue the established partnerships with local area chambers of commerce including: Forest Lake Area Chamber, White Bear Lake Area Chamber, Stillwater Area Chamber, Oakdale Area Chamber, Woodbury Area Chamber, Cottage Grove Area Chamber of Commerce. CDA staff will attend five or more chamber events per year.

The CDA will continue to maintain strong marketing partnerships with DEED, Connexus Energy, Great River Energy, Xcel Energy, MNCAR, Xceligent and Greater MSP on county and regional business attraction and retention efforts.

The CDA assists communities and local area chambers of commerce with Business Retention & Enhancement (BR&E) visits, as requested. These visits are especially important for smaller communities with fewer staff and less access to funds for business retention.

The deliverables for education and networking over the next three years include:

- Complete three MNREJ articles per year featuring communities, new initiatives, or other relevant topics that promote awareness of Washington County development opportunities.
- Complete twelve MNREJ advertisements regarding development opportunities in the county.
- Sponsor three or more MNREJ events per year, which promote the commercial, industrial, and/or housing opportunities in the county.
- Participate in the MNCAR Expo on an annual basis, working with county communities to target or promote specific development opportunities in the county.
- Evaluate these activities through the CDA annual community survey tool.

Community Technical Assistance

The CDA provides community technical assistance in a variety of ways with their existing programs. Over the next three years the CDA will continue to support local community economic development and redevelopment efforts. The planned flexible revolving loan program is part of this initiative.

The deliverables for the program over the next three years include:

- Work with communities to develop and implement local economic development plans
- Continue marketing for Outlot A in Red Rock Crossing Redevelopment Area in partnership with the Washington County Regional Rail Authority.
- Evaluate the technical assistance through the CDA annual community survey tool.
- Respond to community requests in a timely manner.

NEW PROGRAMS

Flexible Revolving Loan Program

With the support and assistance of the Economic Development Work Group, the CDA explored several different new programs. The members were surveyed to determine which programs were the most relevant to their respective community and approximately how many times they expected to use a given program if it was available. The programs included a revolving loan fund for business expansion, a dilapidated building demolition loan program and a commercial building rehabilitation program.

After completing this consideration, it was the consensus of the Work Group that what was really needed is an economic development loan program that is more flexible than some of the more targeted programs that were reviewed. The CDA staff will be developing policy to support the development and implementation of this tool.

The deliverables for the program over the next three years include:

The Washington County CDA will develop policies, explore options to fund, and implement the Flexible Loan Program including requesting approval for CDA Levy dollars. *The county-wide Flexible Revolving Loan Program will begin in 2021 or sooner if funding becomes available.*

OTHER INITIATIVES

Marketing, Branding and Business Recruitment

As the convener of economic development within Washington County, the CDA is well equipped to respond to new opportunities as they arise. The following is a list of ongoing and upcoming opportunities that the CDA plans to explore. The CDA also aims to be nimble and strategic in responding to new opportunities.

The deliverables for marketing, branding and business recruitment over the next three years include:

- In collaboration with our city and township partners, the Washington County CDA will continue to strengthen and promote a business brand for Washington County emphasizes the county's many assets including or close proximity to St. Paul and MSP International Airport along with available land and talent.
- Washington County CDA will continue to attend, advertise, co-sponsor and market at various promotional events including, Minnesota Commercial Real Estate Association (MNCAR) Expo, MN Real Estate Journal Land Development Conference and MN Real Estate Journal Industrial Development Summit. *This will be ongoing.*

The MN Technology Corridor

The CDA and regional community partners recently hired the Golden Shovel Agency to create a website aimed at branding and marketing the MN Technology Corridor for high technology businesses. The CDA will continue working to brand and market the corridor by leveraging broadband availability and available land with community partners.

Transportation and Transit Opportunities

In 2019, Washington County received a state grant to study implementation options as a result of the 2018 County Transit Study.

The CDA will continue to work with Washington County regarding transportation and transit issues that will stimulate economic growth in the county. The deliverables for the program over the next three years include:

- Washington County CDA staff will be an active participant in the Washington County Transportation Consortium.
- Promote multi-modal transportation, including transit, rail, and micromobility options, that stimulate economic growth in the county as part of the CDA education and networking initiatives.
- Promote mobility management activities that connect individuals to goods, services, employment, job training, and other opportunities that support and stimulate economic engagement in the county.

Workforce Development and Talent Attraction and Retention

Workforce development: The CDA will improve partnerships with businesses, our K-12 schools, higher-education entities, Washington County Workforce Development and DEED to assist health care and manufacturing employers with attracting and retaining talent.

Washington County CDA will continue its existing partnership with Greater MSP, the MN Department of Employment and Economic Development (DEED) and the Washington County Workforce Development Board. The CDA will assist and partner whenever possible with local schools and higher education on talent attraction and retention efforts as well as assist the CareerForceMN.com career resources.

The deliverables for the program over the next three years include:

- The Economic Development Director will serve as an active member on the Washington County Workforce Development Board.
- Whenever possible, the CDA will work with businesses, our K-12 schools, communities, Greater MSP, Century College, the State of Minnesota and other partners to recruit the types of businesses that will entice some of our residents to work closer to home. This could benefit both the highly trained and less trained working residents. The Washington County CDA will also work to provide our community partners with demographic data and labor and housing studies on an ongoing basis.

EPA Brownfields Grant

The CDA submitted a $600,000 EPA Brownfields Assessment Grant in January 2019 to analyze and inventory potentially contaminated sites. In addition, Phase I and Phase II environmental site assessments would be conducted at brownfield sites located within Washington County as part of an effort to spur redevelopment and reuse of the brownfield sites. The CDA was not awarded this initial grant and plans to resubmit to the EPA within the next three years.

The deliverables for the program over the next three years include:

- Prepare and submit the grant application to EPA
- Implement the EPA grant program on a county-wide basis

SUMMARY

The purpose of this Economic Development Plan is to set out specific steps aimed at responding to the needs of communities and townships over the next three years and to guide CDA budgeting.

No matter the location, economic development is a benefit to the entire County. Our local communities are our primary strategic partners. The CDA will continue to work with communities and other public, private and non-profit organizations to accomplish the goals of this plan.

Figure 2 below summarizes the alignment between the core programs and new initiatives with the plan goals. While being mindful of the Guiding Principles, the CDA will continue to evaluate these programs on a regular basis in conjunction with its partners and pursue amendments to this plan as necessary.

Figure 2. Summary of Programs to Implement Plan Goals

Economic Development Goals	Core Programs	New Initiatives
Promote and market the quality of life, rich diversity and assets of the county.	"Find Your Perfect Fit" Marketing Program Annual East Metro Summit	Create new economic development website
Provide resources to help entrepreneurs get started and existing businesses grow.	Open To Business program	Working Your Business Program
Be a value-added partner to other public and private entities.	Community Technical Assistance Predevelopment Finance Fund program Networking with local chambers	MN Tech Corridor Brownfields Assessment Grant
Find ways to help our businesses attract and retain talent and find ways to keep our working residents here in the county.	Connect local schools and businesses regarding specific training opportunities	Labor Study Commuter Survey
Promote strong infrastructure, multi-modal transportation and high-speed broadband.	Explore Grant Opportunities Convene stakeholder meetings	TBD

ACKNOWLEDGEMENTS

The Economic Development Director along with CDA staff, has coordinated monthly meetings with the Economic Development Work Group who bring a wealth of knowledge and experience to the process and provide important local perspectives to the economic development plan update.

Special thanks go out to the following Economic Development Work Group Members for their participation and assistance in this 2016-2017 Economic Development Plan update:

Patrick Casey – City Administrator, Forest Lake; Dan Undem – Assistant City Administrator, Forest Lake; Bryan Bear – City Administrator, Hugo; Rachel Juba – Community Development Director, Hugo; Scott Neilson – City Administrator, Kevin Corbid – Washington County Deputy Administrator; Tom McCarty – City Administrator, Stillwater; Bill Turnblad – Community Development Director, Stillwater; Eric Johnson – City Administrator, Oak Park Heights; Adam Bell – City Administrator, Bayport; Ron Moorse – City Administrator, Afton; Kristina Handt – City Administrator, Lake Elmo; Ed Shukle – City Administrator, Landfall; Bart Fischer – City Administrator, Oakdale; Bob Streetar – Community Development Director, Oakdale; Janelle Schmitz – Assistant Community Development Director, Woodbury; Karl Batalden – Community Development Coordinator, Woodbury; Deb Hill – City Administrator, Newport; Kevin Walsh – City Administrator, St. Paul Park; Christine Costello – Economic Development Director, Cottage Grove; Barbara Dacy – Executive Director, Washington County CDA; Melissa Taphorn – Deputy Executive Director, Washington County CDA; Chris Eng – Economic Development Director, Washington County CDA

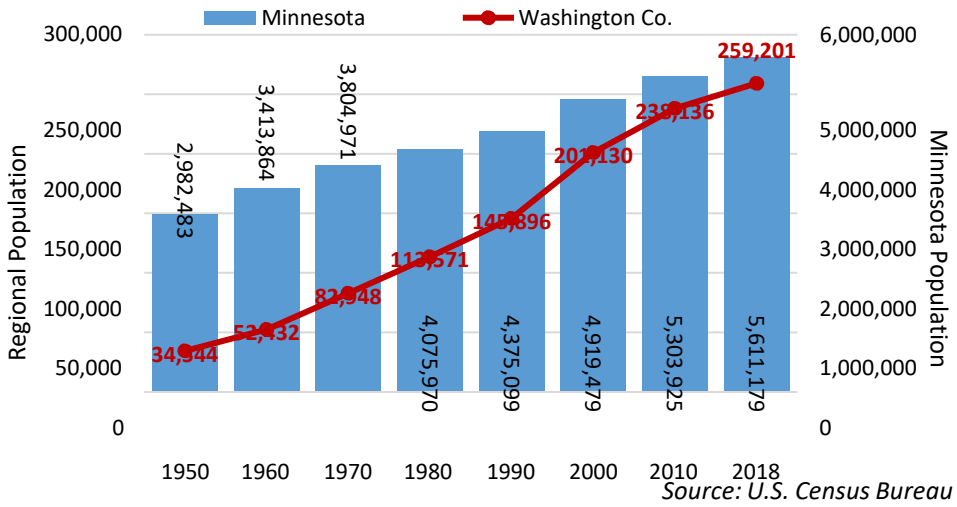
ATTACHMENT A:
Economic Profile

Demographic Characteristics

The following data describes the key characteristics of Washington County's demography and economic base, which helps to illuminate its strengths and weaknesses. The information below will compare the county to itself, the region, and to the State of Minnesota. Trends in demographics, income and wages, poverty, labor force, and business establishments are examined.

Washington County is the both the fifth largest county as well as the fifth fastest-growing county in Minnesota. The graph below depicts the history of robust population growth in the county, dating back to 1950. According to the U.S. Census Bureau's 2018 American Community Survey (ACS) 1-Year Estimates, Washington County's total population is estimated at 259,201 people. While population growth has cooled off since the turn of the century, Washington County is still growing at a faster rate than the state overall. For example, between 2010 and 2018, Washington County gained over 21,000 people, growing by 8.8 percent. Minnesota's total population grew by 5.8 percent during that period of time (see Figure 1).

Figure 1. Population Change, 1950-2018



Source: U.S. Census Bureau

Looking forward, the Minnesota State Demographic Center projects Washington County's population to increase by nearly 40,000 people between 2020 and 2040. This 14.3 percent projected growth rate is significantly faster than the state's 8.8 percent projected growth rate and the Seven-County Metro Area's projected growth rate of 15.2 percent. Interestingly, the Metropolitan Council has much more robust population projections for Washington County. According to their estimates, Washington County is anticipated to pass 340,000 persons by 2040.

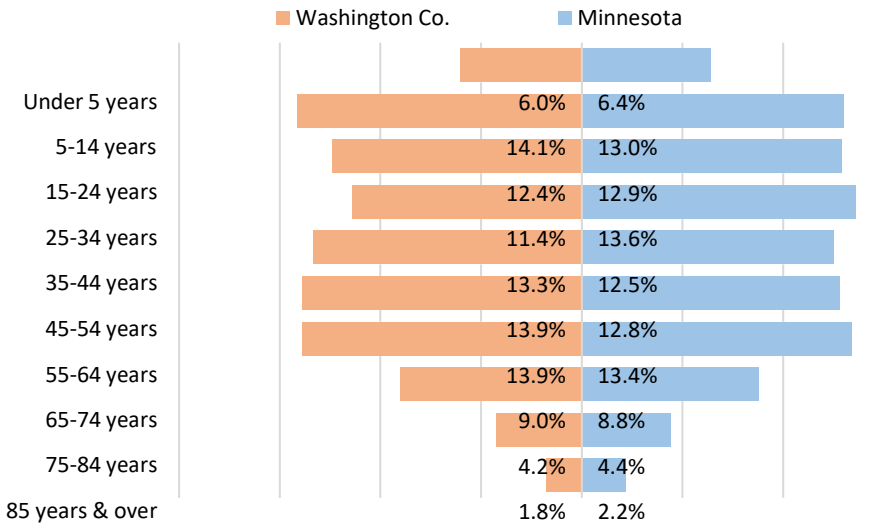
Table 1. Population Projections, 2020-2040				2020-2040 Change	
Washington Co.	**2020 Projection**	**2030 Projection**	**2040 Projection**	***Numeric***	***Percent***
Under 5 years	14,951	17,484	22,006	*7,055*	*47.2%*
5-14 years	33,833	31,531	39,269	*5,436*	*16.1%*
15-24 years	41,244	42,844	39,438	*-1,806*	*-4.4%*
25-34 years	23,829	39,246	39,145	*15,316*	*64.3%*
35-44 years	30,560	23,369	38,403	*7,843*	*25.7%*
45-54 years	39,340	36,675	28,216	*-11,124*	*-28.3%*
55-64 years	39,322	37,599	33,510	*-5,812*	*-14.8%*
65-74 years	26,010	34,957	32,265	*6,255*	*24.0%*
75-84 years	9,585	15,213	19,612	*10,027*	*104.6%*
85 years & over	5,843	6,572	10,432	*4,589*	*78.5%*
Total	**264,517**	**285,490**	**302,296**	***37,779***	***14.3%***

Source: Minnesota State Demographic Center

Broken down by age, projected population growth in Washington County through 2040 is anticipated to be the fastest for older age cohorts. For example, those between the ages of 75 and 84 years are projected to grow by 104.6 percent between 2020 and 2040. This growth rate is over seven times that of the county's total population growth rate. The largest projected gains, however, will be for those between the ages of 25 and 34 years (see Table 1).

Interestingly, while Washington County's current median age (39.6 years) is higher than Minnesota's (38.2 years), it has a slightly smaller share of persons 65 years of age and older than the state. The county does have a larger share of persons between the ages of 35 and 64 years (41.1 percent) than the state (38.7 percent). Just over one-in-five Washington County residents are below the age of 15 (see Figure 2).

Figure 2. Percentage of Population by Age Group, 2018



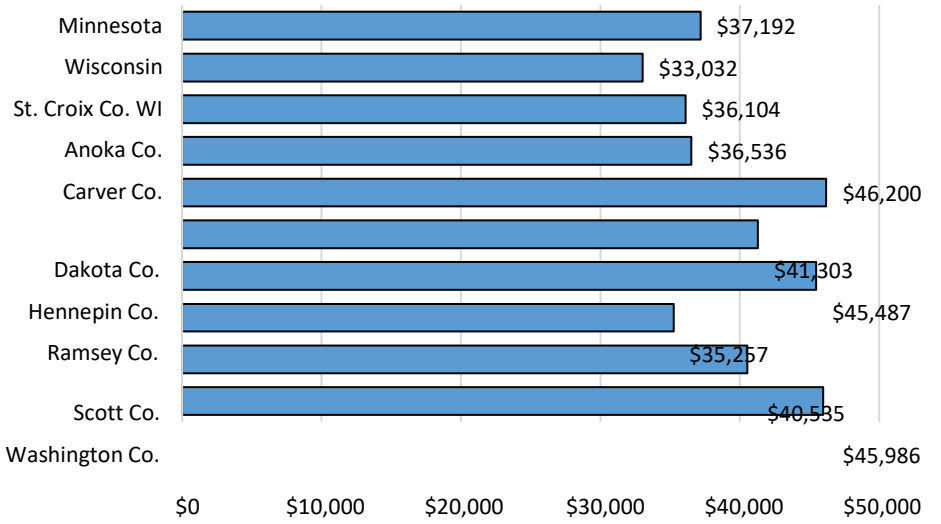
Source: U.S. Census Bureau, Population Estimates

Income and Occupational Employment

As of the 2018 American Community Survey (ACS) 1-Year Estimates, Washington County had a median household income of $95,124. This was 35.3 percent higher than the State of Minnesota's respective median household income, $70,315. Over the past year of available data, 2017 to 2018, Washington County's median household income increased by 3.5 percent. Comparatively, statewide median household income increased by 2.8 percent. Median household income in Washington County increased from $94,809 for 2-person families, to $123,026 for 3-person families, to $140,721 for 4-person families.

Figure 3 breaks down per capita income for Washington County, surrounding counties in the Metro Area and Wisconsin, and the State of Minnesota. As of the 2017 ACS 5-Year Estimates, Washington County had the state's 3rd-highest per capita income ($41,591). This had further increased to $45,986, according to 2018 ACS 1-Year Estimates. This high level of personal income means that there is strong purchasing power within the county, which provides for an opportunity to support new development.

Figure 3. 2018 Per Capita Incomes



Source: U.S. Census Bureau, American Community Survey

As of the 2017 ACS 5-Year Estimates, Washington County had an estimated 133,811 employed residents who were at least 16 years of age. Employing 13.9 percent of the county's residents was management, making it the top-employing occupational group. This was followed by office and administrative support; sales; business and financial operations; education, training, and library; and production (see Table 2).

Table 2. Washington County Occupational Statistics, 2017 5-Year Estimates

Occupational Group	Employment	Male Share	Female Share	Median Earnings
Civilian Employment Population 16 Years and Over	**133,811**	**51.2%**	**48.8%**	**$48,636**
Management	18,661	60.4%	39.6%	$90,079
Office and Administrative Support	16,623	31.3%	68.7%	$37,420
Sales	14,324	53.2%	46.8%	$35,926
Business and Financial Operations	9,496	43.3%	56.7%	$66,761
Education, Training, and Library	6,926	24.5%	75.5%	$43,448
Production	6,698	75.5%	24.5%	$45,444
Food Preparation and Serving	6,412	40.2%	59.8%	$10,844
Health Diagnosing and Treating Practitioners	6,391	24.8%	75.2%	$72,347
Computer and Mathematical	6,016	69.3%	30.7%	$80,823
Personal Care and Service	5,213	21.1%	78.9%	$16,853
Construction and Extraction	5,134	94.4%	5.6%	$53,472
Transportation	4,142	87.7%	12.3%	$40,270
Building and Grounds Cleaning and Maintenance	3,337	62.6%	37.4%	$24,002
Architecture and Engineering	3,323	80.8%	19.2%	$87,813
Installation, Maintenance, and Repair	3,022	95.1%	4.9%	$50,021
Arts, Design, Entertainment, Sports, and Media	2,558	45.7%	54.3%	$40,665
Community and Social Services	2,415	26.7%	73.3%	$50,139
Healthcare Support	2,387	11.6%	88.4%	$30,224
Health Technologies and Technicians	2,346	13.0%	87.0%	$39,545
Material Moving	2,212	84.9%	15.1%	$29,410

Legal	1,890	45.7%	54.3%	$74,571
Life, Physical, and Social Science	1,534	63.1%	36.9%	$71,889
Law Enforcement	1,274	71.0%	29.0%	$69,496
Fire Fighting and Prevention	993	68.5%	31.5%	$35,893
Farming, Fishing, and Forestry	484	73.1%	26.9%	$21,522
Source: U.S. Census Bureau, American Community Survey				

Over three-fourths (76.5 percent) of employed Washington County residents commute to work outside of Washington County itself. On the other side of the coin, 61.5 percent of those who work in Washington County commute into the county from outside (see Table 3).

Table 3. Washington County Inflow/Outflow (All Jobs)	**2017**	
	Count	**Share**
Employed in Washington County	83,135	100.0%
Employed in Wash. Co. but Living Outside	51,121	61.5%
Employed and Living in Wash. Co.	32,014	38.5%
Living in Washington County	136,129	100.0%
Living in Wash. Co. but Employed Outside	104,115	76.5%
Living and Employed in Wash. Co.	32,014	23.5%
Source: U.S. Census Bureau, OnTheMap		

Table 4. Washington County Industry Employment Statistics, 2018

NAICS Industry Title	**2018 Annual Data**			
	Number of Firms	**Number of Jobs**	**Total Payroll ($1,000s)**	**Avg. Annual Wage**
Total, All Industries	**5,776**	**87,008**	**$4,197,990**	**48,256**
Retail Trade	697	14,386	$384,080	26,676
Health Care and Social Assistance	665	12,164	$652,078	53,612
Manufacturing	221	9,746	$681,073	69,888
Accommodation and food Services	432	9,499	$175,696	18,460
Educational Services	154	7,464	$340,321	45,448
Construction	553	4,342	$291,333	67,080
Public Administration	57	3,750	$210,628	56,212
Finance and Insurance	363	3,622	$294,303	81,276
Professional, Scientific, and Technical Services	716	3,473	$244,224	70,252
Other Services	658	3,443	$89,294	25,948
Wholesale Trade	230	2,810	$242,508	86,424
Transportation and Warehousing	140	2,701	$123,047	45,552
Administrative and Support Services	280	2,499	$112,495	44,980
Arts, Entertainment, and Recreation	135	2,325	$40,211	17,316
Management of Companies	49	1,779	$161,601	91,416
Information	85	1,097	$56,197	51,220
Real Estate, Rental, and Leasing	286	824	$32,922	39,884
Agriculture, Forestry, Fishing, and Hunting	43	773	$29,924	38,844
Utilities	7	259	$31,654	122,096
Mining (Q2 QCEW data)	7	57	N/A	91,260
Source: DEED Quarterly Census of Employment & Wages (QCEW) program				

According to the Minnesota Department of Employment and Economic Development's (DEED) Quarterly Census of Employment and Wages (QCEW) data, Washington County had 5,776 establishments in 2018

supplying 87,008 covered jobs. As of the writing of this report, the most recent QCEW data was Q2, 2019. As of that time, Washington County had 6,081 establishments supplying 88,736 covered jobs. This made Washington County Minnesota's 7th largest-employing county (recently surpassing Stearns County in total employment).

As of annual 2018, Retail Trade was Washington County's largest-employing industry sector, with nearly 14,400 jobs. As such, Retail Trade accounts for one-sixth of the county's total employment. For reference, Retail Trade accounts for just over one-tenth of Minnesota's total employment. Average annual wages within Retail Trade, $26,676, are 55.3 percent of the average annual wage for the total of all industries in Washington County, $48,256 (see Table 4). Retail Trade was Washington County's largest-growing industry between 2017 and 2018, adding 750 jobs. It was the county's 2nd largest-growing industry over the past five years, adding more than 2,100 jobs.

Beyond Retail Trade, Washington County also has significant employment within Health Care and Social Assistance (12,164 jobs), Manufacturing (9,746 jobs), Accommodation and Food Services (9,499 jobs), Educational Services (7,464 jobs), and Construction (4,342 jobs). Employment growth over the past five years of available data has been particularly robust in Manufacturing (+2,482 jobs), Retail Trade (+2,105 jobs), Health Care and Social Assistance (+1,643 jobs), Wholesale Trade (+1,046 jobs), and Construction (+1,044 jobs). Overall, 15 of 20 major industry sectors gained employment in Washington County between 2013 and 2018.

Table 5. Washington County Industry Employment Trends, 2013 – 2018

NAICS Industry Title	2018 Number of Jobs	2017 – 2018 Job Change		2013 – 2018 Job Change	
		Numeric	Percent	Numeric	Percent
Total, All Industries	**87,008**	**+2,242**	**+2.6**	**+11,026**	**+14.5**
Retail Trade	14,386	+750	+5.5	+2,105	+17.1
Health Care and Social Assistance	12,164	+353	+3.0	+1,643	+15.6
Manufacturing	9,746	+263	+2.8	+2,482	+34.2
Accommodation and food Services	9,499	+36	+0.4	+855	+9.9
Educational Services	7,464	+27	+0.4	+202	+2.8
Construction	4,342	+399	+10.1	+1,044	+31.7
Public Administration	3,750	+12	+0.3	+265	+7.6
Finance and Insurance	3,622	+455	+14.4	-35	-1.0
Professional, Scientific, and Technical Services	3,473	+104	+3.1	+631	+22.2
Other Services	3,443	-17	-0.5	+557	+19.3
Wholesale Trade	2,810	+88	+3.2	+1,046	+59.3
Transportation and Warehousing	2,701	+34	+1.3	-192	-6.6
Administrative and Support Services	2,499	-495	-16.5	-688	-21.6
Arts, Entertainment, and Recreation	2,325	+98	+4.4	+220	+10.5
Management of Companies	1,779	+150	+9.2	+429	+31.8
Information	1,097	+2	+0.2	+397	+56.7
Real Estate, Rental, and Leasing	824	-18	-2.1	+78	+10.5
Agriculture, Forestry, Fishing, and Hunting	773	+12	+1.6	+100	+14.9
Utilities	259	-9	-3.4	-31	-10.7

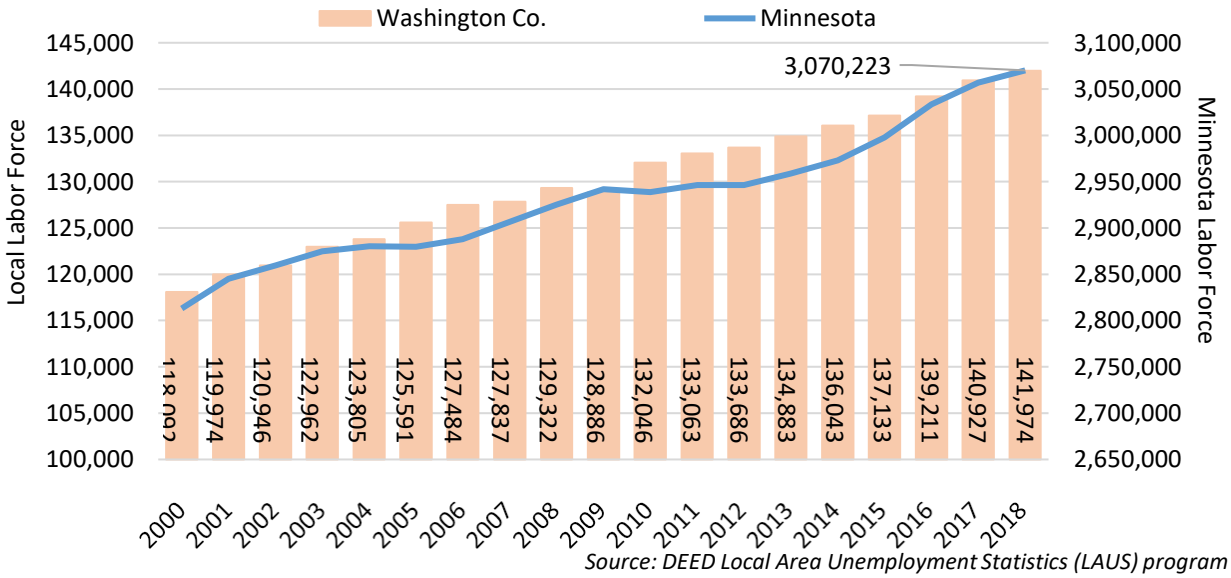
Mining (Q2 QCEW data)	57	+2	+3.6	-86	-60.1
Source: DEED Quarterly Census of Employment & Wages (QCEW) program					

Labor Force Trends

Washington County's total labor force was an estimated 141,974 during annual 2018. While Washington County's labor force is growing at a faster clip than Minnesota's, this growth is similarly slowing down. For example, between 1990 and 2000, the county's total labor force expanded by 42.1 percent, adding just over 35,000 people. Between 2000 and 2010, the county's labor force expanded by 11.8 percent, adding nearly 14,000 people. Between 2010 and 2018, the county's labor force has expanded by 7.5 percent, adding over 9,900 people (see Figure 4). Over the next decade, between 2020 and 2030, Washington County's labor force is anticipated to expand by 5.9 percent, adding over 8,500 people (see Table 6). For reference, Minnesota' labor force is anticipated to expand by 2.4 percent between 2020 and 2030.

Unemployment in Washington County remains low. As of annual 2018, the unemployment rate for the county was 2.5 percent, the lowest such rate since 2000 (see Figure 5). This 2.5 percent represented approximately 3,558 unemployed persons.

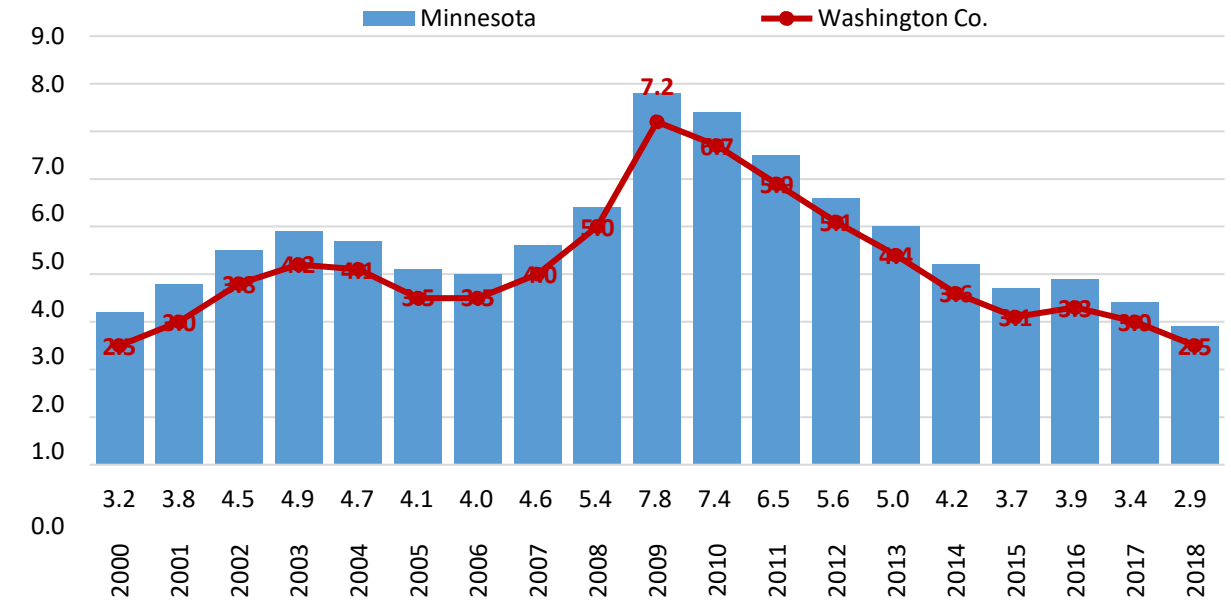
Figure 4. Annual Labor Force Estimates, 2000-2018



Source: DEED Local Area Unemployment Statistics (LAUS) program

Table 6. Washington County Labor Force Projections, 2020 – 2030				
Washington County	**2020 Labor Force Projection**	**2030 Labor Force Projection**	**2020 – 2030 Change**	
			Numeric	**Percent**
16 to 19 years	9,994	9,138	-857	-8.6%
20 to 24 years	15,793	18,866	3,073	19.5%
25 to 44 years	47,811	55,042	7,231	15.1%
45 to 54 years	34,934	32,567	-2,367	-6.8%
55 to 64 years	28,092	26,861	-1,231	-4.4%
65 to 74 years	6,789	9,124	2,335	34.4%
75 years and over	879	1,242	362	41.2%
Total Labor Force	**144,292**	**152,839**	**8,547**	**5.9%**
Source: Minnesota State Demographic Center, 2013-2017 American Community Survey				

Figure 5. Unemployment Rates, 2000-2018



Source: DEED Local Area Unemployment Statistics (LAUS) program

Distinguishing Industries

Washington County stands out from the State of Minnesota for its extremely high concentration of employment in Wood Product Manufacturing. Concentration is measured with location quotients, which compare the share of employment in a particular industry locally, to the share of employment that same industry constitutes for a base economy (in this case being the State of Minnesota). See Table 7 for those 12 industries with the most significant location quotients in Washington County. Note, these 12 industries also each have over 1.0 percent of the county's total employment.

Table 7. Washington County Distinguishing Industries, 2018

Industry	Number of Firms	Number of Jobs	Share of MN Jobs	Location Quotient	Total Payroll ($1,000s)	Avg. Annual Wages
Total, All Industries	**5,776**	**87,008**	**3.0%**	**-**	**$4,197,990**	**$48,256**
Wood Product Manufacturing	13	3,423	29.2%	9.7	$228,001	$66,508
Chemical Manufacturing	10	1,204	9.8%	3.2	$112,502	$93,496
Justice, Public Order, and Safety Activities	11	1,577	6.6%	2.2	$96,918	$61,464
General Merchandise Stores	45	3,946	6.5%	2.1	$87,937	$22,256
Amusement, Gambling, and Recreation Industries	100	2,203	6.0%	2.0	$37,847	$17,212
Personal and Laundry Services	227	1,581	5.5%	1.8	$37,558	$23,712
Heavy and Civil Engineering Construction	29	1,263	5.5%	1.8	$93,897	$74,464
Food and Beverage Stores	94	2,995	5.3%	1.8	$69,432	$23,140
Building Material and Garden Equipment and Supplies Dealers	46	1,414	5.3%	1.8	$41,522	$29,432
Clothing and Clothing Accessories Stores	88	983	4.8%	1.6	$18,021	$18,304
Food Services and Drinking Places	391	8,696	4.4%	1.5	$158,231	$18,148
Ambulatory Health Care Services	374	6,042	3.9%	1.3	$429,989	$71,136

Source: MN DEED Quarterly Census of Employment and Wages (QCEW)

Small businesses are vital to Washington County's economy. Well over half (57.2 percent) of Washington County's business have less than 5 employees (totaling just over 3,401 firms), and another 16.7 percent of firms have between 5 and 9 employees. 12.0 percent of the county's firms have between 10 and 19 employees. Altogether, 85.9 percent of Washington County's firms have less than 20 employees.

Table 8: Washington County Employers by Size Class, 2017

Number of Employees	Washington County		Minnesota
	Number of Firms	Percent of Firms	Percent of Firms
Less than 5 employees	3,401	57.2%	53.4%
5-9 employees	992	16.7%	17.8%
10-19 employees	714	12.0%	13.3%
20-49 employees	527	8.9%	9.5%
50-99 employees	180	3.0%	3.3%
100-249 employees	100	1.7%	1.9%
250-499 employees	21	0.4%	0.5%
500 or more employees	**10**	0.2%	0.2%
Total Firms	**5,946**	**100.0%**	**100.0%**

Source: U.S. Census Bureau, County Business Patterns

ATTACHMENT B: OPEN TO BUSINESS SUMMARY REPORT: 7/1/2017 – 7/31/2019

In the first two years, the Washington County Open to Business program served 247 client engagements broken out by year:

- 2017 (half year): 49
- 2018: 125
- 2019 (7/31/19 YTD): 73

Total Loans Approved:

- 2017: 2 loans
  $175,000 Open to Business
  Leveraged $1,790,000 total investment*.
- 2018: 8 loans
  $392,500 Open to Business
  Leveraged $1,762,350 total investment.
- 2019 (7/31/19 YTD): 9 loans
  $457,000 Open to Business
  Leveraged $2,241,041 total investment.

Total: 19 loans
$1,024,500 Open to Business
Leveraged $4,003,391 total investment.

*Total investment: O2B, bank, credit union, borrower equity, other financing in the project.

Client City (Business/Residence) – Alphabetically

Afton	**(1/0)**
Bayport	**(4/1)**
Cottage Grove	**(34/35)**
Forest Lake	**(29/31)**
Hastings	**(2/3)**
Hugo	**(15/14)**
Lake Elmo	**(9/8)**
Lakeland	**(2/2)**
Lake St. Croix	**(1/0)**
Mahtomedi	**(6/7)**
Marine on St. Croix	**(5/6)**
Newport	**(1/2)**
Oakdale	**(17/16)**
Oak Park Heights	**(2/2)**
Scandia	**(13/13)**
St. Paul Park	**(3/2)**
Stillwater	**(61/58)**
White Bear Lake	**(2/1)**
Willernie	**(5/4)**
Woodbury	**(31/31)**

Client City (Business/Residence) – By Activity

Stillwater	**(61/58)**
Cottage Grove	**(34/35)**
Woodbury	**(31/31)**
Forest Lake	**(29/31)**
Oakdale	**(17/16)**
Hugo	**(15/14)**
Scandia	**(13/13)**
Lake Elmo	**(9/8)**
Mahtomedi	**(6/7)**
Willernie	**(5/4)**
Marine on St. Croix	**(5/6)**
Bayport	**(4/1)**
St. Paul Park	**(3/2)**
Hastings	**(2/3)**
Lakeland	**(2/2)**
Oak Park Heights	**(2/2)**
White Bear Lake	**(2/1)**
Newport	**(1/2)**
Lake St. Croix	**(1/0)**
Afton	**(1/0)**

ADMINISTRATION

WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

REQUEST FOR BOARD ACTION

January 21, 2020
BOARD MEETING DATE

AGENDA ITEM A-5

Administration **ORIGINATING DEPARTMENT/SERVICE** Barbara Dacy 1/16/2020 **REQUESTOR'S SIGNATURE/DATE**	**BOARD ACTION REQUESTED** Consideration of motion from Personnel Committee that the Board of Commissioners authorize the Executive Committee to negotiate with Melissa Taphorn an employment agreement for the position of Executive Director

BACKGROUND/JUSTIFICATION

On January 6, 2020, the Personnel Committee convened to hear from Sharon Klumpp, partner at BakerTilly, regarding the Board's options for filling the vacancy created by the resignation of Executive Director Barbara Dacy, effective February 10, 2020. Ms. Klumpp's comments, and the committee's discussion, are summarized in the minutes for that meeting. A draft of those minutes is included in the Consent Agenda.

After considering the benefits and drawbacks of both internal and external searches, the committee determined that it is in general agreement with the current direction of the Agency, and that as Deputy Executive Director, Melissa Taphorn is best positioned to continue executing the Board's vision for the Agency.

Commissioner Miron moved, and Commissioner Green seconded, the motion that the Personnel Committee recommend to the Board that the Board authorize the Executive Committee to enter into discussions with Ms. Taphorn for the purpose of negotiating an employment agreement for the position of Executive Director. That motion passed 3-0.

The employment agreement would presumably be presented for Board approval at the Board's regular meeting on February 18th. Resolution 20-05 is also on today's agenda, which would appoint Ms. Taphorn as Acting Executive Director, effective upon Ms. Dacy's resignation, and until such time that the Board appoints a new Executive Director or takes other action to supersede that resolution.

PREVIOUS ACTION ON REQUEST/OTHER PARTIES ADVISED

EXECUTIVE DIRECTOR/DATE: Barbara Dacy 1/16/20	**ATTACHMENT LIST:** Attachment A – Draft minutes from January 6, 2020 Personnel Committee meeting	**FINANCIAL IMPLICATIONS:** None **BUDGETED:** ☐ YES ☐ NO **FUNDING:** _____

COMMENTS

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

The Personnel Committee Meeting was held Monday, January 6, 2020 at the Washington County Community Development Agency, 7645 Currell Blvd., Woodbury, MN 55125. Staff present were Ryan Gruber, Human Resources and Communications Coordinator; Lori Creamer, Administrative Specialist
Guest Speaker: Sharon Klumpp with Baker Tilly

Meeting called to order at 11:00 am by Commissioner Dingle.

ROLL CALL
Commissioner Dingle, Commissioner Green and Commissioner Miron were present.

DISCUSSION

Hiring Process Options for Executive Director Position

Sharon Klumpp with Baker Tilly (formerly Springsted) began by outlining her firm's history with the CDA, which began approximately ten years ago. She reviewed the benefits and drawbacks of doing both an internal search and an external search.

Ms. Klumpp highlighted that search processes are often selected based on whether the Board feels as though it is satisfied with the direction of the Agency. For organizations that are pleased with the current direction, an internal search often makes sense. When organizations are looking to change direction, an external search is often most logical. She also indicated that public perception is a key factor in whether external candidates apply for leadership positions. Many individuals in high-ranking jobs are reluctant to have their names made public as part of a search process if they do not believe that the organization is likely to hire an external candidate.

Ms. Klumpp and Mr. Gruber then responded to questions. What follows is a summary of the matters discussed.

- Organizations typically appoint an interim Executive Director while an external search occurs. The succession plan outlines that the natural individual to fulfill that role would be the Deputy Executive Director.

- The job description for the existing position is current and contains the information required for the next candidate to perform the job. Transitions also provide a good time to revisit existing job descriptions if the Board wishes to do so.
- The existing Employment Agreement between the Board and the Executive Director is well-written, and it is unlikely that major changes will be needed as part of any negotiation.

- The salary range is current and receives the same general wage adjustments as other CDA employees. Ms. Klumpp indicated that the Board may struggle to hire a qualified candidate at the bottom of the range. There are no anticipated issues with pay equity compliance. The range for the position was revised most recently in 2017 as part of an Agency-wide compensation plan.

- In terms of an internal search, the Board can choose to open the process to all employees, or the Board may choose to enter negotiations directly with a qualified individual.

Commissioner Miron indicated that he was comfortable with recommending that the Board enter negotiations with the Deputy Executive Director and provided his rationale for doing so. He also indicated that the Deputy Executive Director had already submitted her resume to Board members and therefore he was confident that the Deputy Executive Director would be interested in the position should the Board extend to her an offer to negotiate a contract.

Discussion occurred regarding how the Board would proceed in that situation and it was decided that the Board's Executive Committee should handle the negotiation process. The Board reviewed the current members of the Executive Committee but was reminded by Mr. Gruber that elections for Board officers are generally held at the Board's regular meeting in January, and so the Executive Committee would be comprised of those officers elected at that regular meeting.

Recommendation for Executive Director hiring process

Commissioner Miron moved to recommend to the Board that the Executive Committee enter into negotiations with the Deputy Executive Director, Melissa Taphorn, for the purpose of executing an employment agreement that would make her the Executive Director, and that the Executive Committee bring that agreement to the Board for approval at its February 18th meeting. Commissioner Green seconded the motion.

The motion was adopted 3-0.

The commissioners expressed their appreciation to Ms. Klumpp for her assistance moving through this process.

Chair Dingle called for adjournment at 11:47 am.

ADJOURNMENT Meeting adjourned

_____
Chair/Vice Chair Commissioner

WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

REQUEST FOR BOARD ACTION

January 21, 2020
BOARD MEETING DATE

AGENDA ITEM A-6

Administration
ORIGINATING DEPARTMENT/SERVICE

Barbara Dacy 1/15/2020
REQUESTOR'S SIGNATURE/DATE

BOARD ACTION REQUESTED

RESOLUTION APPOINTING THE DEPUTY EXECUTIVE DIRECTOR TO THE POSITION OF ACTING EXECUTIVE DIRECTOR, EFFECTIVE FEBRUARY 10, 2020

BACKGROUND/JUSTIFICATION

The Agency's Executive Director, Barbara Dacy, has indicated to the Board of Commissioners her intent to resign effective February 10, 2020. Resolution 18-56, approved by the Board on December 18, 2018, authorizes the Board, as part of a succession plan for the Executive Director, to appoint the Deputy Executive Director as Acting Executive Director until such time as the Board completes whatever review and selection process it chooses and acts to appoint a new Executive Director.

This resolution implements the above strategy, though the language of the Resolution 18-56 is not binding and the Board, at its discretion, may choose to employ a different strategy. The next item on the agenda is a recommendation from the Personnel Committee regarding the hiring process.

Please note that the attached resolution states that the Deputy Executive Director will be the Acting Executive Director until such time as an Employment Agreement is approved by the Board.

PREVIOUS ACTION ON REQUEST/OTHER PARTIES ADVISED

EXECUTIVE DIRECTOR/DATE:	**ATTACHMENT LIST:**	**FINANCIAL IMPLICATIONS: None**
Barbara Dacy 1/15/20		**BUDGETED:** ☐ **YES** ☐ **NO**
		FUNDING: _____

COMMENTS

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

DATE January 21, 2020 RESOLUTION NO. 20-05

MOTION BY COMMISSIONER _____ SECOND BY COMMISSIONER _____

==========

RESOLUTION APPOINTING THE DEPUTY EXECUTIVE DIRECTOR AS ACTING EXECUTIVE DIRECTOR EFFECTIVE MONDAY, FEBRUARY 10, 2020

	YES		NO
BELISLE	☐	BELISLE	☐
GREEN	☐	GREEN	☐
ZELLER	☐	ZELLER	☐
DINGLE	☐	DINGLE	☐
WIDEN	☐	WIDEN	☐
RYAN	☐	RYAN	☐
MIRON/KARWOSKI	☐	MIRON/KARWOSKI	☐

==========

STATE OF MINNESOTA)
SS
COUNTY OF WASHINGTON)

I, Barbara Dacy, duly appointed, qualified and acting Executive Director of the Washington County Community Development Agency of Washington County, Minnesota do hereby certify that I have compared the foregoing copy of a Resolution with the original minutes of the proceedings of the Washington County Community Development Agency Board of Commissioners, at its session held on the 21ST day of January, 2020, now on file in my office and have found the same to be true and correct thereof. Witness my hand and official seal this 21st day of January 2020.

_____ _____
CDA Secretary Barbara Dacy, Executive Director

WASHINGTON COUNTY
COMMUNITY DEVELOPMENT AGENCY

RESOLUTION NO. 20-05

RESOLUTION APPOINTING THE DEPUTY EXECUTIVE DIRECTOR TO THE POSITION OF ACTING EXECUTIVE DIRECTOR, EFFECTIVE FEBRUARY 10, 2020

WHEREAS, the Washington County Community Development Agency Board of Commissioners (the "Board") adopted a succession strategy for an Executive Director vacancy as part of Resolution 18-56; and

WHEREAS, the succession strategy indicates that "In the event of a temporary or permanent absence, the Deputy Executive Director may be appointed to the position of Acting Executive Director, pursuant to action by the CDA Board of Commissioners"; and

WHEREAS, the Agency's Executive Director, Barbara Dacy, has indicated her intent to resign her position effective February 10, 2020; and

WHEREAS, the Board recognizes that it is in the interest of the Agency and the constituencies it serves that any transition in leadership be smooth and with minimal disruption to Agency programs and activities.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY, AS FOLLOWS:

1. The Agency's Deputy Executive Director, Melissa Taphorn, shall be appointed the Acting Executive Director of the Agency, immediately upon the resignation of the current Executive Director.

2. This appointment shall last until such time that the Board approves a resolution appointing an Executive Director, or until the Board passes any other resolution that would supersede this resolution.

Adopted this 21st day of January 2020.

_____
Chair

ATTEST:

_____
Secretary

WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

REQUEST FOR BOARD ACTION

January 21, 2021
BOARD MEETING DATE

AGENDA ITEM A-7

Finance
ORIGINATING DEPARTMENT/SERVICE

Aaron Christianson 1/10/2020
REQUESTOR'S NAME/DATE

BOARD ACTION REQUESTED

RESOLUTION AUTHORIZING DEPOSITORY SERVICES FOR GOVERNMENTAL ENTITIES.

BACKGROUND/JUSTIFICATION

The attached document designates U.S. Bank National Association as the Agency's official Depositor of its funds and identifies the "authorized signers". The authorized signers for calendar year 2020 will be the Acting Executive Director Melissa Taphorn and Board member Roger Green.

Approval of the attached resolution is recommended.

PREVIOUS ACTION ON REQUEST/OTHER PARTIES ADVISED

EXECUTIVE DIRECTOR/DATE:	**ATTACHMENT LIST:**	**FINANCIAL IMPLICATIONS: $ N/A**
Barbara Dacy 1/15/20		**BUDGETED:** ☐ **YES** ☐ **NO**
		FUNDING: N/A

COMMENTS

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

DATE January 21, 2020 RESOLUTION NO. 20-06

MOTION BY COMMISSIONER _____ SECOND BY COMMISSIONER _____

==========

RESOLUTION AUTHORIZING DEPOSITORY SERVICES FOR GOVERNMENTAL ENTITIES

	YES		NO
BELISLE	☐	BELISLE	☐
GREEN	☐	GREEN	☐
ZELLER	☐	ZELLER	☐
DINGLE	☐	DINGLE	☐
WIDEN	☐	WIDEN	☐
RYAN	☐	RYAN	☐
MIRON/KARWOSKI	☐	MIRON/KARWOSKI	☐

==========

STATE OF MINNESOTA)
SS
COUNTY OF WASHINGTON)

I, Barbara Dacy, duly appointed, qualified and acting Executive Director of the Washington County Community Development Agency of Washington County, Minnesota do hereby certify that I have compared the foregoing copy of a Resolution with the original minutes of the proceedings of the Washington County Community Development Agency Board of Commissioners, at its session held on the 21ST day of January, 2020, now on file in my office and have found the same to be true and correct thereof. Witness my hand and official seal this 21st day of January 2020.

_____ _____
CDA Secretary Barbara Dacy, Executive Director

Resolution 20-06

RESOLUTION AUTHORIZING DEPOSITORY SERVICES FOR GOVERNMENTAL ENTITIES

DEPOSITOR NAME: Washington County CDA

CONTACT: Aaron Christianson, Finance Director

ADDRESS: 7645 Currell Boulevard

Woodbury, MN 55125

TAX IDENTIFICATION NUMBER: 41-1408079

I, Barbara Dacy *(name of certifying officer)* do hereby certify that I am the Executive Director *(title of certifying officer)* of the above-named entity *(therein called the "Depositor")* a corporation existing under the laws of the State of Minnesota and that the following is a true, complete and correct copy of resolutions adopted at a meeting of the Depositor duly and properly called and held on the 21st day of January 21, 2020; that a quorum was present at said meeting; and that said resolutions are now in full force and effect.

RESOLVED, That U.S. Bank National Association is hereby designated as a depository of the Depositor with authority to accept or receive at any time for the credit of the Depositor deposits by whomsoever made of funds and other property in whatever form or manner transferred to endorsed; and that any officer of the Depositor is hereby authorized to open or cause to be opened one or more accounts with the bank on such terms, conditions and agreements as the Bank may acknowledges and agrees that the services contemplated by this resolution shall be governed by the U.S. Bank Customer Agreement for commercial deposit accounts, as amended from time to time.

RESOLVED, that checks, drafts or other orders for the payment, transfer or withdrawal of any of the funds or other property of the Depositor on deposit with the Bank shall be binding on the Depositor when signed, manually or by use of a facsimile or mechanical signature or otherwise authorized, by any one of the individuals listed in the section entitled "Authorized Signers", and the Bank is hereby authorized to pay and charge to the account of the Depositor any such checks, drafts or other orders so signed or otherwise authorized, including those payable to the individual order of the same person or persons signing or otherwise authorizing the same and including also those payable to the Bank or to any other person for application, or which are actually applied to the payment of any such indebtedness owing the Bank from the person or persons who signed such checks, drafts or other withdrawal orders or otherwise authorized such withdrawals. In particular, and not in limitation of foregoing, such persons may authorize payment, transfer or withdrawal by oral or telephonic directions to the Bank complying with such rules and regulations relating to such authorization as the Bank may communicate to the Depositor from time to time.

RESOLVED, that the Executive Director *(identify certifying officer by title)* hereby certifies to the Bank the names and Signatures (either actual or any form or forms of facsimile or mechanical signatures adopted by the person authorized to sign) of the Authorized Signers listed below and shall from time to time hereafter, upon a change in the facts so certified, immediately certify to the Bank the names and signatures (actual or facsimile) of the persons then authorized to sign or to act. The Bank shall be fully protected in relying on such certificates and on the obligation of the certifying officer (set forth above) to immediately certify to the Bank any change in any facts so certified, and the Bank shall be indemnified and saved harmless by the Depositor from any claims, demands, expenses, loss or damage resulting from or growing out of honoring or relying on the signature of other authority (whether or not properly used and, in the case of any facsimile signature, regardless of when or by whom or by what means such signature may have been made or affixed)of any officer or person whose name and signature was so certified, or refusing to honor any signature or authority not so certified.

RESOLVED, that these resolutions shall continue in force until express written notice of their rescission or modification has been furnished to and received by the Bank; and

RESOLVED, that any and all transactions by or on behalf of the Depositor with the Bank prior to the adoption of this resolution be, and the same hereby are, in all respects ratified, approved and confirmed.

I further certify that the officers of the Depositor signing the resolution, have, and at the time of adoption of said resolutions had, full power and lawful authority to adopt the foregoing resolutions and to confer the powers therein granted to the persons named, and that such persons have full power and authority to exercise the same.

I further certify that the names, titles (if any) and signatures (actual or facsimile) of the persons authorized to sign or act on behalf of the Depositor by its governing board identified above are as set forth below in the section of this Resolution entitled "Authorized Signers".

I further certify, under penalties of perjury, that the tax identification number shown above is correct and that the Depositor is not subject to backup withholding because (a) it is exempt, (b) has not been notified by the Internal Revenue Service (IRS) that it is subject to backup withholding as a result of a failure to report all interest or dividends or (c) the IRS has notified the Depositor that it is no longer subject to backup withholding.

I further certify that the Authorized Signers below are also hereby authorized to transact any and all other business with and through the Bank regarding this account, including, without limitation, treasury management services offered by Bank.

Account Number Ending: XXXXXXXX0692 and XXXXXXXX0700

Authorized Signers

Name	Title	Signature
Roger Green	Commissioner	
Melissa Taphorn	Acting Executive Director	

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the Depositor this 21st day of January 2020.

	Executive Director
(Certifying Officer)	*(Title)*
	Finance Director
(Attest by one other officer)	*(Title)*

WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

REQUEST FOR BOARD ACTION

January 21, 2020
BOARD MEETING DATE

AGENDA ITEM A-8

Administration **ORIGINATING DEPARTMENT/SERVICE** Melissa Taphorn 1/10/2020 **REQUESTOR'S SIGNATURE/DATE**	**BOARD ACTION REQUESTED** RESOLUTION RECOGNIZING BARBARA DACY FOR HER 19 YEARS OF SERVICE TO THE WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

BACKGROUND/JUSTIFICATION

Barbara Dacy is set to leave the Agency on February 10, 2020 after 19 years as the Agency's Executive Director. Over the past 19 years, under her direction and leadership, the Agency has experienced a tremendous amount of growth and has had a very positive impact on the 33 Washington County communities. The Board and staff have an interest in acknowledging Barbara's service to the Agency and the County and being able to say "thank you" before she departs.

Barbara's most significant contributions are as follows:

- Improving the Agency's financial resilience and sustainability – refinancing existing property debt, establishing finance and reserve policies and growing reserves to appropriate levels.
- Advancing the professionalism of the Agency – engaging the Board in strategic planning and visioning, encouraging staff education and training, and evolving human resources policies.
- Reinvesting in areas of need –leading the redeveloping Red Oak Preserve, assisting cities in redevelopment plans, and restoring and investing in Landfall.
- Directing the creation of affordable housing – investing in Public Housing, growing rental assistance programs, and building TrailSide, Piccadilly Square, and Glen at Valley Creek.
- Developing homeownership programs – responding to the foreclosure crisis, creating a counseling and education program, securing first time homebuyer funds, and partnering with Two Rivers Community Land Trust and Habitat for Humanity.
- Empowering low-income residents – forming a family self-sufficiency program and giving Agency residents a voice through the Resident Advisory Board and Board representation.
- Leveraging investment in affordable housing – sustaining the Agency's suballocator role, establishing the GROW Fund, and fighting for state funds for senior housing.
- Investing in the economic health of Washington County – establishing economic development authority powers, partnering with the Open to Business program, and engaging community partners.

PREVIOUS ACTION ON REQUEST/OTHER PARTIES ADVISED

EXECUTIVE DIRECTOR/DATE:	**ATTACHMENT LIST:** None	**FINANCIAL IMPLICATIONS: $** N/A **BUDGETED:** ☐ **YES** ☐ **NO** **FUNDING:** _____

COMMENTS

BOARD OF COMMISSIONERS
WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY
WASHINGTON COUNTY, MINNESOTA

DATE January 21, 2020 RESOLUTION NO. 20-07

MOTION BY COMMISSIONER _____ SECOND BY COMMISSIONER _____

==========

RESOLUTION RECOGNIZING BARBARA DACY FOR HER 19 YEARS OF SERVICE TO THE WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

	YES		NO
BELISLE	☐	BELISLE	☐
GREEN	☐	GREEN	☐
ZELLER	☐	ZELLER	☐
DINGLE	☐	DINGLE	☐
WIDEN	☐	WIDEN	☐
RYAN	☐	RYAN	☐
MIRON/KARWOSKI	☐	MIRON/KARWOSKI	☐

==========

STATE OF MINNESOTA)
SS
COUNTY OF WASHINGTON)

I, Barbara Dacy, duly appointed, qualified and acting Executive Director of the Washington County Community Development Agency of Washington County, Minnesota do hereby certify that I have compared the foregoing copy of a Resolution with the original minutes of the proceedings of the Washington County Community Development Agency Board of Commissioners, at its session held on the 21ST day of January, 2020, now on file in my office and have found the same to be true and correct thereof. Witness my hand and official seal this 21st day of January 2020.

_____ CDA Secretary

_____ Barbara Dacy, Executive Director

WASHINGTON COUNTY
COMMUNITY DEVELOPMENT AGENCY

RESOLUTION NO. 20-07

RESOLUTION RECOGNIZING BARBARA DACY FOR HER 19 YEARS OF SERVICE TO THE WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY

WHEREAS, Barbara Dacy, Executive Director of the Washington County Community Development Agency (the "Agency"), will resign her position on February 10, 2020 over 19 years of service; and

WHEREAS, Barbara's commitment, vision and dedicated leadership helped the Agency flourish in the areas of strategic planning, employee development, professionalism, and community responsiveness; and

WHEREAS, Barbara has championed affordable senior and workforce housing, improving the housing stability of low-income renters across Washington County; and

WHEREAS, Barbara developed and expanded homeownership, housing finance, and redevelopment programs and promoted the Agency to be the one stop shop to address the full affordable housing spectrum in Washington County; and

WHEREAS, Barbara has strengthened and protected the Agency's financial position and resiliency; and

WHEREAS, Barbara and her work has been recognized by state and national organizations including the 2018 Allan Anderson Award of Merit from the Minnesota Chapter of the National Association of Housing and Redevelopment Officials.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY, AS FOLLOWS:

The Washington County Community Development Agency hereby gratefully acknowledges and recognizes the significant contributions made by Barbara Dacy during her nineteen years of service as Executive Director of the Agency.

Adopted this 21st day of January 2020.

_____
Chair

ATTEST:

_____
Secretary

DISCUSSION

WASHINGTON COUNTY
Community Development Agency

7645 Currell Boulevard, Woodbury, MN 55125
office: 651-458-0936 fax: 651-458-1696

Memo To: CDA Board of Commissioners

From: Barbara Dacy, Executive Director
Ann Hoechst, Housing Assistance and Administrative Services Director

Date: January 21, 2020

RE: Proposed Changes to Housing Choice Voucher Administrative Plan

The Administrative Plan contains the policies for the Washington County Community Development Agency ("Agency") Housing Choice Voucher program (also known as Section 8) and other rental assistance programs.

The Department of Housing and Urban Development (HUD) requires that the Agency review and update, if necessary, the Administrative Plan annually.

On December 27, 2019, a public notice of the 45-day comment period and the Public Hearing will be published regarding the updates on the Public Housing Admission and Continued Occupancy Plan and on the Housing Choice Voucher Administrative Plan. A Public Hearing will be held at the February board meeting to approve the changes. See Attachment A.

On this review, there were 4 chapters that needed an update to policy. Attached to this memo are the chapters with the changes tracked in the document. These chapters will be summarized at the meeting in a Power Point presentation. See Attachment B.

Attachment A

Ad Proof

Enlarged

ECM Publishers, Inc.

-Public Notice Ad Proof-

This is the proof of your ad scheduled to run on the dates indicated below. Please proof read carefully if changes are needed, please contact us prior to deadline at
Cambridge (763) 691-6000 or email at publicnotice@ecm-inc.com

Date: 12/11/19

Account #: 427664
Customer: WASHINGTON COUNTY CDA

Address: 7645 CURRELL BLVD
WOODBURY

Telephone: (651) 458-0936
Fax:

Ad ID: 1004311
Copy LIne: February 18 PH

PO Number:
Start: 12/27/19
Stop: 12/27/2019
Total Cost: $71.10
# of Lines: 37
Total Depth: 4.111
# of Inserts: 1
Ad Class: 150
Phone # (763) 691-6000
Email: publicnotice@ecm-inc.com
Rep No: SS700

Contract-Gross

Publications:
Stillwater Gazette

WASHINGTON COUNTY COMMUNITY DEVELOPMENT AGENCY NOTICE OF PUBLIC HEARING AND PUBLIC COMMENT PERIOD FOR THE PUBLIC HOUSING ADMISSIONS AND CONTINUED OCCUPANCY PLAN AND THE HOUSING CHOICE VOUCHER ADMINISTRATIVE PLAN

NOTICE IS HEREBY GIVEN that the Washington County Community Development Agency will be adopting a revised Public Housing Admissions and Continued Occupancy Plan and a revised Housing Choice Voucher Administrative Plan. A public hearing to review these items will be held on Tuesday, February 18, 2020 at 3:00 p.m. at the Washington County CDA offices at 7645 Currell Blvd., Woodbury, Minnesota. A draft of the revisions is available for review at the CDA's office located at 7645 Currell Blvd., Woodbury, MN and on the Authority's website at: http://www.wchra.com/meeting.php. A public comment period is hereby in effect through Tuesday, February 18, 2020 at 3:00 p.m. Anyone interested in commenting on this plan may do so in writing or by attending the public hearing. Written comments can be mailed to the Washington County CDA at 7645 Currell Blvd., Woodbury, MN 55125. Comments on these changes may also be emailed to: publiccomment@wchra.com

The Washington County CDA is subject to Title II of the Americans with Disabilities Act, which prohibits discrimination on the basis of disability by public entities. Information regarding the provisions of the Americans with Disabilities Act is available from the CDA office at 651-458-0936. Auxiliary aids for disabled persons are available upon request at least 72 hours in advance of an event. Please call 651-458-0936 (MN Relay Service 1-800-627-3529) to make arrangements.

Date of Publication: December 27, 2019

BY ORDER OF THE BOARD OF COMMISSIONERS OF THE WASHINGTON COUNTY HOUSING AND REDEVELOPMENT AUTHORITY

/s/ Barbara Dacy
Executive Director

Published in the
Stillwater Gazette
December 27, 2019
1004311

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.
- 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.

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 982.201(c); FR Notice 02/03/12; Notice PIH 2014-20]

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 actual or perceived sexual orientation, gender identity, or marital status, a single person, who may be an elderly person, disabled person, near-elderly person, or any other single person; 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, or 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]

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 or stalking, the PHA must ensure that the victim retains assistance. (For documentation requirements, occupancy rights, transfer move plan and policies related to domestic violence, dating violence, sexual assault and stalking, see section 16-IX.D of this plan.)
- In accordance with Notice PIH 2017-8, for HUD-Veterans Affairs Supportive Housing (HUD_VASH) vouchers, when the veteran is the perpetrator of domestic violence, dating violence, sexual assault, or stalking, 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

1. If a family breaks up into two otherwise eligible families while receiving assistance, only one of the new families will continue to be assisted.
2. 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.
3. 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 or stalking, 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

   Documentation of these factors is the responsibility of the families. If either or both of the families do not provide documentation, they may be denied placement on the

waiting list for failure to supply information requested by the PHA or the assistance to the family may be terminated.

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. DEPENDENT [24 CFR 5.603]

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.

PHA Policy

In order for a minor child(ren) to continue to receive assistance as a remaining family member the PHA must have verified that social services and/or Juvenile court has arranged for another adult to be brought in to the assisted unit to care for the minor(s) for an indefinite period of time. For the first 30 days of occupancy the additional adult will be treated as a guest. If, after that time period, the additional adult remains in the household the additional adult will be added to the household, lease and contract. The additional adult's income will be included in the rent calculation for rent portions. If, after 180 days, the additional adult retains legal custody of the child(ren) the voucher will be transferred to the additional adult.

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 51 percent or more of the time. "51 percent of the time" is defined as 183 days of the year which do not have to be consecutive.

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 or school records to identify the home address.

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

Household member: a person who cannot verify a permanent address elsewhere and is in the household more than thirty days.

Guest: a person that can verify a permanent address elsewhere and is the in the household less than 30 days.

A guest can remain in the assisted unit no longer than 30 consecutive days or a total of 30 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 51 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. A doctor's verification of the situation will be required.

Absence of evidence of any other address will be considered verification that the visitor is living in the assisted unit.

Statements from neighbors, landlords or others who have a probability of knowledge will be considered when determining if someone not listed on the Application or Recertification documents is living in the unit.

Use of the assisted unit address as the guest's current residence for any purpose shall be construed as permanent residency.

The burden of proof that the individual is a guest and not a resident rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the household. The PHA may terminate rental assistance to the assisted family for having unauthorized members of the household. If a guest continues to reside in the unit after the maximum allowable time, the person will be considered an unauthorized household member. Before an individual is added to the household, the family must seek advance approval from the PHA, as detailed in Section 11-II.B.

3-I.K. FOSTER CHILDREN AND FOSTER ADULTS

Foster adults are usually persons with disabilities, unrelated to the tenant family, who are unable to live alone [24 CFR 5.609].

The term *foster child* is not specifically defined by the regulations.

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* is a child that is in the legal guardianship or custody of a state, county, or private adoption or foster care agency, yet is cared for by foster parents in their own homes, under some kind of short-term or long-term foster care arrangement with the custodial agency.

A foster child or foster adult may be allowed to reside in the unit if their presence would not result in a violation of HQS space standards according to 24 CFR 982.401.

Foster children will be included in determining unit size only if they have been documented by the placement agency that they will be in the unit more than 180 days.

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 for educational activities, placement in foster care, employment, illness, incarceration and court order 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.

Absence of any household member or the entire family for reasons other than those named above will be limited to thirty consecutive days unless approved by the PHA.

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. Someone who has been a family member and is attending school will be considered a family member only if the family can provide verification of:

1) the student resides in housing provided by the educational institution only for students of that institution and lives in the assisted unit at least three consecutive months of the year during which time they do not maintain a separate student residence; or

2) living with the family at least 51 percent of the time.

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. If the child will be out of the unit for more than 12 months from the date of removal of the child, the voucher size will be reduced in accordance with the PHA's subsidy standards at the next recertification or move. If all children have been removed from the home permanently, the voucher will be reduced in accordance with the PHA's subsidy standards at the next recertification or move.

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

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. The return of the individual does not guarantee an increase in unit size.

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 must be made in writing. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker, that the live-in aide is essential for the care and well-being of the elderly, near-elderly, or disabled family member. For continued approval, the family must 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 annually 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 committed or commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;

The person committed or 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 higher of 30 percent of the area median income, adjusted for family size or the federal poverty income.

Area median income is determined by HUD, with adjustments for smaller or 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]

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. 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]

  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

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. Acceptable documentation of citizenship, nationalization or eligible immigration status will include at least one of the following original documents:

United States birth certificate

United States passport

Resident Alien registration card

Social Security card

Naturalization Papers

Other appropriate documentation as determined by the PHA.

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 six has been added to an applicant family within six 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.

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

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

3-II.D. FAMILY CONSENT TO RELEASE OF INFORMATION [24 CFR 5.230; HCV GB, p. 5-13]

HUD requires each adult family member, and the head of household, spouse, or cohead, regardless of age, to sign form HUD-9886, Authorization for the Release of Information/Privacy Act Notice, 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 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)].

PHA Policy

At the time of admission, recertification and with any additions of adult members to the household the PHA will conduct a background search through the Dru Sjodin National Sex Offender Database for all persons 18 years of age and older.

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 new 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 his/her parents in accordance with PHA policy, the income of the student's parents will not be considered in determining the student's eligibility.

The new 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 new eligibility restrictions apply to a student, the PHA will rely on the following definitions [FR 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 his or her 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 his/her 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 or a ward of the court through the age of 18

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 an 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 unusual circumstances

The individual was not claimed as a dependent by his/her 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 his/her 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

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 his/her own, apart from his/her 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 his/her 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 his/her 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 his/her parents and has not had contact with or does not know where to contact his/her 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.

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. 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.

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 or stalking 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)]

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

- Any member of the household who has been evicted from federally-assisted housing in the last 3 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

  A family who was evicted from federally-assisted housing in the past three years (from the date of eviction) for drug-related criminal activity is ineligible, unless the PHA is able to verify that the household member who engaged in the criminal activity has successfully 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 family must otherwise satisfy all eligibility requirements.

  A family evicted from public housing, Indian housing, Section 23, or any Section 8 program because of violent criminal activity are ineligible for admission to the Housing Choice Voucher program for three years beginning from the date of such eviction, unless the family provides proof satisfactory to the PHA that the person who committed the crime, is no longer living in the household. The family must otherwise satisfy all eligibility requirements.

- 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 or possession of illegal drugs or multiple~~any~~ arrests that indicate a continuing problem, or convictions related to illegal drug activity during the previous twelve months. A conviction will be given more weight than an arrest.

- 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 may 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 conviction will be given more weight than an arrest. The PHA may 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

  PHA Policy

  If any household member has ever been convicted of drug related-criminal activity for the production or manufacture of methamphetamine in any location, not just federally assisted housing, the family will be denied assistance, unless the person who committed the crime is no longer in the household.

- Any household member is subject to a lifetime registration requirement under a state lifetime sex offender registration program

3-III.C. 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~~five~~ years, the family will be denied assistance. If convicted of illegal drug or violent criminal activity the three~~five~~ year exclusion begins with the completion of sentence. If there are multiple arrests and a careful consideration of the police reports and testimony of witnesses indicates an on-going involvement with drugs then the three ~~five~~ year exclusion begins with the date of the last arrest. The PHA may consider verifications provided by the family regarding successful completion of drug rehabilitation program or that the responsible individual is no longer in the household.

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; 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).

Immediate vicinity means within a three-block radius of the premises.

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

Any conviction for drug-related or violent criminal activity within the past three~~5~~ years.

Records of arrests for drug related or violent criminal activity within the past three~~5~~ years, although a record of arrest(s) will not be used as the sole basis for the denial or proof that the applicant engaged in disqualifying criminal activity.

Any record of eviction from public or privately-owned housing as a result of criminal activity within the past three ~~5~~ years.

A conviction for drug-related or violent criminal activity will be given more weight than an arrest for such activity.

In making its decision to deny assistance, the PHA may consider the factors discussed in Section 3-III.E. 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.

Per the alternative requirements listed in the *Federal Register* notice dated December 29, 2014, PHAs are no longer permitted to deny assistance to a family because the family previously failed to meet its obligations under the Family Self Sufficiency (FSS) program [FR Notice 12/29/14]/:

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 five years beginning with the date of the eviction.

Any PHA has ever terminated assistance under the program for any member of the family as a result of fraudulent actions.

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 the HCV/Section 8 or public housing programs under the 1937 Act, unless the family repays the full amount of the debt before 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 before 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.

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 may consider the factors discussed in Section 3-III.E. Upon consideration of such factors, the PHA may, on a case-by-case basis, decide not to deny assistance.

3-III.D. 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].

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

PHA Policy

The PHA may perform a criminal background check through local law enforcement for every adult household member if indicated by the responses on the application.

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

PHAs are required to perform criminal background checks necessary to determine whether any household member is subject to a lifetime registration requirement under a state sex offender program in the state where the housing is located, as well as in any other state where a household member is known to have resided [24 CFR 982.553(a)(2)(i)].

PHA Policy

The PHA will use the Dru Sjodin National Sex Offender database to screen applicants 18 years of age and older 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 or stalking except at the written request or with the written consent of the individual providing the documentation
[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 if requested. The PHA will not provide any additional information to the owner, such as tenancy history or criminal history, etc.

3-III.E. 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 may consider the following factors prior to making its decision:

The seriousness of the case, especially with respect to how it would affect other resident's safety and property

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

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.G) a victim of domestic violence, dating violence, sexual assault or stalking

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

While a record of arrest(s) will not be used as a basis for denial, an arrest may, however, 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 files
- Whether, if filed, criminal charges were abandoned, dismissed , not prosecuted, or ultimately resulted in acquittal

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

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

Parole Officer's written verification of the person's compliance with terms of sentence and completion of any court ordered rehabilitation.

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.F. NOTICE OF ELIGIBILITY OR DENIAL

If the family is eligible for assistance, the PHA will notify the family in writing and schedule a tenant 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 or stalking are contained in Section 3-III.G.

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

The Violence against Women Act of 2005 (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, or stalking, if the applicant otherwise qualifies for assistance or admission."

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 2013 expanded notification requirements to include the obligation for the PHA to provide applicants who are denied assistance with 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 or stalking may have an unfavorable history (e.g., a poor credit history, poor rental history, a record of previous damage to an apartment, a prior conviction 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, or stalking, 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 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 or stalking, 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 two options:

1) 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

2) 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 his or her 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 his or her 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.

A 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.

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

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

When the waiting list has been opened for applications depending upon the process to be used to collect applications:

1) For a paper application process:

A) Families may obtain application forms from the PHA's office during normal business hours.

B) Families may also request – by telephone or by mail – that an application be mailed to them via first class mail.

C) Completed applications must be returned to the PHA by mail, electronically by fax, or submitted in person during normal business hours.

2) For an internet application process:

A) The PHA may also take applications through an internet-only application process. Applications taken through an internet-only application do not require the tenant to complete a hard copy.

The PHA will notify the public in advertising of the opening of the waiting list the process that will be used to collect application. Specific instructions will be included.

The PHA may limit the number of applications to be placed on the waiting list through a lottery system. Applications must be complete in order to be accepted by the PHA for processing. If an application is incomplete, the PHA will notify the family of the additional information required. Duplicate applications, including applications from a segment of an applicant household, will not be accepted.

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 making the determination. 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 making the determination.

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 excel program randomization determination.

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 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:

St. Paul Publications, Housing Link, Lavender, Oakdale/Lake Elmo Review, Forest Lake Times, Stillwater Gazette, South Washington County Bulletin, Asian Press, MN Spokesman Recorder, Women's Press, County Messenger, The Citizen, Access Press and St. Paul Publishing and Insight News.

A public release will be sent to other area PHAs and Washington County Community Services, Area Food Shelves, Washington County Housing Collaborative (Heading Home Washington).

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. If the waiting list is being maintained on-line, the family will have a code to access its record and make changes on-line.

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

If the waiting list is being maintained as a paper copy in the PHA's office then the waiting list will be updated every other year 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 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 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 15 business days from the date of the PHA letter.

If the family fails to respond within 15 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 15 business days to respond from the date the letter was re-sent. The PHA allows a grace period of 180 days beginning 15 days after the date of the update letter. If an applicant responds within this grace period they will be re-instated to their previously held position on the waiting list.

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.

If the waiting list is being maintained as a internet based file, the family will have an access code to its application and will be able to update the file as necessary.

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)].

Attachment B

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 FUP and VASH vouchers Please see Chapter 19.

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

Insufficient funding (3 points):

The CDA will offer a preference to any family terminated or at imminent risk of termination due to insufficiency funding in the following programs:

CDA administered Housing Choice Voucher/VASH/FUP

CDA administered Bridges/Bridges II/Bridges Regional Treatment Center

CDA administered Continuum of Care/Shelter Plus Care

Involuntary displacement (2 points):

The CDA will offer a preference to any family residing in Washington County that has been involuntarily displaced due to:

- Fire, flood, tornado
- A natural disaster or otherwise formally recognized pursuant to Federal disaster relief laws.
- Federal, state, local government action related to code enforcement, public improvement or redevelopment.

The waiting list remains open for these applicants. A lottery will be used to position these individuals on the waiting list.

Referrals for VASH or FUP (150 points)

- When a voucher for VASH or FUP is available the CDA will accept referrals for VASH from the Veterans Administration Housing unit or for FUP from the Washington County Child Protection unit.

Mainstream Vouchers

The PHA has been awarded a special allocation of 30 vouchers to assist non-elderly (ages 18-62) adults with disabilities.

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In order for a non-elderly adult with disabilities to receive a preference of 10 points on the waiting list they must be able to certify that they meet one of the following targets:

- Persons transitioning out of institutional or segregated settings, or;
- Persons at serious risk of institutionalization due to a public entity's failure to provide community services or its cuts to services will likely cause a decline in health, safety or welfare that would lead to the individual's eventual placement in an institution, or;
- Persons who are homeless or will imminently lose their prime-time residence,or;
- Persons fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against an individual or a family member that has either taken place within the primary nighttime residence or has made the individual afraid to return to the primary nighttime residence. The person must have no other residence or lack the resources or support networks to obtain permanent hours in, or;
- Persons who are in permanent housing or rapid rehousing projects who no longer need the level of services provided.

These preferences are limited to these Mainstream Vouchers and receive 10 points

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Income Targeting Requirement [24 CFR 982.201(b)(2)]

HUD requires that extremely low-income (ELI) families make up at least 75% 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 calendar 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 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 based upon their placement by the computer program random sorting determination. New applicants will be placed on the list in the order dictated by the computer program random sorting determination applicants who were previously on the list. 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.

For Special funding programs such as VASH and FUP, please refer to chapter 19.

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 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, he or she 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 10 business 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, as well as completing required forms, providing required signatures, and submitting 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 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

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 7

VERIFICATION

[24 CFR 982.516, 24 CFR 982.551, 24 CFR 5.230, Notice PIH 2018-18]

INTRODUCTION

The PHA must verify all information that is used to establish the family's eligibility and level of assistance and is required to obtain written authorization from the family in order to collect the information. Applicants and program participants must cooperate with the verification process as a condition of receiving assistance. The PHA must not pass on the cost of verification to the family.

The PHA will follow the verification guidance provided by HUD in Notice PIH 2018-18 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 AND 982.551, 24 CFR 5.230]

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].

Consent Forms

It is required that all adult applicants and participants sign form HUD-9886, Authorization for Release of Information. The purpose of form HUD-9886 is to facilitate automated data collection and computer matching from specific sources and provides the family's consent only for the specific purposes listed on the form. HUD and the PHA may collect information from State Wage Information Collection Agencies (SWICAs) and current and former employers of adult family members. Only HUD is authorized to collect information directly from the Internal Revenue Service (IRS) and the Social Security Administration (SSA). Adult family members must sign other consent forms as needed to collect information relevant to the family's eligibility and level of assistance.

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 will 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.

7-I.B. OVERVIEW OF VERIFICATION REQUIREMENTS

HUD's Verification Hierarchy [Notice PIH2018-18]

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:

- Up-front Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system
- Up-front Income Verification (UIV) using a non-HUD system
- Written Third-Party Verification (may be provided by applicant or participant)
- Written Third-party Verification Form
- Oral Third-party Verification
- Self-Certification

Each of the verification methods is discussed in subsequent sections below.

Requirements for Acceptable Documents

PHA Policy

Any documents used for verification must be the original (not photocopies) and generally must be dated within 60 days of the PHA request. The documents must not be damaged, altered or in any way illegible.

Print-outs from Web pages are considered original documents.

Any family self-certifications must be made in a format acceptable to the PHA and must be signed and dated.

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.

PHA Policy

The PHA will document, in the family file, the following:

Reported family annual income

Value of assets

Expenses related to deductions from annual income

Other factors influencing adjusted income

When the PHA is unable to obtain third-party verification, the PHA will document in the family file the reason that third-party verification was not available [24 CFR 982.516(a)(2); Notice PIH 2018-18].

7-I.C. 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. 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.

See Chapter 6 for the PHA's policy on the use of UIV/EIV to project annual income.

Upfront Income Verification Using 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 mandatory reexaminations or recertifications of family composition and income in accordance with 24 CFR 5.236 and administrative guidance issued by HUD. The EIV system contains data showing earned income, unemployment benefits, social security benefits, and SSI benefits for participant families. The following policies apply to the use of HUD's EIV system.

EIV Income and IVT Reports

The data shown on income and income validation tool (IVT) reports is updated quarterly. Data may be between 3 and 6 months old at the time reports are generated.

PHA Policy

The PHA will obtain annual income and IVT reports for annual reexaminations. Reports will be generated as part of the regular reexamination process.

Income and IVT reports will be compared to family-provided information as part of the annual reexamination process. Income reports may be used in the calculation of annual income, as described in Chapter 6-I.C. Income reports may also be used to meet the regulatory requirement for third party verification, as described above. Policies for resolving discrepancies between income reports and family-provided information will be resolved as described in Chapter 6-I.C. and in this chapter.

Income and IVT reports will be used in interim reexaminations to identify any discrepancies between reported income and income shown in the EIV system, and as necessary to verify earned income, and to verify and calculate unemployment benefits, Social Security and/or SSI benefits. EIV will also be used to verify that families claiming zero income are not receiving income from any of these sources. Income reports will include the most recent tax return documents.

Income and IVT reports will be retained in participant files with the applicable annual or interim reexamination documents.

When the PHA determines through EIV income 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.

EIV Identity Verification

The EIV system verifies tenant identities against SSA records. These records are compared to PIC 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 2018-18].

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 PIC/SSA discrepancies by obtaining appropriate documentation from the participant. When the PHA determines that discrepancies exist due to PHA errors such as spelling errors or incorrect birth dates, the errors will be corrected promptly.

Upfront Income Verification Using Non-HUD Systems (Optional)

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 during the admission and reexamination process:

HUD's EIV system

7-I.D. THIRD-PARTY WRITTEN AND ORAL VERIFICATION

HUD's current verification hierarchy defines two types of written third-party verification. The more preferable form, "written third-party verification," consists of an original document generated by a third-party source, which may be received directly from a third-party source or provided to the PHA by the family. If written third-party verification is not available, the PHA must attempt to obtain a "written third-party verification form." This is a standardized form used to collect information from a third party.

Written Third-Party Verification [Notice PIH 2018-18]

Written third-party verification documents must be original and authentic and 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.

The PHA is required to obtain, at minimum, two current and consecutive pay stubs for determining annual income from wages.

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.

PHA Policy

Third-party documents provided by the family must be dated within 60 days of the PHA request date.

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.

As verification of earned income, the PHA will require the family to provide pay stubs covering the 60 day period prior to the PHA's request.

Written Third-Party Verification Form

When upfront verification is not available and the family is unable to provide written third-party documents, the PHA must request a written third-party verification form. HUD's position is that this traditional third-party verification method presents administrative burdens and risks which may be reduced through the use of family-provided third-party documents.

PHAs may mail, fax, or e-mail third-party written verification form requests to third-party sources.

PHA Policy

The PHA will send third-party verification forms directly to the third party.

Third-party verification forms will be sent when third-party verification documents are unavailable or are rejected by the PHA.

Oral Third-Party Verification [Notice PIH 2018-18]

For third-party oral verification, PHAs contact sources, identified by UIV techniques or by the family, by telephone or in person.

Oral third-party verification is mandatory if neither form of written third-party verification is available.

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 should 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.

PHA Policy

In collecting third-party oral verification, PHA staff will record in the family's file the name and title of the person contacted, the date and time of the conversation (or attempt), the telephone number used, and the facts provided.

When any source responds verbally to the initial written request for verification the PHA will accept the verbal response as oral verification but will also request that the source complete and return any verification forms that were provided.

When Third-Party Verification is Not Required [Notice PIH 2018-18]

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.

Imputed Assets

HUD permits PHAs to accept a self-certification from a family as verification of assets disposed of for less than fair market value [HCV GB, p. 5-28].

PHA Policy

The PHA will accept a self-certification from a family as verification of assets disposed of for less than fair market value.

Value of Assets and Asset Income [24 CFR 982.516(a)]

For families with net assets totaling $5,000 or less, the PHA may accept the family's declaration of asset value and anticipated asset income. However, the PHA is required to obtain third party verification of all assets regardless of the amount during the intake process and at least every three years thereafter.

PHA Policy

The PHA will require third party documentation of assets at intake and annual recertifications.

7-I.E. SELF-CERTIFICATION

When HUD requires third party verification, self-certification, or "tenant declaration," is used as a last resort when the PHA is unable to obtain third-party verification.

Self-Certification, however, is an acceptable form of verification when:

- A source of income is fully excluded

When the PHA was required to obtain third party verification but instead relies on a tenant declaration for verification of income, assets, or expenses, the family's file must be documented to explain why third-party verification was not available.

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 must be signed in the presence of a PHA representative or PHA notary public.

The PHA will accept self-certification of live-in aide income.

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 employer identification card	Certificate of birth Adoption papers Custody agreement Health and Human Services ID Certified school records

If a document submitted by a family is illegible for any reason or otherwise questionable, more than one of these documents may be required.

If none of these documents can be provided and at the PHA's discretion, a third party who knows the person may attest to the person's identity. The certification must be provided in a format acceptable to the PHA and be signed in the presence of a PHA representative or PHA notary public.

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 him or herself to be a participant.

7-II.B. SOCIAL SECURITY NUMBERS [24 CFR 5.216, Notice PIH 2018-24]

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 his or her 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

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.

If an applicant family includes a child under 6 years of age who joined the household within 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 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 retain copies of documentation accepted as evidence of social security numbers in the individual's file.

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, referring to each other as spouse, 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).

An adult member, sole member, Head, spouse or Co-head of the household cannot be absent from the household or unit for more than 30 consecutive days. If such person must leave the household for more than 30 consecutive days, the unit will not be considered their principal place of residence and that person will be removed from the program.

An adult is considered temporarily absent and not permanently absent from the household if the adult member, head, or co-head must leave the household to go to the hospital or nursing home facility or for employment or educational purposes. The family will be required to provide verification of need for employment, education or medical absence from the unit. If a medical source provides verification that the adult family member will be permanently confined to a nursing home or residential facility, the adult member will be considered to be permanently absent. The length of stay cannot exceed 180 days or the PHA will consider the absence to be permanent.

If an adult member is reported to be permanently absent, the family must provide evidence that the person is no longer a member of the household (lease, utility bill.). If the family is unable to provide such documentation, a statement from the current owner certifying that the person is no longer in the residence will serve as sufficient alternative form of verification.

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 child care expenses to enable a family member to further his or her 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 7-1.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.J) or the student's independence from his/her parents (see below).

Independent Student

PHA Policy

The PHA will verify a student's independence from his/her 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 or verifying previous address information to determine whether the student has established a household separate from his/her 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 income tax returns to verify the student is independent or verifying the student meets the U.S. Department of Educations'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 last 60 days) 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.

PART III: VERIFYING INCOME AND ASSETS

Chapter 6, Part I 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 assets and 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.

7-III.A. EARNED INCOME

Tips

PHA Policy

Unless tip income is included in a family member's W-2 by the employer, persons who work in industries where tips are standard will be required to sign a certified estimate of tips received for the prior year and tips anticipated to be received in the coming year.

Wages

PHA Policy

For wages other than tips, the family must provide originals of the current, consecutive pay stubs for the previous 60 days. Paycheck stubs must reveal year to date wages. PHA must have verified starting date.

7-III.B. BUSINESS AND SELF EMPLOYMENT INCOME

PHA Policy

Business owners and self-employed persons will be required to provide:

An audited financial statement for the previous fiscal year if an audit was conducted. If an audit was not conducted, a statement of income and expenses must be submitted and the business owner or self-employed person must certify to its accuracy.

All schedules completed for filing federal and local taxes in the preceding year.

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.

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

PHA Policy

To verify the SS/SSI benefits of applicants, the PHA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member that receives social security benefits. If the family is unable to provide the document(s), the PHA will help the applicant request a benefit verification letter from SSA's Web site at www.ssa.gov or ask the family to request one by calling SSA at 1-800-772-1213. Once the applicant has received the benefit verification letter they will be required to provide it to the PHA.

To verify the SS/SSI benefits of participants, the PHA will obtain information about social security/SSI benefits through the HUD EIV System, and confirm with the participant(s) that the current listed benefit amount is correct. If the participant disputes the EIV-reported benefit amount, or if benefit information is not available in HUD systems, the PHA will request a current SSA benefit verification letter from each family member that receives social security benefits. If the family is unable to provide the document(s) the PHA will help the participant request a benefit verification letter from SSA's Web site at www.ssa.gov or ask the family to request one by calling SSA at 1-800-772-1213. Once the participant has received the benefit verification letter they will be required to provide it to the PHA.

7-III.D. ALIMONY OR CHILD SUPPORT

PHA Policy

The methods the PHA will use to verify alimony and child support payments differ depending on whether the family declares that it receives regular payments.

If the family declares that it ***receives regular payments***, verification will be obtained in the following order of priority:

Copies of the receipts and/or payment stubs for the 60 days 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

If the family declares that it ***receives irregular or no payments***, in addition to the verification process listed above, the family must provide evidence that it has taken all reasonable efforts to collect amounts due. This may include:

A statement from any agency responsible for enforcing payment that shows the family has requested enforcement and is cooperating with all enforcement efforts

If the family has made independent efforts at collection, a written statement from the attorney or other collection entity that has assisted the family in these efforts

Note: Families are not required to undertake independent enforcement action.

7-III.E FLUCTUATING INCOME

PHA Policy:

If a tenant has over 6 income changes that require a rent change in each of the previous two years, the CDA will use the previous two years of tax returns to figure out an average amount earned per year. This amount will be used to determine the rent portions for the annual recertification. The rent portions will not be changed for the coming year unless the tenant has not been able to pay rent due to a loss of income and the landlord is threatening eviction.

7-III.E. ASSETS AND INCOME FROM ASSETS

Assets Disposed of for Less than Fair Market Value

The family must certify whether any assets have been disposed of for less than fair market value in the preceding two years. The PHA needs to verify only those certifications that warrant documentation [HCV GB, p. 5-28].

PHA Policy

The PHA will verify the value of assets disposed of only if:

The PHA does not already have a reasonable estimation of its value from previously collected information, or

The amount reported by the family in the certification appears obviously in error.

Example 1: An elderly participant reported a $10,000 certificate of deposit at the last annual reexamination and the PHA verified this amount. Now the person reports that she has given this $10,000 to her son. The PHA has a reasonable estimate of the value of the asset; therefore, reverification of the value of the asset is not necessary.

Example 2: A family member has disposed of its 1/4 share of real property located in a desirable area and has valued her share at approximately 5,000. Based upon market conditions, this declaration does not seem realistic. Therefore, the PHA will verify the value of this asset.

7-III.F. 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.G. RETIREMENT ACCOUNTS

PHA Policy

The PHA will accept written third-party documents supplied by the family as evidence of the status of retirement accounts.

The type of original document that will be accepted depends upon the family member's retirement status.

Before retirement, the PHA will accept an original document from the entity holding the account with a date that shows it is the most recently scheduled statement for the account but in no case earlier than 6 months from the effective date of the examination.

Upon retirement, the PHA will accept an original document from the entity holding the account that reflects any distributions of the account balance, any lump sums taken and any regular payments.

After retirement, 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.H. INCOME FROM EXCLUDED SOURCES

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, document why third-party verification is not available, or report the income on the 50058. Fully excluded income is defined as income that is entirely excluded from the annual income determination (for example, food stamps, earned income of a minor, or foster care funds) [Notice PIH 2013-04].

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, or income excluded under the earned income disallowance).

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.

The PHA will reconcile differences in amounts reported by the third party and the family only when the excluded amount is used to calculate the family share as in Earned Income disallowance or 18+ student work income.

7-III.I. ZERO ANNUAL INCOME STATUS

PHA Policy

The PHA will check UIV sources and/or request information from third-party sources to verify that certain forms of income such as unemployment benefits, TANF, SS, SSI, and earnings are not being received or no longer being received by families claiming to have zero annual income.

The PHA will require the family to complete a Household Certification of Zero or Minimal Income form self-certifying how they are paying their expenses and that they have zero or minimal income.

All adults-Head of household, Spouse, Co-head or other Adult or Adult Student--in the unit claiming no income must complete a zero or minimal income certification.

7-III.J. STUDENT FINANCIAL ASSISTANCE

Any financial assistance, in excess of amounts received for tuition, that a person attending an institution of higher education receives under the Higher Education Act of 1965, from private sources, or from an institution of higher education must be considered income unless the student is over the age of 23 with dependent children or is residing with parents who are seeking or receiving HCV assistance [24 CFR 5.609(b)(9) and FR 4/10/06].

For students over the age of 23 with dependent children or students residing with parents who are seeking or receiving HCV assistance, the full amount of student financial assistance is excluded from annual income [24 CFR 5.609(c)(6)]. The full amount of student financial assistance is also excluded for students attending schools that do not qualify as institutions of higher education (as defined in Exhibit 3-2). Excluded amounts are verified only if, without verification, the PHA would not be able to determine whether or to what extent the income is to be excluded (see section 7-III.H).

PHA Policy

For a student subject to having a portion of his/her student financial assistance included in annual income in accordance with 24 CFR 5.609(b)(9), the PHA will request written third-party verification of both the source and the amount. 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, the PHA will request written verification of the student's tuition amount.

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.K. 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 his or her 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 (6-II.B.) 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 (6-II.C.) 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. MEDICAL EXPENSE DEDUCTION

Policies related to medical expenses are found in 6-II.D. The amount of the deduction will be verified following the standard verification procedures described in Part I.

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.

The PHA will make a best effort to determine what expenses from the past are likely to continue to occur in the future. The PHA will also accept evidence of monthly payments or total payments that will be due for medical expenses during the upcoming 12 months.

Written third-party verification forms, if the family is unable to provide acceptable documentation.

If third-party or document review is not possible, written family certification as to costs anticipated to be incurred during the upcoming 12 months.

Medical mileage will be used as a deduction. Staff will google the distance from the tenant's unit to the medical facility and will use the mileage allowance permitted in IRS Publication 502 times the mileage round trip. The tenant must provide proof of medical appointments.

In addition, the PHA must verify that:

- The household is eligible for the deduction.
- The costs to be deducted are qualified medical 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 medical 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 medical expenses deduction, the costs must qualify as medical expenses. See Chapter 6 (6-II.D.) for the PHA's policy on what counts as a medical expense.

Unreimbursed Expenses

To be eligible for the medical expenses 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

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.

Amount of Expense

Attendant Care

PHA Policy

The PHA will accept written third-party documents provided by the family.

If family-provided documents are not available, the PHA will provide a third-party verification form directly to the care provider requesting the needed information.

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 forms signed by the provider, if family-provided documents are not available.

If third-party verification is not possible, written family certification as to costs anticipated to be incurred for the upcoming 12 months.

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 forms 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 6-II.E.).
- The expense is not reimbursed from another source (as described in 6-II.E.).

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. CHILD CARE EXPENSES

Policies related to child care expenses are found in Chapter 6 (6-II.F). 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 child care.
- The costs are reasonable.

Eligible Child

To be eligible for the child care deduction, the costs must be incurred for the care of a child under the age of 13. The PHA will verify that the child being cared for (including foster children) is under the age of 13 (See 7-II.C.).

Unreimbursed Expense

To be eligible for the child care deduction, the costs must not be reimbursed by another source.

PHA Policy

The family (and the care provider) will be required to certify that the child care 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 his or her education by the child care is enrolled and provide information about the timing of classes for which the person is registered. The documentation may be provided by the family.

Gainful Employment

The PHA will seek third-party verification of the work schedule of the person who is permitted to work by the child care. In cases in which two or more family members could be permitted to work, the work schedules for all relevant family members may be verified. The documentation may be provided by the family.

Allowable Type of Child Care

The type of care to be provided is determined by the family, but must fall within certain guidelines, as discussed in Chapter 6.

PHA Policy

The PHA will verify that the type of child care selected by the family is allowable, as described in Chapter 6 (6-II.F).

The PHA will verify that the fees paid to the child care provider cover only child care costs (e.g., no housekeeping services or personal services) and are paid only for the care of an eligible child (e.g., prorate costs if some of the care is provided for ineligible family members).

The PHA will verify that the child care provider is not an assisted family member. Verification will be made through the head of household's declaration of family members who are expected to reside in the unit.

Reasonableness of Expenses

Only reasonable child care costs can be deducted.

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

HOUSING QUALITY STANDARDS AND RENT REASONABLENESS DETERMINATIONS

[24 CFR 982 Subpart I and 24 CFR 982.507]

INTRODUCTION

HUD requires that all units occupied by families receiving Housing Choice Voucher (HCV) assistance meet HUD's Housing Quality Standards (HQS) and permits the PHA to establish additional requirements. The use of the term "HQS" in this plan refers to the combination of both HUD and PHA-established requirements. All units must pass an HQS inspection prior to the approval of a lease and at least annually during the term of the contract.

All units must pass an HQS inspection prior to the approval of a lease and at least once every 24 months during the term of the contract, and at other times as needed, to determine that the unit meets HQS.

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.

This chapter explains HUD and PHA requirements related to housing quality and rent reasonableness as follows:

> Part I. Physical Standards. This part discusses the physical standards required of units occupied by HCV-assisted families and identifies decisions about the acceptability of the unit that may be made by the family based upon the family's preference. It also identifies life-threatening conditions that must be addressed on an expedited basis.
>
> 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 HQS.
>
> Part III. Rent Reasonableness Determinations. This part discusses the policies the PHA will use to make rent reasonableness determinations.

Special HQS requirements for homeownership, manufactured homes, and other special housing types are discussed in Chapter 15 to the extent that they apply in this jurisdiction.

PART I: PHYSICAL STANDARDS

8-I.A. GENERAL HUD REQUIREMENTS

HUD Performance and Acceptability Standards

HUD's performance and acceptability standards for HCV-assisted housing are provided in 24 CFR 982.401. These standards cover the following areas:

- Sanitary facilities
- Food preparation and refuse disposal
- Space and Security
- Thermal Environment
- Illumination and electricity
- Structure and materials
- Interior Air Quality
- Water Supply
- Lead-based paint
- Access
- Site and neighborhood
- Sanitary condition
- Smoke Detectors

A summary of HUD performance criteria is provided in Exhibit 8-1. Additional guidance on these requirements is found in the following HUD resources:

- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)
- HUD Notice 2003-31, Accessibility Notice: Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Architectural Barriers Act of 1968 and the Fair Housing Act of 1988.

Tenant Preference Items

HUD requires the PHA to enforce minimum HQS but also recognizes that certain judgments about the acceptability of the unit are left to the family. For example, the PHA must ensure that the unit contains the required sanitary facilities, but the family decides whether the cosmetic appearance of the facilities is acceptable. Exhibit 8-2 summarizes those items that are considered tenant preferences.

Modifications to Provide Accessibility

Under the Fair Housing Act of 1988 an owner must not refuse the request of a family that contains a person with a disability to make necessary and reasonable modifications to the unit. Such modifications are at the family's expense. The owner may require restoration of the unit to its original condition 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 HQS 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.B. ADDITIONAL LOCAL REQUIREMENTS

The PHA may impose variations to the HQS 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 the HQS. HUD approval is not required if the variations are clarifications of HUD's acceptability criteria or performance standards [24 CFR 982.401(a)(4)].

Thermal Environment [HCV GB p.10-7]

The PHA must define a "healthy living environment" for the local climate. This may be done by establishing a temperature that the heating system must be capable of maintaining, that is appropriate for the local climate.

PHA Policy

The heating system must be capable of maintaining an interior temperature of 65 degrees Fahrenheit between October 1 and May 1.

Clarifications of HUD Requirements

PHA Policy

As permitted by HUD, the PHA has adopted the following specific requirements that elaborate on HUD standards.

Walls

In areas where plaster or drywall is sagging, severely cracked, or otherwise damaged, it must be repaired or replaced.

Windows

Window sashes must be in good condition, solid and intact, and properly fitted to the window frame. Damaged or deteriorated sashes must be replaced.

Windows must be weather-stripped as needed to ensure a weather-tight seal.

Window screens must be in good condition in operable windows.

In each room there will be at least one exterior window that can be opened with a screen. At least one bedroom window must have a screen and bathroom windows used for ventilation must have a screen.

All egress windows must have the ability to allow for escape from the unit.

Windows designed to open must be operable and lock securely.

Doors

All exterior doors must be weather-tight to avoid any air or water infiltration, be lockable, have no holes, have all trim intact, and have a threshold.

All interior doors which lead directly to and from the assisted unit must have a turn-style dead bolt: double-keyed dead bolts are not permissible. The door must be sturdy and secure tightly and be free of other defects which would compromise the safety, security or integrity of the door. All trim and weather stripping must be intact.

All interior doors must have no holes that present a safety hazard to small children, have all trim intact, and be openable without the use of a key.

All rooms considered to be a sleeping room must have a door that closes to allow for privacy.

All bathrooms must have a door that closes to allow for privacy.

Floors

All wood floors must be sanded to a smooth surface and sealed. Any loose or warped boards must be resecured and made level. If they cannot be leveled, they must be replaced.

All floors must be in a finished state. Raw wood or unsealed concrete is not permitted. Plywood is not permissible.

All floors should have some type of base shoe, trim, or sealing for a "finished look." Vinyl base shoe is permitted.

Carpet cannot be torn or worn through. It must be securely fastened down to prevent tripping hazards.

Sinks

All sinks and commode water lines must have shut off valves, unless faucets are wall mounted.

Toilets

All worn or cracked toilet seats and tank lids must be replaced and toilet tank lid must fit properly.

Security

If window security bars or security screens are present on emergency exit windows, they must be equipped with a quick release system. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.

Utility Meters

In units where the tenant must pay for utilities, each unit must have separate metering device(s) for measuring utility consumption, or comply with Minnesota State Metering Law. No common areas in a multi-family building may be powered with energy from a tenant's meter

Electrical Wiring

All electrical wiring must be properly covered with metal or conduit or encased (Sheetrock, plywood or other suitable wall covering material) to prevent physical damage to wiring.

At least two means of electrical sources must be furnished in each room. A overhead light fixture and wall switch and a duplex receptacle are minimum.

If accessible, all missing light bulbs should be installed in order to close an open electrical socket.

Dead or malfunctioning outlets or switches should be made operable or device removed, wires capped and a blank cover installed on box. Minimum of two electrical sources must be furnished in each room.

Heat

An adequate heat supply must be provided to all rooms. Portable heaters are not allowed as a permanent heat supply.

Appliances

If the appliance is in the unit then it must be operable. Inoperable units must be discarded. If operable, but not in use, it must be stored in a locked area. If discarding, the door must be removed.

Overall Site Condition

Litter/trash and evidence of general lack of yard maintenance is not permitted.

Bedrooms

Bedrooms in basements or attics are not allowed unless they meet local code requirements and must have adequate ventilation and emergency exit capability. Minimum bedroom ceiling height is 7'6" or local code whichever is greater. Sloping ceilings may not slope to lower than five feet in the 70 square foot area.

Basement bedrooms must meet the following standard:

Have four walls and built with the intent to be a bedroom, and;

Second means of egress—each basement bedroom shall contain at least one (1) window unit, not less than one twentieth (1/20) of the floor area and with its sill no more than forty four (44) inches from the floor, easily operable, sufficiency opening size of not less than 5.7 square feet with a minimum net clear height of 24 inches and a minimum net clear width of 20 inches and has a window well comparable in size. A door leading directly outside of the unit is acceptable.

Walls and ceilings must be finished with appropriate materials—sheetrock, paneling, painted etc.—and the room must be shielded from the furnace, water heater, or other hazard by approved materials as per fire code. The floor should be covered wall to wall.

Smoke detector

There must be a working smoke detector on each floor.

Carbon Monoxide Detector

In units with gas powered appliances within the unit (such as furnaces, water heaters, stove, dryer) there must be an operable Carbon Monoxide detector installed in the recommended locations.

Modifications

Modifications or adaptations to a unit to make it accessible must meet all applicable HQS and building codes.

Extension for repair items not required by HQS will be granted for modifications/adaptations to the unit if agreed to by the tenant and the landlord. PHA will allow execution of the HAP contract if unit meets all requirements and the modifications do not affect livability of the unit.

8-I.C. LIFE-THREATENING CONDITIONS [24 CFR 982.404(a)]

HUD requires the PHA to define life-threatening conditions and to notify the owner or the family (whichever is responsible) of the corrections required. The responsible party must correct life-threatening conditions within 24 hours of PHA notification.

PHA Policy

The following are considered life-threatening conditions:

Any condition that jeopardizes the security of the unit

Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling

Natural or LP gas or fuel oil leaks

A fuel storage vessel, fluid line, valve, or connection that supplies fuels to a HVAC unit is leaking or a strong odor is detected with potential for explosion or fire or that results in a health risk if inhaled

Any electrical problem or condition that could result in shock or fire

A light fixture is readily accessible, is not securely mounted to the ceiling or wall, an electrical connections or wires are exposed

A light fixture is hanging by its wires

A light fixture has a missing or broken bulb, and the open socket is readily accessible to the tenant during the day-to-day use of the unit

A receptacle (outlet) or switch is missing or broken and electrical connections or wires are exposed

An open circuit breaker position is not appropriately blanked off in a panel board, main panel board, or other electrical box that contains circuit breakers or fuses

A cover is missing from any electrical device box, panel box, switch gear box, control panel, etc., and there are exposed electrical connections

Any nicks, abrasions or fraying of the insulations that exposes conductin wire

Exposed bare wires or electrical connections

Any conditions that results in openings in electrical panels or electrical control device enclosures

Water leaking or ponding near any electrical device

Any condition that poses a serious risk of electrocution or fire and poses an immediate life threatening condition

Absence of a working heating system when outside temperature is below 60 degrees Fahrenheit.

Utilities not in service, including no running hot water

Conditions that present the imminent possibility of injury

Obstacles that prevent safe entrance or exit from the unit

- Any components that affect the function of the fire escape are missing or damaged
- Stored items or other barriers restrict or prevent the use of the fire escape in the event of an emergency
- The building's emergency exit is blocked or impeded, thus limiting the ability of occupants to exit in a fire or other emergency

Absence of a functioning toilet in the unit

Inoperable or missing smoke detectors

Missing or inoperable carbon monoxide detector if a unit has gas fueled appliances (water heater, furnace, stove, dryer).

Missing, damaged, discharged, overcharged, or expired fire extinguisher (where required)

Gas/oil-fired water heater or heating, ventilation, or cooling system with missing, damaged, improper, or misaligned chimney venting

- The chimney or venting system on a fuel –fired water heater is misaligned, negatively pitched, or damaged, which may cause improper or dangerous venting or gases
- A gas dryer vent is missing, damaged, or is visually determined to be inoperable, or a dryer exhaust is not vented to the outside
- A fuel-fired space heater is not properly vented or lacks available combustion air
- A non-vented space heater is present
- Safety devices on a fuel-fired space heater are missing or damaged
- The chimney or venting system on a fuel-fired heating, ventilation, or cooling system is misaligned, negatively pitched, or damaged, which may cause improper or dangerous venting of gas

Deteriorating paint as defined at 24 CFR 35.110 in a unit built before 1978 that is to be occupied by a family with a child under six years of age if it would prevent the family from moving into the unit

If an owner fails to correct life-threatening conditions as required by the PHA, the PHA will enforce the HQS in accordance with HUD requirements. See 8-II-G.

If a family fails to correct a family-caused life-threatening condition as required by the PHA, the PHA will enforce the family obligations and terminate the family's assistance. See 8-II.H.

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.

8-I.D. OWNER AND FAMILY RESPONSIBILITIES [24 CFR 982.404]

Family Responsibilities

The family is responsible for correcting the following HQS 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 normal wear and tear that result in a breach of the HQS. "Normal wear and tear" is defined as items which could not be charged against the tenant's security deposit under state law or court practice.
- General housekeeping throughout the interior/exterior of the property.
- Lack of batteries in smoke detector if batteries were in detector at previous inspection.
- Missing or damaged outlet plates or switch plates if they were passed at the previous inspection.

Owner Responsibilities

The owner is responsible for all HQS 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.

8-I.E. SPECIAL REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION 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]. If the owner does not complete the "hazard reduction" as required, the dwelling unit is in violation of HQS 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.F. VIOLATION OF HQS SPACE STANDARDS [24 CFR 982.403]

A dwelling unit must:

- Provide adequate space and security for the family
- Have at least one bedroom or living/sleeping room for each two persons

A unit that does not meet these HQS space standards id defined as overcrowded.

A living room may be used as a sleeping (bedroom) space, but no more than two persons may occupy the space (HCV GB p. 10-6). A bedroom or living sleeping room must have at least:

- One window
- Two electrical outlets in proper operating condition (permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets.

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.
- *Annual/Biennial Inspections*. HUD requires the PHA to inspect each unit under lease at least every 12-24 months, depending on PHA policy, to confirm that the unit still meets HQS. The inspection may be conducted in conjunction with the family's annual reexamination but also may be conducted separately.
- *Special 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.
- *Quality 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 the HQS.

Inspection of PHA-Owned Units [24 CFR 982.352(b)]

The PHA must obtain the services of an independent entity to perform all HQS inspections in cases where an HCV family is receiving assistance in a PHA-owned unit. 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 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).

Inspection Costs

The PHA may not charge the family for unit inspections or reinspections [24 CFR 982.405(e)]. In the case of inspections of PHA-owned units, the PHA may compensate the independent agency from ongoing administrative fee 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)].

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 re-inspections in two situations: when the owner notifies the PHA that a repair has been made but the deficiency has not been corrected, and when the time for repairs has elapsed and the deficiency has not been 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 re-inspection.

The owner may not pass the cost of a re-inspection fee to the family. Re-inspection 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

If the tenant is home at the time of the inspection, answers the door but refuses to allow the inspector into the unit, this will be considered a violation of the tenant's family obligation and the tenant may be terminated from the HCV program.

The PHA will not charge a fee for a failed inspection.

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. , Reasonable notice is considered to be not less than 48 hours. Inspections may be scheduled between 8:00 a.m. and 4:30 p.m. Generally inspections will be conducted on business days only. Absent extraordinary circumstances presented by the family in writing, 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 adult family member must be present for the inspection. The presence of the owner or the owner's representative is encouraged but is not required. If the inspector is unable to enter the unit for the first scheduled annual inspection, the participant will receive a final notice. If the inspector is unable to enter the unit during the second inspection appointment the family will be terminated from HCV assistance

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.

If the tenant is in the unit at the time of the inspection, answers the door and refuses to allow the inspector into the unit, this will be considered a violation of the tenant’s family obligation and the tenant may be terminated from the HCV program.

8-II.B. INITIAL HQS INSPECTION [24 CFR 982.401(a)]

Initial Inspections [FR Notice 1/18/17]

The PHA may, but is not required to, approve assisted tenancy and start HAP if the unit fails HQS inspection, but only if the deficiencies identified are non-life-threatening. Further, the PHA may, but is not required to, authorize occupancy if a unit passed an alternative inspection in the last 24 months.

PHA Policy

The unit must pass the HQS inspection on or before the effective date of the HAP contract.

The PHA will not rely on alternative inspections and will conduct an HQS inspection for each unit prior to executing the initial HAP contract with the owner.

Timing of Initial Inspections

HUD requires PHAs with fewer than 1,250 budgeted units to complete the initial inspection, determine whether the unit satisfies HQS, 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 [982.305(b)(2)].

PHA Policy

The PHA will complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA) unless the unit is not available for inspection.

Inspection Results and Reinspections

PHA Policy

If any HQS violations 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. For initial inspections, the PHA will re-inspect the unit within 5 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 HQS 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 after the owner has made repairs, if they are unable to locate another suitable unit.

If more than 60 days have elapsed since from the Contract date and repairs have not been completed and the landlord has not been granted an extension, the PHA will notify the owner and the tenant that the unit has been denied and that the tenant will be issued a new Request for Tenancy Approval form.

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

If utility service is not available for testing at the time of the initial inspection, the PHA will allow the utilities to be placed in service after the unit has met all other HQS requirements. The PHA will reinspect the unit to confirm that utilities are operational before the HAP contract is executed by the PHA.

Appliances [Form HUD 525801]

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 HQS 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. ANNUAL/ BIENNIAL HQS INSPECTIONS [24 cfr 982.405 and 982.406; and Notice PIH 2016-05]

PHA Policy

Each unit under HAP contract must be inspected within~~12~~ 24 months of the last full HQS inspection. The tenants will be divided by last name A-L and M-Z. This will allow the CDA to be in all buildings throughout the year. Tenants will be notified that they can request an inspection if they have concerns with their unit.

The PHA will not rely on alternative inspection standards.

Scheduling the Inspection

Each unit under HAP contract must be inspected within 24 months of the last full HQS inspection.

PHA Policy

If an adult family member cannot be present on the scheduled date, the family should request that the PHA reschedule the inspection. If the inspector is unable to enter the unit for the first scheduled inspection each year, the participant will receive a final notice. If the inspector is unable to enter the unit during the second inspection appointment the family will be terminated from HCV assistance

If the family misses the first scheduled appointment 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.

If the tenant is home at the time of the inspection, answers the door but refuses to allow the inspector access to the unit, this will be considered a violation of the tenant's family obligation and the tenant may be terminated from the HCV program.

8-II.D. SPECIAL INSPECTIONS [HCV GB, p. 10-30]

If a participant or government official reports a life-threatening condition which the owner would be required to repair within 24 hours, the PHA must inspect the unit within 24 hours of notification. If the reported condition is not life-threatening, the PHA must inspect the unit within 15 days of notification.

PHA Policy

During a special inspection, the PHA generally will inspect only those deficiencies that were reported. However, the inspector will record any additional HQS deficiencies that are observed and will require the responsible party to make the necessary repairs.

If the annual inspection has been scheduled or is due within 90 days of the date of the special inspection, the PHA may elect to conduct a full annual inspection.

8-II.E. QUALITY CONTROL INSPECTIONS [24 CFR 982.405(b); 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 HQS.

The unit sample must include only units that have been inspected within the preceding 3 months. The selected sample will include (1) each type of inspection (initial, annual, and special), (2) inspections completed by each inspector, and (3) units from a cross-section of neighborhoods.

8-II.F. INSPECTION RESULTS AND REINSPECTIONS FOR UNITS UNDER HAP CONTRACT

Notification of Corrective Actions

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies HQS 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.

PHA Policy

When life-threatening conditions are identified, the PHA will immediately notify the owner and the family by telephone, facsimile, email or mail. Notification method will depend upon what the tenant has supplied on the recertification and what the landlord has supplied on the Request for Tenancy Approval. 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 5 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.

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).

Extensions

For conditions that are life-threatening, the PHA cannot grant an extension to the 24 hour corrective action period. For conditions that are not life-threatening, the PHA may grant an exception to the required time frames for correcting the violation, if the PHA determines that an extension is appropriate [24 CFR 982.404].

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 generally 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

PHA Policy

For failed units, the PHA may conduct an on-site re-inspection or the PHA may accept written certification of repairs as proof of completion of repairs if so determined by the inspector and based on the nature of the failed item. The certification of repairs must state that (1) the unit is in compliance with Housing Quality Standards according to HUD regulations; and 2) is signed by both the tenant and the landlord. The PHA may also accept a photograph of the repair and the notice signed and certified by the landlord. Emergency items must be repaired within 24 hours of notice and must be verified by the inspector with an on-site inspection. Initial inspection repairs must be verified by an on-site inspection.

If the deficiencies have not been corrected by the end of the corrective period 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.

8-II.G. ENFORCING OWNER COMPLIANCE

If the owner fails to maintain the dwelling unit in accordance with HQS, the PHA must take prompt and vigorous action to enforce the owner obligations.

HAP Abatement

If an owner fails to correct HQS 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 HQS failures 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 5 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 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.

8-II.H. ENFORCING FAMILY COMPLIANCE WITH HQS [24 CFR 982.404(b)]

Families are responsible for correcting any HQS 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.

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).

PHA Policy

The Housing Administrator at Canvas Health or other outside agency will perform rent reasonableness on PHA owned units.

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 HQS 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 by phone or by mail.

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 2011-46].

Note: Notice PIH 2011-46, issued August 17, 2011, 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. Information from Housing Link may also be used to document rent reasonableness. The PHA will use the rent reasonableness module supplied in the calculating software.

How Rents Are Determined

PHA Policy

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 5 business days of the PHA’s request for information or the owner’s request to submit information.

EXHIBIT 8-1: OVERVIEW OF HUD HOUSING QUALITY STANDARDS

Note: This document provides an overview of HQS. For more detailed information see the following documents:

- 24 CFR 982.401, Housing Quality Standards (HQS)
- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)

Sanitary Facilities

The dwelling unit must include sanitary facilities within the unit. The sanitary facilities must be usable in privacy and must be in proper operating condition and adequate for personal cleanliness and disposal of human waste.

Food Preparation and Refuse Disposal

The dwelling unit must have space and equipment suitable for the family to store, prepare, and serve food in a sanitary manner.

Space and Security

The dwelling unit must provide adequate space and security for the family. This includes having at least one bedroom or living/sleeping room for each two persons.

Thermal Environment

The unit must have a safe system for heating the dwelling unit. Air conditioning is not required but if provided must be in proper operating condition. The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Portable electric room heaters or kitchen stoves with built-in heating units are not acceptable as a primary source of heat for units located in climatic areas where permanent heat systems are required.

Illumination and Electricity

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. Minimum standards are set for different types of rooms. Once the minimum standards are met, the number, type and location of electrical sources are a matter of tenant preference.

Structure and Materials

The dwelling unit must be structurally sound. Handrails are required when four or more steps (risers) are present, and protective railings are required when porches, balconies, and stoops are thirty inches or more off the ground. The elevator servicing the unit must be working [if there is one]. Manufactured homes must have proper tie-down devices capable of surviving wind loads common to the area.

Interior Air Quality

The dwelling unit must be free of air pollutant levels that threaten the occupants' health. There must be adequate air circulation in the dwelling unit. Bathroom areas must have one openable window or other adequate ventilation. Any sleeping room must have at least one window. If a window was designed to be opened, it must be in proper working order.

Water Supply

The dwelling unit must be served by an approved public or private water supply that is sanitary and free from contamination. Plumbing fixtures and pipes must be free of leaks and threats to health and safety.

Lead-Based Paint

Lead-based paint requirements apply to dwelling units built prior to 1978 that are occupied or can be occupied by families with children under six years of age, excluding zero bedroom dwellings. Owners must:

- Disclose known lead-based paint hazards to prospective tenants before the lease is signed,
- provide all prospective families with "Protect Your Family from Lead in Your Home",
- Stabilize deteriorated painted surfaces and conduct hazard reduction activities when identified by the PHA
- Notify tenants each time such an activity is performed
- Conduct all work in accordance with HUD safe practices
- As part of ongoing maintenance ask each family to report deteriorated paint.
- Maintain covered housing without deteriorated paint if there is a child under six in the family

For units occupied by elevated blood lead level (lead poisoned) children under six years of age, an environmental investigation must be conducted (paid for by the PHA). If lead hazards are identified during the environmental investigation, risk assessment, the owner must complete hazard reduction activities within 30 days.

See HCV GB p. 10-15 for a detailed description of these requirements. For additional information on lead-based paint requirements see 24 CFR 35, Subparts A, B, M, and R.

Access

Use and maintenance of the unit must be possible without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire.

Site and Neighborhood

The site and neighborhood must be reasonably free from disturbing noises and reverberations, excessive trash or vermin, or other dangers to the health, safety, and general welfare of the occupants.

Sanitary Condition

The dwelling unit and its equipment must be in sanitary condition and free of vermin and rodent infestation. The unit must have adequate barriers to prevent infestation.

Smoke Detectors

Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any person with a hearing impairment, smoke detectors must have an appropriate alarm system as specified in NFPA 74 (or successor standards).

Hazards and Heath/Safety

The unit, interior and exterior common areas accessible to the family, the site, and the surrounding neighborhood must be free of hazards to the family's health and safety.

Attachment B

EXHIBIT 8-2: SUMMARY OF TENANT PREFERENCE AREAS RELATED TO HOUSING QUALITY

Note: This document provides an overview of unit and site characteristics and conditions for which the family determines acceptability. For more detailed information see the following documents:

- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)

Provided the minimum housing quality standards have been met, HUD permits the family to determine whether the unit is acceptable with regard to the following characteristics.

- *Sanitary Facilities*. The family may determine the adequacy of the cosmetic condition and quality of the sanitary facilities, including the size of the lavatory, tub, or shower; the location of the sanitary facilities within the unit; and the adequacy of the water heater.
- *Food Preparation and Refuse Disposal*. The family selects size and type of equipment it finds acceptable. When the family is responsible for supplying cooking appliances, the family may choose to use a microwave oven in place of a conventional oven, stove, or range. When the owner is responsible for providing cooking appliances, the owner may offer a microwave oven in place of an oven, stove, or range only if other subsidized and unsubsidized units on the premises are furnished with microwave ovens only. The adequacy of the amount and type of storage space, the cosmetic conditions of all equipment, and the size and location of the kitchen are all determined by the family.
- *Space and Security*. The family may determine the adequacy of room sizes and room locations. The family is also responsible for deciding the acceptability of the type of door and window locks.
- *Energy conservation items*. The family may determine whether the amount of insulation, presence of absence of storm doors and windows and other energy conservation items are acceptable.
- *Illumination and Electricity*. The family may determine whether the location and the number of outlets and fixtures (over and above those required to meet HQS standards) are acceptable or if the amount of electrical service is adequate for the use of appliances, computers, or stereo equipment.

(6) *Structure and Materials*. Families may determine whether minor defects, such as lack of paint, or worn flooring or carpeting will affect the livability of the unit.

(7) *Indoor Air*. Families may determine whether window and door screens, filters, fans, or other devices for proper ventilation are adequate to meet the family's needs. However, if screens are present they must be in good condition.

(8) *Sanitary Conditions*. The family determines whether the sanitary conditions in the unit, including minor infestations, are acceptable.

(9) *Neighborhood conditions*. Families may determine whether neighborhood conditions such as the presence of drug activity, commercial enterprises, and convenience to shopping will affect the livability of the unit.

Families have no discretion with respect to lead-based paint standards and smoke detectors.

REPORTS

Homeownership Division

Homebuyer Counseling and Education

The CDA Facebook page has proven to be a success in increasing community awareness of the CDA and the Agency programs offered. In the month, the page has been live, it has received 63 likes, 65 followers, and over 1,400 interactions with the page's content.

Though the program service numbers are a bit low for the current quarterly projections; however, CDA staff has been able to steadily increase the number of participants in Homebuyer Education and Counseling over this time last year. CDA staff expects all Homeownership program service numbers will continue to increase following the holidays and entering the buying season. A more detailed report of client impact and outcomes can be found in Attachment A.

Homeownership Program	Grant Year to date Oct 1 – Dec 31	Grant Year Goal	Progress toward Goal
Homebuyer Education	16	90	18%
Homebuyer/Financial Wellness Counseling	5	55	9%
Foreclosure Mitigation Counseling	3	50	6%
Reverse Mortgage Counseling	38	100	38%

First Time Homebuyer Mortgages

Staff has submitted the documents to continue its participation in the Minnesota City Participation Program (MCPP). Minnesota Housing manages the MCPP, which uses the Tax Exempt Bond Housing Pool Allocation authorized by the Office of Minnesota Management and Budget (MMB) to enable communities throughout the state to efficiently provide first-time homebuyer loans in their community without the administrative burden of running their own bond program. The first-time homebuyers access the program through local lenders and have access to downpayment and closing cost assistance, if needed.

Under the MCPP Program, Minnesota Housing sells bonds on behalf of local governments, like the Agency, to assist in meeting local housing goals pursuant to Minnesota Statutes Section 474A.061, subdivision 2a. Minnesota's statute 474A.061, allows Minnesota Housing to access additional bonding authority from the 31% set-aside of the available "Housing Pool". Participating cities are allocated an amount on a per capita basis, with each applicant allocated a minimum of $100,000. There will be a minimum usage requirement of 50% of the allocation in order to participate the following year. There is currently no fee to participate.

Home Improvement Loan Program

The Home Improvement Loan Program has 12 households on the waitlist. Currently, there are three applications in the underwriting and environmental review process, and two applications in scope of work and bidding process. In addition to this CDBG-funded program, the CDA has completed one project, has one project in the construction stage, and has five applications in the underwriting process for a Minnesota Housing Rehabilitation Loan.

Home Improvement Loan	Program Year to date Jul 1 – Dec 31	Program Year Goal	Progress toward Goal
Total funds spent	$50,661.37	$278,944.28	18%
Number of loans closed	9	17	53%

Development Division

CDBG/HOME Administration

On December 20, 2019 staff issued a request for 2020 project proposals to assist in meeting the Consolidated Plan priority goals. The funding applications will be due January 24, 2020. The CDA will hold a public hearing at its April board meeting to present the awarded projects and Consolidated Plan.

The CDBG Citizen Advisory Committee currently has four vacancies. If you know of anyone who might be interested, please refer them to the County's website at https://www.co.washington.mn.us/1557/Community-Development-Block-Grant.

Metropolitan Council-Local Housing Initiatives Account

The Metropolitan Council issues grant funding through its Local Housing Initiatives Account (LHIA) to Grantees in order to assist housing development. The funds require a local housing authority who is a participant in the Metropolitan Council's Livable Communities LHIA program to act as a fiscal agent for projects. The CDA has been a participant and fiscal agent for LHIA funding since 2011. Two Rivers Community Land Trust proposed to acquire and rehabilitate four single family homes in the cities of Woodbury, Oakdale, Forest Lake and Cottage Grove utilizing the LHIA funds. The project was awarded $130,000 LHIA funds. This project also has HOME funding of $145,994 and CDBG funding of $10,206 which will assist in the match requirements.

Subsurface Sewage Treatment System (SSTS) Financial Assistance Programs

The SSTS programs are off to an early start. Staff issued one recommendation for $42,800 and three other applications are under review from homeowners in Lake Elmo, Lakeland, and Stillwater. Loan funds of approximately $200,000 and Clean Water Legacy funds of nearly $38,000 comprise this year's allocation. CDA staff will be meeting with their counterparts at Washington County Public Health and Environment at the end of the month to kick off the 2020 program year. A summary of 2019 activities and overview of 2014-2019 program outcomes are provided in the attached memo (Attachment B).

The Glen at Valley Creek

The project team conducted final punchlist inspections of the interior. As of December 31, occupancy was at 80%, with additional households identified for January move-ins. A Grand Opening event will take place February 5 at noon.

Public Housing Conversion

Staff has revised the Public Housing Conversion Plan and will meet with residents January 14th. The PHA Plan will be amended after a public hearing in April. The revised conversion plan will occur in phases with the scattered sites converted first. Conversion of Whispering Pines and the mixed-finance public housing units will not begin until scattered site conversions are approved and implemented.

Housing Tax Credit Suballocation

The chart below provides the status of recent Low Income Housing Tax Credit (LIHTC) allocations by the CDA.

Development Name (City)	LIHTC Type	LIHTC Units	Development Status
Legends of Woodbury	4%	216	Leasing
Glen at Valley Creek (Woodbury)	4%	42	Leasing
Green Twig II (Oak Park Heights)	4%	72	Leasing
Headwaters Landing (Forest Lake)	9%	45	Under Construction
Rosemary Apartments (Hugo)	9%	45	2019 and 2020 credits reserved

2019 Capital Improvement Project Year End Review

In 2019, the Agency completed 43 projects totaling over $1.7 million. These projects included large ones over $100,000 such as common area furnishings and improvements at Cobble Hill, new windows at Muller Manor and Whispering Pines, drainage improvements at Brick Pond, a new parking lot at Raymie Johnson, and a new contemporary well at Oakhill. In addition, many smaller priced projects were completed; ranging from new water heaters, boiler pumps, new sidewalks, and a new lift station to scattered site kitchen and baths renovations.

Four projects are in the design phase while three are under contract to be completed in 2020. Eight projects were deferred for capacity or budget reasons and five were deleted after further investigation deemed the improvements to be unnecessary. See table below for more details and comparison to prior years.

	2019		2018		2017		2016	
Project Status at Year End	**#**	**%**	**#**	**%**	**#**	**%**	**#**	**%**
In Design	4	6%	3	6%	3	5%	2	3%
Contracted	3	5%	7	14%	5	8%	0	0%
In Construction	0	0%	0	0%	1	2%	0	0%
Close out	2	3%	0	0%	0	0%	0	0%
Completed	43	66%	33	66%	35	56%	44	65%
Deferred	8	12%	7	14%	17	27%	16	24%
Deleted	5	8%	0	0%	1	2%	6	9%
TOTAL	**65**		**50**		**62**		**68**	

The Capital Improvements Plan budget finished 2019 with a $107,621 balance which will be carried forward to the 2020 budget. The Agency leveraged its levy funds with $512,063 of other funds from property capital reserves, HUD Capital Funds, and CDBG funding.

2019 Capital Improvements Budget Summary	
2018 Carryover	$192,776
2019 Levy	$1,397,000
Outside Funding	$512,063
Total Revenue	$2,101,839
Capital Reserve Contribution	($260,000)
2019 CIP Project Costs	($1,734,218)
Balance (2020 Carryover)	**$107,621**

2020 Capital Improvements in Process

Property Name (City)	Improvement Project	Status and Tentative Schedule
Cobble Hill (Oakdale)	Foundation and deck flashing repair	Preparing project documents to be bid out in February or March
Whispering Pines (Forest Lake)	Parking lot expansion	Preparing project documents to be bid out in March and obtaining watershed and city approvals
Raymie Johnson TH (Oak Park Heights)	Interior remodel, window replacement.	In design phase to be bid out in February or March.
PH 27 (Cottage Grove)	Interior kitchen and bath updates.	Construction to start in January.

Homeownership Counseling Outcomes - Year End 2019

ATTACHMENT A

Homebuyer Case Summary	
Active Cases	**11**
Total Resolved Cases	**20**
Total NEW Households	**24**

Summary of Resolved Homebuyer Counseling Cases

Resolution Type	# of Households	% of Resolved Cases	Comments
Purchased Home	7	66.70%	Client ended counseling through the purchase of a home.
Decided Not to Purchase	9	22.20%	Client ended counseling without purchasing a home. This includes clients who are working on financial management, credit counseling, or increasing income and may return for additional counseling when they are in a financial position to purchase a home.
Suspended Cases	4	11.10%	Cases are resolved as "suspended" if there has been no activity on a case for three consecutive months. In some cases clients get the information and help they need from counselors, reach a resolution on their own and do not contact counselors again.

HECM Case Summary	
Active Cases	**66**
Total Resolved Cases	**25**
Total NEW Households	**91**

Summary of Home Equity Conversion Mortgage/Reverse Mortgage Counseling Cases

Resolution Type	# of Households	% of Resolved Cases	Comments
Received a Reverse Mortgage	8	66.70%	Client completed counseling and opted to receive a Home Equity Conversion Mortgage.
Decided Not to Obtain a Reverse Mortgage	8	22.20%	Client ended counseling without taking out a Home Equity Conversion Mortgage. Counseling requires a discussion of alternates to a HECM. This outcome includes clients who pursued alternate financing and who did not end up borrowing against their home.
Suspended Cases	6	11.10%	Cases are resolved as "suspended" if there has been no activity on a case for three consecutive months. In some cases clients get the information and help they need from counselors, reach a resolution on their own and do not contact counselors again.

Homeownership Counseling Outcomes - Year End 2019

ATTACHMENT A

Foreclosure Mitigation Case Summary	
Active Cases	**14**
Total Resolved Cases	**25**
Total NEW Households	**33**

Summary of Resolved Foreclosure Mitigation Cases			
Foreclosures Averted	**20**	**80%**	*See detail below*
Foreclosures	**4**	**16%**	*See comments below*
Suspended Cases	**1**	**4%**	*See comments below*

Foreclosures Averted; Homeowners Likely Stay in Home			
Resolution Type	**# of Households**	**% of Resolved Cases**	**Comments**
Mortgage Modified	11	44.0%	Includes both trial and permanent modifications. All clients are evaluated for this option first as it may result in reduced mortgage payments and allow the owner to keep their home.
Brought Mortgage Current	6	24.0%	Client reinstated on their own or in some cases in combination with funds from other cash resources from family or other assistance.
Counseled, referred to legal services or other agency, debt management	2	8.0%	Homeowner requires legal assistance for which counselor cannot assist or determined mortgage is not main problem. In cases where the mortgage payment is 31% or less of household gross income; counselors will refer to other agencies that provides more intensive budget management services. Some of these cases were legal referrals for clients with potential legal recourse for foreclosure sales that should not have taken place.
Subtotal	**19**	**76.0%**	
Foreclosures Averted; Homeowners Sell Home			
Sold Property	1	4.0%	Client sold property on their own without lender negotiation or short sale
Subtotal	**1**	**4.0%**	
Total Foreclosures Averted	**20**	**80%**	
Total Foreclosures	**4**	**16%**	Clients may not contact counselors until it is too late to stop the Sheriff's sale and/or the Sheriff's sale has already happened, or they may have no income or a significant drop in income that they cannot afford to stay in the home (even if the payment was reduced). Counselors still provide services to these households, including information on redemption, budgeting and savings, transitioning out of the property, and tax and credit implications.
Suspended Cases	**1**	**4%**	Cases are resolved as "suspended" if there has been no activity on a case for three consecutive months. In some cases clients get the information and help they need from counselors, reach a resolution on their own and do not contact counselors again.

NOTES:

This "Outcomes" report illustrates the many different options available to persons at risk of foreclosure. The foreclosure mitigation advisors work with individuals and families to help them identify and achieve goals and objectives that are sustainable, affordable and make the most sense for their specific set of circumstances.

WASHINGTON COUNTY
Community Development Agency

7645 Currell Boulevard, Woodbury, MN 55125
office: 651-458-0936 fax: 651-458-1696

Memo To: Board of Commissioners

From: Barbara Dacy, Executive Director
Melissa Taphorn, Deputy Executive Director
Kristen Scobie, Community Development Project Manager II

Date: January 7, 2020

RE: Subsurface Sewage Treatment Systems Financial Assistance Programs
2019 Year-End Recap and 2014-2019 Summary

Background

Under a Joint Powers Agreement between the Agency and Washington County, financial assistance is available to property owners to address failing septic systems. Low-interest loans are funded through the Minnesota Department of Agriculture's Agriculture Best Management Practices program and grants are funded by the Clean Water Fund.

Program administration involves staff from the Agency, Washington County Public Health and Environment (PHE), Property Records and Taxpayer Services, and the Washington Conservation District. Agency staff guide property owners through the application process, conduct a financial review, and issue a recommendation to PHE on the grant or loan amount and terms. Agency and PHE staff work closely to ensure the application, construction, and disbursement processes are highly coordinated for each household.

2019 Program Outcomes

Agency staff completed the review of 16 applications for financial assistance this year. Three applications received in 2019 are still in process. Recommendations were issued for 15 loans totaling $340,600; 4 grants totaling $27,246 were approved for low-income homeowners. Three of these households paired the grant funds with a loan for the balance of project costs.

SSTS loans ranged in size from $7,500 to $33,400. The median cost for the replacement of a septic system was $23,000. The average loan recommendation was $22,700, lower than median construction costs due to grant offset and homeowner capital contributions. Twenty percent of borrowers chose the mid-length term of 8 years while the remainder were split evenly between 5- and 10-year terms.

Of note this year, Agency and PHE staff revised the eligibility and sizing guidelines for the grants. After reviewing the demographics of past applicants and average project costs, staff agreed to increase income limits to 80% of area median income ($75,500 for

a 4-person household) and upped the grant amount to 30% of the project cost not to exceed $9,000. Consequently, households who would not have previously qualified were able to access the grants and the year's allocation of Clean Water Legacy funds was fully expended. As a result of the full use of funds, the state authorized grant funding of nearly $38,000 for 2020, a 40% increase over 2019.

SSTS Financial Assistance by Municipality (2019):

	Loan	Grant	Loan + Grant	TOTAL
Afton	1		1	2
Cottage Grove	1			1
Forest Lake	1	1		2
Grant			1	1
Grey Cloud Island Township	1			1
Hugo	1			1
Lake Elmo	3		1	4
Lakeland	1			1
May Township	1			1
Scandia	1			1
Stillwater Township	1			1
TOTAL	**12**	**1**	**3**	**16**

Notable Demographic Statistics:

- 44% of program participants were senior households (55+) who had been in their home an average of 38 years.
- 31% of participants were newer homeowners (purchased within last 2 years) whose average age was 39.
- The average income of participants was $108,307, which equates to 132% of the area median when adjusted by household size.

2014-2019 Program Overview

Since the rollout of the partnership under the SSTS Joint Powers Agreement, the Agency has assisted with the annual administration of, on average, $20,166 in grants and $295,430 in low-interest loans. A total of 96 households have accessed the programs, with nearly $1,900,000 in funding recommendations issued since 2014. Property owners in Lake Elmo, Lakeland, and Grant make up 44% of the client base, with $795,000 of investment in those communities toward the replacement of failing septic systems.

Program Activity - Assistance by Municipality (2014-2019):

	Property Owners Assisted	Grants	Loans	Total by Municipality
Afton	9	$16,151	$171,932	$188,083
Baytown Township	2	$0	$31,520	$31,520
Cottage Grove	3	$0	$61,300	$61,300
Denmark Township	2	$0	$126,000	$126,000
Forest Lake	7	$21,199	$83,980	$105,179
Grant	12	$11,796	$240,207	$252,003
Grey Cloud Island Township	2	$6,500	$20,100	$26,600
Hugo	3	$5,500	$55,800	$61,300
Lake Elmo	18	$31,516	$332,540	$364,056
Lake St. Croix Beach	2	$0	$38,400	$38,400
Lakeland	12	$7,416	$171,859	$179,275
Marine on St. Croix	1	$0	$21,400	$21,400
May Township	5	$5,500	$122,900	$128,400
Pine Springs	2	$0	$44,100	$44,100
St. Mary’s Point	1	$3,416	$12,065	$15,481
St. Paul Park	1	$0	$25,500	$25,500
Scandia	3	$5,500	$51,680	$57,180
Stillwater	2	$0	$61,360	$61,360
Stillwater Township	2	$6,500	$0	$6,500
West Lakeland Township	5	$0	$63,538	$63,538
Woodbury	2	$0	$36,400	$36,400
TOTAL	**96**	**$120,994**	**$1,772,581**	**$1,893,575**

Marketing Initiatives

- The CDA Co-sponsored the MN Real Estate Journal Affordable Housing Summit on December 13, 2019 in Golden Valley. There were over 300 in attendance at the event.

- The CDA co-sponsored the MN Real Estate Office Summit on December 6th, 2019 in Golden Valley. There were over 325 in attendance at the event.

- The CDA worked with the City of Cottage Grove on a development update article for the MN Real Estate Journal. (attached)

Technical Assistance

- The Economic Development Director assisted in securing a $10 million grant for the Highway 36 and Manning Interchange from MNDOT and DEED.

- The Economic Development Director is assisting the City of Oak Park Heights with a Predevelopment Finance Fund application for the King Plant. The application will be presented to the CDA Board for consideration at the February CDA Board meeting.

- The Economic Development Director is assisting the City of Forest Lake with a downtown redevelopment initiative. A study was recently completed by the U of MN Humphrey Institute looking at a trade area analysis for Forest Lake and Washington County.

Minnesota Technology Corridor wins

Outstanding Economic Development Effort Award

- ED Staff continues working with Forest Lake and Hugo on the MN Tech Corridor. Forest Lake is doing more analytical studies on their 123-acre city owned site and recently listed the city owned site with a data center specialist CBRE. Hugo has added an additional privately-owned parcel as a featured site just north on 165th on Highway 61.

- ED staff continues working with Washington County Public Health and Public Works on a potential HHW facility and recycling center for the northern part of the county. The focus has been on a site in Hugo and there have been meetings with the City of Hugo to discuss options.

- ED staff have been working with Rick Roy, the Washington County Workforce Development Manager, and DEED staff on developing health care and round table meetings to identify challenges and opportunities to help the small and medium sized health care businesses in Washington County address talent shortages.

- ED staff provided economic development information to Hugo and Forest Lake city staff.

- An EPA Brownfields Assessment Grant application was submitted in the amount of $600,000. This is a collaborative effort with Stantec and we should find out about the grant status in mid-2020. The funds, if awarded, would be available to do assessments on potential contaminated sites county-wide. No matching dollars are required.

Site Selector and Business Updates

A commercial realtor inquired about a property in Lake Elmo and the referral was made to a realtor.

Another successful year was completed for the Open to Business Program. The 2019 year-end summary report is attached. The program served 110 clients in Washington County in 2019. A total of 14 loans have been approved totaling $734,566 and leveraging over $6 million.

WASHINGTON COUNTY
Open To Business
Tyler Hilsabeck – Business Advisor
1/1/2019 – 12/31/2019

Clients Served – 110

Business Stage:
New Entrepreneurs/Start-up– 58
Existing Business – 45
Client Inquiry – 7*
*Many Client Inquiries turn into meetings later.

Program Hours:
(Includes Direct Client Hours, Program Outreach & Marketing, Public Events/City Meetings, Data Collection and Administration)

Total Program Hours

1st QTR :	506 hours
2nd QTR:	501 hours
3rd QTR:	480 hours
4th QRT:	460 hours
Total 2019:	1,947 hours

Financing thru 12/31/19

Loans Approved:	14
Open to Business Amount:	$734,566
*Leveraged:	$6,006,631
Total Investment:	**$6,741,197**

* Leveraged: Includes Bank Financing/Owner Equity/Other Outside Financing)

* Financing was approved to assist the opening of 8 businesses and additional investment in 6 existing businesses.

Referral Source
City Website/Newsletters/Utility Inserts – 53
Other Marketing/Networking/Internet – 18
Bank Referral – 24
Friends/Family – 15

Industry Segment
Service – 43
Retail – 14
Food - 28
Manufacturing – 6
Construction/Real Estate – 3
Professional/Consulting - 8
Health and Fitness - 8

Client City (Residence/Business)

Afton	**(1/1)**
Bayport	**(1/1)**
Cottage Grove	**(10/9)**
Dellwood	**(1/1)**
Forest Lake	**(16/6)**
Hastings	**(3/2)**
Hugo	**(6/6)**
Lake Elmo	**(1/1)**
Mahtomedi	**(2/1)**
Marine on St. Cr.	**(1/2)**
Newport	**(2/2)**
Oakdale	**(8/8)**
Scandia	**(4/4)**
Stillwater	**(26/27)**
White Bear Lake	**(0/1)**
Willernie	**(3/4)**
Woodbury	**(20/22)**

Financing Approved Through 4th Quarter 2019:

Approved Loan Direct-
Business Type: Photography and Event
Location: Cottage Grove
Referred by: Bank
OTB Financing: $20,000
Total Investment: $26,000

Overview: The client bought a small vintage camper that they plan to renovate into a photo booth for parties and special events. By renting out the renovated camper by the hour or day, they will be able to provide printed photos to customers as souvenirs from the event. Based in Cottage Grove, the business will operate throughout the east metro area and western Wisconsin. Start-up financing from MCCD will allow the couple to renovate the camper and help with other working capital during startup.

Approved Loan Direct-
Business Type: Digital Media
Location: Forest Lake
Referred by: Forest Lake Chamber of Commerce
OTB Financing: $25,000
Total Investment: $30,000

Overview: The client has over 23 years of experience in advertising. When he sold his existing business recently, he started looking for a new opportunity. The Forest Lake-based company will provide digital signage service in restaurants, gyms, convenience stores, chambers of commerce, and other businesses. The technology allows advertising or information to display on a rotating basis.

Approved Loan Direct-
Business Type: "Store as a Service" Retail Art Store
Location: Stillwater
Referred by: Stillwater Chamber
OTB Financing: $25,000
Total Investment: $31,000

Overview: The store's concept fits within the 'Store-as-a-Service' framework which is a new take on bringing back the brick and mortar store. For a small fee that is comparable to most small business marketing budgets; artisans and craftsman can focus on their craft while our client manages the retail and ecommerce sales environment for them. Many small artisan/craftsman have no desire or means to invest in retail space and an online ecommerce presence. Our client is taking them from the crafts fair, festival, or flea market to an upscale retail kiosk 'experience' driven location. They will represent businesses whose quality is represented in the passion the put into their craft; so they can focus on what they do best. Their community connects the public with the "Tell Their Story".

Approved Loan Direct-
Business Type: Event Space
Location: Cottage Grove
Referred by: Bank
OTB Financing: $150,000
Total Investment: $150,000

Overview: About 10 years ago, the entrepreneur acquired the event venue that hosts weddings, reunions, corporate events, family & class reunions and graduations. At the time, the property was unimproved and essentially neglected. Since then, the client has put significant investment into the property and has transformed it into a fully-operating event space. The client approached Open to Business to request funding to complete two rooms within an expanded area of the event space and were at the maximum loan commitment with their bank under the existing appraisal. Open to Business was able to approve funding so that the client could finish these rooms in time for the busy season.

Approved Loan -

Business Type: Distillery
Location: Stillwater
Referred by: Partner Organization
OTB Financing: $25,000
Other Financing (Bank/Equity/Other): $584,800
Total Investment: $609,800

Overview: The entrepreneur plans to open a micro-distillery in Stillwater and the funds will be used for tenant improvements, equipment purchase, inventory and working capital. The business will be the first on-site producing micro distillery in Stillwater. Open to Business partnered with a Bank and other non-profit organization for the funding structure.

Approved Loan -

Business Type: Cleaning Company
Location: Mahtomedi
Referred by: Bank
OTB Financing: $132,000
Other Financing (Bank/Equity/Other): $206,589
Total Investment: $338,859

Overview: The entrepreneur is expanding operations and financing will help with a business acquisition and some working capital through the growth transition. Open to Business partnered with a bank for the financing structure.

Approved increased financing of $22,616 for the same borrower in 3Q19 for working capital due to unforeseen issues as a result of the business acquisition in May 2019.

Approved Loan -

Business Type: Restaurant
Location: Forest Lake
Referred by: Bank
OTB Financing: $50,000
Other Financing (Bank/Equity/Other): $880,382
Total Investment: $930,382

Overview: The entrepreneur purchased real estate and will improve the space into a casual restaurant. The funds will help with the property acquisition, capital improvements, equipment, inventory and working capital. Open to Business partnered with a bank for the financing structure.

Approved Loan Direct-

Business Type: Elective Ultrasound Services
Location: Stillwater

Referred by: Website
OTB Financing: $25,000
Total Investment: $78,000

Overview: The business is a startup dedicated non-medical ultrasound studio which will offer pregnant women and their families a unique experience of receiving an ultrasound at a studio to see their baby as early as 16 weeks, a month before the typical time most people find out. They can return at any time for more pictures without the need for a doctor's order. The business will also sell everything pregnancy and newborn related for a one stop shop experience. Products will include baby clothing, personalized jewelry with the baby's heartbeat waveform engraved onto it, accessories for a more comfortable pregnancy, and newborn accessories for a families peace of mind. The business will sell these items onsite and online on her website.

Approved Loan Direct-
Business Type: Restaurant
Location: Willernie
Referred by: Website
OTB Financing: $5,000
Total Investment: $5,000

Overview: This small loan is for an existing restaurant in Willernie for working capital purposes while they navigate through the construction of County Highway 12. The funds will be used for increased marketing, an ice machine and working capital, and will be amortized vs. high interest credit card debt.

Approved Loan -
Business Type: Restaurant and Real Estate Purchase
Location: Minneapolis / Entrepreneur is Woodbury resident
Referred by: Bank
OTB Financing: $140,000
Total Investment: $3,200,000

Overview: MCCD will provide gap financing for a Woodbury entrepreneur to purchase a restaurant and building in Minneapolis. The borrower will operate the restaurant and manage the building's other five tenants. The Woodbury-based lead lender asked Open to Business to help the borrower develop their business plan, budget and projections and subsequently asked if we would participate in the overall financing, including bank and SBA. The approved MCCD financing filled a gap caused by maximum advance rate of the SBA and does not finance the restaurant.

Approved Loan -
Business Type: Restaurant and Food Distribution
Location: Lake Elmo / Entrepreneur is Woodbury resident
Referred by: Bank
OTB Financing: $50,000
Total Investment: $663,000

Overview: MCCD will provide gap financing for a Woodbury entrepreneur to start a retail restaurant and food distribution center in Lake Elmo. The lead lender approved their financing earlier in 2019 and asked Open to Business to help with minor project overruns and working capital. Projected to open in February 2020.

Approved Loan -
Business Type: Child Care / Learning Center
Location: Stillwater / Entrepreneur is Bayport resident
Referred by: Bank
OTB Financing: $58,950
Total Investment: $645,540

Overview: The client runs a successful child care center and had the opportunity to purchase the building she was renting during the first five years of operations. MCCD is providing gap financing for the purchase so the entrepreneur can preserve working capital during the transition of the building to her ownership. The center serves families in the Stillwater and surrounding cities with children from 6 weeks to 5 years of age. With 5 age-divided classrooms, the center provides learning in a developmentally-appropriate environment.

Approved Loan -
Business Type: Martial Arts Studio
Location: Oakdale resident
Referred by: Friends & Family
OTB Financing: $6,000
Total Investment: $6,000

Overview: MCCD did the original start-up financing of $15,000 for the entrepreneur in 2018. The client has done a good job with building his roster of students to the point where the studio will have sustained profitability. There was a slight delay in opening and the $6,000 was for working capital purposes.

Financial Analysis – Year-To-Date November 30, 2019 Financials

Total Agency Activity

- Total Agency income before depreciation and transfers had a positive variance to budget of $1,752,486. Revenues were over budget by $677,765 and expenses were under by $1,074,721.
- Total Agency budget to actual revenues were over budget by $677,765. Property revenues, including rents, were over budget by $538,000 while the governmental funds were over budget by $140,000. The properties are over budget due to the 99% occupancy rate the Agency has enjoyed for 2019; while the governmental funds are over budget due to the interest earnings collected in excess of the budget of $165,000.
- Total Agency expenses were under budget by $1,074,721. Expenses under budget relate to various governmental programs being under budget, the largest being payroll, legal and consulting which were under budget by $210,000, $47,000 and $160,000 respectively.
- In addition, total property expense was under budget by $580,154. Administrative expense was under budget by $444,000, maintenance was under budget by $85,000 and finally utilities were under budget by $50,000.

2018 GFOA Submission

The 2018 audited financial statements have been submitted to the GFOA for continued participation in the Certificate of Achievement for Excellence in Financial Reporting Program. Per discussion with the GFOA, they are behind on scoring applications and the CDA can expect to receive its award letter by February 2020.

2019 Audit Schedule

- WCCDA Audit
  - Interim December 4th
  - Fieldwork March 30th through April 10th
  - Tentative Issue May 6th

- Briar Pond
    - Fieldwork February 25th through February 28th
    - Tentative issue date March 9th

- The Groves, Piccadilly and Glen Audits
    - January 8th through January 17th
    - Issue date February 28th

Raymie Johnson Estates HUD Contract Renewal

The new contract is in place and will be effective on January 23, 2020 and will run through January 31, 2040.

Finance Report
January 21, 2019

The financial results for November 30, 2019 are as follows:

Total Agency Year-To-Date

	2018 Actual	2019 Actual	2019 Budget	Variance
Revenues	$22,852,685	$21,182,070	$20,504,305	$677,765
Expenses	15,374,636	14,382,756	15,457,477	(1,074,721)
Income (Loss)	**$7,478,049**	**$6,799,314**	**$5,046,828**	**$1,752,486**

(Prior To Depreciation and Transfers)

Total Properties Year-To-Date

	2018 Actual	2019 Actual	2019 Budget	Variance
Operating Revenues	$11,311,272	$11,154,540	$10,616,432	$538,108
Operating Expenses	3,964,936	4,147,883	4,728,037	(580,154)
Operating Income (Loss)	**$7,346,336**	**$7,006,657**	**$5,888,395**	**$1,118,262**

Individual Properties Operating Income (Loss) Year-To-Date

	2018 Actual	2019 Actual	2019 Budget	Variance
Family Properties				
Brick Pond	$224,355	$216,536	$170,255	$46,281
Woodland Park	1,320,200	1,577,651	1,375,620	202,031
Briar Pond	1,281,898	1,365,870	1,095,484	270,386
Park Place I	204,108	206,890	117,569	89,321
Park Place II	17,351	23,772	11,295	12,477
Scattered Site	242,971	343,146	287,575	55,571
Whispering Pines	55,434	267,510	188,304	79,206
Transitional Housing	11,562	16,954	12,688	4,266
Senior Properties				
Trailside	1,002,875	502,635	448,077	54,558
Oakhill Cottages	235,322	236,449	210,238	26,211
Muller Manor	153,070	160,730	129,007	31,723
Ann Bodlovick	225,314	244,734	205,076	39,658
John Jergens	153,224	160,531	141,691	18,840
Pioneer	24,642	380,117	365,827	14,290
Cobble Hill	269,265	264,528	228,649	35,879
Raymie Johnson	681,781	629,759	622,264	7,495
Joint Ventures				
WCD - Series 2013	33,612	26,693	32,742	(6,049)
Landfall - Series 2010C	60,312	50,876	35,719	15,157
Groves Managing Member	32,569	29,141	33,458	(4,317)
Piccadilly - Lender	231,714	227,645	176,857	50,788
The Glen - Owner	100,414	81,417	0	81,417
The Glen - Lender	784,343	(6,927)	0	(6,927)
Operting Income (Loss)	**$7,346,336**	**$7,006,657**	**$5,888,395**	**$1,118,262**

Vacancy Rates - 2016-2019

	# of Units	2016 Annual	2017 Annual	2018 Annual	2019 Annual	2019 Target
Family Properties						
Brick Pond	40	0.6%	1.3%	0.0%	1.0%	5%
Woodland Park	180	1.2%	1.1%	0.7%	0.9%	5%
Briar Pond	196	0.3%	0.9%	0.6%	0.1%	5%
Park Place I	36	0.2%	1.2%	0.9%	0.7%	5%
Park Place II	6	4.2%	1.4%	1.4%	0.0%	5%
Scattered Site	56	1.5%	0.4%	0.9%	1.3%	5%
Whispering Pines	40	1.7%	0.4%	0.0%	0.0%	3%
Senior Properties						
Oakhill Cottages	40	0.0%	0.0%	0.2%	0.0%	3%
Muller Manor	28	0.0%	0.0%	0.0%	0.0%	3%
Ann Bodlovick	50	0.0%	0.0%	0.2%	0.7%	3%
John Jergens	30	0.0%	0.0%	0.3%	0.3%	3%
Pioneer	18	0.0%	2.8%	1.4%	0.0%	3%
Cobble Hill	45	0.2%	0.0%	0.0%	1.1%	3%
Raymie Johnson	120	1.2%	0.5%	1.3%	2.0%	3%
Trailside	70	0.1%	0.0%	0.2%	0.6%	3%
Seniors	401	0.4%	0.3%	0.5%	0.8%	3%
Overall	955	0.7%	0.6%	0.6%	0.7%	5%
Joint Ventures						
Piccadilly Square	79	59.1%	11.4%	0.6%	0.7%	5%
The Groves	67	1.1%	0.7%	0.1%	0.4%	5%
The Glen	42	0.0%	0.0%	0.0%	22.6%	5%

Total Agency

Balance Sheet

November 30, 2019

	2019 YTD	2018 YTD	Net Change
ASSETS			
CURRENT ASSETS			
CASH			
Cash - Lockbox	2,167,540	1,104,132	1,063,408
Cash - Operating Checking	8,808,595	9,799,525	-990,930
Cash - Operating Savings	0	39,358	-39,358
Cash - Section 8 Checking Disbursement	205,827	222,535	-16,708
WCCDA FSS - Public Housing Escrow	48,448	0	48,448
Cash - Temporary Investments	1,575,681	2,447,863	-872,182
WCCDA Funds Held In Trust	1,077,876	0	1,077,876
Security Deposit Checking	153,921	144,823	9,099
Cash - Swap Account	283,158	275,260	7,898
TOTAL CASH	14,321,046	14,033,496	287,551
ACCOUNTS RECEIVABLE			
Accounts Receivable	16,873	18,716	-1,844
Accounts Receivable - Other	56,125	1,979	54,146
Accounts Receivable - Hud	-151	0	-151
Accounts Receivable - Tenant Based Subsidy	876	0	876
Accounts Receivable - Repayments	3	0	3
Accounts Receivable - Security Deposits	1,240	0	1,240
Accounts Receivable - Resident Reimbursements	2,867	0	2,867
Allowance For Doubtful Accounts	-6,917	-4,081	-2,836
Accounts Receivable - Property Tax Levy	2,057,834	2,261,591	-203,757
Accounts Receivable - Delinquent Property Tax	28,454	31,985	-3,531
Developer Fee Receivable	1,126,287	925,000	201,287
Developer Fee Interest Receivable	134,896	88,802	46,094
Capital Lease Receivable	2,789,736	3,254,472	-464,735
Due From Other Governments - Federal	208,132	234,289	-26,157
Due From Other Governments - State	15,467	0	15,467
Due From Other Governments - County	10,085	26,060	-15,975
TOTAL ACCOUNTS RECEIVABLE	6,441,808	6,838,813	-397,005
PREPAID EXPENSES			
Prepaid Expenses	151,971	78,824	73,147
TOTAL PREPAID EXPENSES	151,971	78,824	73,147
TOTAL CURRENT ASSETS	20,914,826	20,951,133	-36,307
RESTRICTED CASH/ESCROWS			
Insurance Escrow	266,617	217,050	49,567

Total Agency

Balance Sheet

November 30, 2019

	2019 YTD	2018 YTD	Net Change
WCCDA FSS Escrow - Section 8	9,318	0	9,318
Real Estate Tax Escrow	99,299	176,197	-76,898
Real Estate Tax Escrow - Qecb Bonds	81,220	77,450	3,770
Escrow Deposit Account	622	8,611	-7,989
Debt Service Fund	2,049,894	1,901,134	148,760
Debt Service Fund - Qecb Bonds	0	12	-12
Debt Service Reserve Fund	2,422,285	2,633,004	-210,719
Debt Service Reserve Fund - Qecb Bonds	13	1	12
Fund-Operating Deficit R	0	12,258	-12,258
Issuer Reserve Fund	1,222,402	683,773	538,630
Repair Fund	0	40,517	-40,517
Operating Fund	443,420	606,179	-162,759
Restoration Fund	1	1	0
Operating Reserve	2,232,657	2,167,237	65,420
WCCDA Operating Reserve	12,564	0	12,564
Fee Escrow	54,240	44,904	9,337
Replacement Reserve Fund	2,425,978	2,354,184	71,793
WCCDA Transitional Housing Repl Res	41,527	0	41,527
Surplus Fund	101,493	44,542	56,951
Other Escrow	8,302	8,135	168
TOTAL RESTRICTED CASH/ESCROWS	11,471,852	10,975,189	496,663
FIXED ASSETS AND ACCUMULATED DEPRECIATION			
FIXED ASSETS			
Land	4,559,054	4,559,054	0
Land Improvements	2,394,032	2,292,521	101,511
Building	69,198,533	68,277,046	921,487
Carpet/Flooring	2,092	0	2,092
Appliances	1,104	0	1,104
Office Furniture And Equipment	515,702	515,702	0
Property For Resale	483,233	483,233	0
TOTAL FIXED ASSETS	77,153,750	76,127,556	1,026,194
ACCUMULATED DEPRECIATION			
Accum Depreciation - Land Improvements	-532,741	-448,808	-83,934
Accum Depreciation - Building And Fixtures	-31,780,963	-30,117,317	-1,663,646
Accum Depreciation - Furniture And Equipment	-522,036	-512,116	-9,921
TOTAL ACCUMULATED DEPRECIATION	-32,835,740	-31,078,240	-1,757,500
NET FIXED ASSETS AND ACCUMULATED DEPRECIA	44,318,010	45,049,316	-731,306

Total Agency

Balance Sheet

November 30, 2019

	2019 YTD	2018 YTD	Net Change
INVESTMENTS			
Other Investments	1,857,704	1,857,732	-28
TOTAL INVESTMENTS	1,857,704	1,857,732	-28
NOTES RECEIVABLE			
Installment Note Receivable	18,665,641	15,951,423	2,714,218
Loan Receivable Lhia On Cda Company	400,000	0	400,000
Note Receivable	352,709	352,709	0
Forgivable Long Term Loan	1,000,000	1,000,000	0
Due From Other Fund	3,697,512	3,821,760	-124,247
TOTAL NOTES RECEIVABLE	24,115,863	21,125,892	2,989,971
OTHER ASSETS			
Interest Receivable	37,107	2,807	34,300
Tax Increment Funding Receivable	667,896	494,921	172,975
Construction In Progress	600,285	492,951	107,334
TOTAL OTHER ASSETS	1,305,288	990,679	314,609
TOTAL ASSETS	103,983,542	100,949,941	3,033,601
LIABILITIES & CAPITAL			
LIABILITIES			
CURRENT LIABILITIES			
ACCOUNTS PAYABLE			
Accounts Payable	107,693	344,713	-237,020
Accounts Payable - Other	0	607	-607
Retainage Payable	8,905	21,400	-12,495
TOTAL ACCOUNTS PAYABLE	116,599	366,721	-250,122
OTHER CURRENT LIABILITIES			
Prepaid Tenant Rent	500	0	500
Hap Repayment	-120	0	-120
Security Deposit Liability	380,895	380,811	84
Security Deposit Interest Liability	22,579	21,337	1,242
Security Deposit Dispositions/Refunds	301	0	301
Due To Other Governments - County	389,207	348,777	40,430
Due To Other Governments - Other	40,000	40,000	0
Tenant Based Subsidy Suspense	-1,182	0	-1,182
Escrow Deposits Payable - Fss	57,766	47,969	9,797
TOTAL OTHER CURRENT LIABILITIES	889,945	838,894	51,052

Total Agency

Balance Sheet

November 30, 2019

	2019 YTD	2018 YTD	Net Change
ACCRUED EXPENSES			
Accrued Payroll Expense	54,319	48,302	6,017
Accrued Expenses	107	0	107
Accrued Interest	28,314	28,955	-641
Accrued Interest Senior Bonds	443,877	359,383	84,494
Accrued Interest Series D Bonds	13,546	10,650	2,896
Accrued Interest	374,802	322,241	52,561
TOTAL ACCRUED EXPENSES	914,966	769,532	145,434
TOTAL CURRENT LIABILITIES	1,921,510	1,975,146	-53,637
LONG-TERM LIABILITIES			
DEFERRED REVENUE			
Unearned Revenue	5,549,523	5,738,792	-189,270
TOTAL DEFERRED REVENUE	5,549,523	5,738,792	-189,270
INTERCOMPANY LIABILITIES			
Due To Others	3,695,792	3,821,760	-125,967
Health Care Plan Liability	2,920	1,445	1,475
TOTAL INTERCOMPANY LIABILITIES	3,698,712	3,823,205	-124,493
LONG-TERM DEBT			
Mortgage Payable	9,574,983	9,778,380	-203,397
Note Payable	1,389,793	1,389,793	0
Bonds Payable	32,705,000	34,940,000	-2,235,000
Series D Bond Payable	1,395,000	1,535,000	-140,000
Unamortized Premium	720,752	787,355	-66,603
Deferred Refunding Costs	-533,297	-627,042	93,745
Deferred Gain On Sale Of Property	250,628	312,389	-61,761
Deferred Gain On Refunding	48,851	175,796	-126,945
Unamortized Discount	-219,260	-239,245	19,985
TOTAL LONG-TERM DEBT	45,332,451	48,052,426	-2,719,975
TOTAL LONG-TERM LIABILITIES	54,580,685	57,614,423	-3,033,737
TOTAL LIABILITIES	56,502,195	59,589,569	-3,087,374
CAPITAL			
Retained Earnings	47,481,347	41,360,372	6,120,975
TOTAL CAPITAL	47,481,347	41,360,372	6,120,975

Total Agency

Balance Sheet

November 30, 2019

	2019 YTD	2018 YTD	Net Change
TOTAL LIABILITIES & CAPITAL	103,983,542	100,949,941	3,033,601

Total Agency

Income Statement

For the Eleven Months Ending November 30, 2019

	11/30/2019	11/30/2019			11/30/2018		
	Actual	Budget	Variance	% Var	Last Year	Change	% Change
OTHER RENTAL INCOME							
Rent Income - Residents	7,172,509	7,074,925	97,584	1	6,976,896	195,613	3
County Assistance Rent	521,541	593,358	-71,817	-12	1,182,835	-661,294	-56
Hap Income - Section 8	622,151	615,817	6,334	1	0	622,151	N/A
Bad Debt Rent	-17,715	-34,283	16,568	48	-22,508	4,792	21
Bad Debt Other	-33,490	-17,233	-16,257	-94	22,429	-55,919	-249
Employee Concessions	-4,685	-7,883	3,198	41	-9,543	4,858	51
Vacancy	-16,123	-329,542	313,419	95	-41,225	25,102	61
Application Fees	6,838	7,883	-1,046	-13	7,225	-388	-5
Electric Reimbursement	10,027	0	10,027	N/A	0	10,027	N/A
Water & Sewer Reimbursement	63	0	63	N/A	0	63	N/A
Heat Reimbursement	28	0	28	N/A	0	28	N/A
Cable Reimbursement	17,164	15,767	1,397	9	17,772	-608	-3
Trash Reimbursement	325	0	325	N/A	0	325	N/A
Utility Reimbursement Recovery	-5,940	26,400	-32,340	-122	-37,525	31,585	84
Guest Suite Income	3,500	2,200	1,300	59	2,500	1,000	40
Late Fees	23,236	18,150	5,086	28	19,948	3,288	16
Laundry Income	25,345	26,950	-1,605	-6	28,939	-3,593	-12
Clubhouse Rental	550	0	550	N/A	0	550	N/A
Nsf Fees	925	0	925	N/A	0	925	N/A
Cleaning & Damages Income	27,103	0	27,103	N/A	0	27,103	N/A
Damage Fees - Painting	400	0	400	N/A	0	400	N/A
Damage Fees - Carpet Cln/Rpr	135	0	135	N/A	0	135	N/A
Damage Fees - Carpet Replace	862	0	862	N/A	0	862	N/A
Damage Fees - Other	3,802	0	3,802	N/A	0	3,802	N/A
Parking / Garage Income	79,161	80,392	-1,231	-2	79,600	-439	-1
Emergency Pendant Reimbursement	620	642	-22	-3	469	150	32
TOTAL OTHER RENTAL INCOME	8,438,331	8,073,541	364,790	5	8,227,811	210,519	3
NET RENTAL INCOME	8,438,331	8,073,541	364,790	5	8,227,811	210,519	3
OTHER INCOME							
Interest Income	322,976	100,558	222,418	221	305,086	17,890	6
Restricted Interest Income	194,061	55,733	138,328	248	124,985	69,076	55
Interest Income - Loans	211,034	181,766	29,268	16	161,321	49,713	31
Interest Income - Capital Leases	66,743	66,261	482	1	78,340	-11,597	-15
Other Income	20,518	231,825	-211,307	-91	1,638,961	-1,618,443	-99
Other Income - Non Operating	66,636	0	66,636	N/A	0	66,636	N/A
Intergovernmental Revenue	192,460	0	192,460	N/A	0	192,460	N/A
Property Tax Revenue	4,797,724	4,798,041	-316	0	4,633,040	164,684	4
Tif Revenue	140,525	140,525	0	0	127,247	13,278	10
Administration Fee Revenue	294,740	330,825	-36,085	-11	347,389	-52,649	-15
Program Income	2,903,916	3,005,567	-101,651	-3	3,049,214	-145,298	-5
Grant Revenue - Federal	1,849,259	1,445,308	403,951	28	1,316,844	532,415	40
Grant Revenue - State	313,576	224,125	89,451	40	596,583	-283,007	-47
Grant Revenue - County	88,198	79,017	9,181	12	80,645	7,553	9
Grant Revenue - Cfp Operating	14,308	0	14,308	N/A	1,370	12,938	944
Grant Revenue - Cfp Capital	213,319	281,600	-68,281	-24	65,205	148,114	227
Grant Revenue - Cdbg	663,631	911,839	-248,207	-27	517,004	146,627	28
Contra Grant Revenue - Cdbg	-171,255	0	-171,255	N/A	0	-171,255	N/A
Issuer Fee Income	26,700	23,558	3,142	13	59,959	-33,259	-55
Transfer From Other Funds	0	27,500	-27,500	-100	1,014,021	-1,014,021	-100
Charge For Service	552,365	544,133	8,232	2	523,677	28,688	5
Hud Pass Through	-17,695	-17,417	-279	-2	-16,017	-1,678	-10
TOTAL OTHER INCOME	12,743,739	12,430,764	312,976	3	14,624,873	-1,881,134	-13
TOTAL REVENUE	21,182,070	20,504,305	677,765	3	22,852,685	-1,670,614	-7
OPERATING EXPENSES							

Total Agency

Income Statement

For the Eleven Months Ending November 30, 2019

	11/30/2019	11/30/2019			11/30/2018		
	Actual	Budget	Variance	% Var	Last Year	Change	% Change
ADMINISTRATIVE EXPENSES							
PAYROLL EXPENSE							
Payroll - Office	1,795,648	2,055,685	260,037	13	1,709,134	-86,514	-5
Payroll Taxes - Office	19,939	20,762	823	4	17,394	-2,546	-15
Payroll - Cdbg Coc Program	22,295	0	-22,295	N/A	23,383	1,088	5
Payroll Taxes - Cdbg Coc Program	322	0	-322	N/A	339	17	5
Payroll - Cdbg Loan Program	10,678	0	-10,678	N/A	10,843	165	2
Payroll Taxes Cdbg Loan Program	154	0	-154	N/A	157	3	2
Payroll - Maintenance	415,772	535,212	119,440	22	447,269	31,496	7
Payroll - Grounds	160,345	187,864	27,519	15	144,974	-15,372	-11
Payroll - Other	2,268	183	-2,085	-1,137	16,993	14,725	87
Payroll Benefits - Other	140,770	124,758	-16,012	-13	107,905	-32,865	-30
Insurance Benefits	161,972	217,158	55,186	25	179,017	17,045	10
Payroll Benefits - Cdbg Coc Program	2,452	0	-2,452	N/A	2,105	-348	-17
Payroll Benefits - Cdbg Loan Program	1,175	0	-1,175	N/A	976	-199	-20
Pension Contribution - Executive	4,533	3,850	-683	-18	3,884	-649	-17
Pension Contribution - Administration	17,096	16,683	-413	-2	13,280	-3,816	-29
Pension Contribution - Finance Admin	9,003	6,050	-2,953	-49	2,628	-6,375	-243
Insurance - Acct	15,091	11,917	-3,174	-27	6,829	-8,262	-121
Insurance - Executive	4,592	4,217	-375	-9	7,144	2,552	36
Salary Expense - Accounting	88,176	74,708	-13,468	-18	32,979	-55,197	-167
Salary Expense - Executive	41,206	42,167	961	2	43,155	1,949	5
Payroll Taxes - Property Accounting	1,646	1,558	-88	-6	641	-1,005	-157
Payroll Taxes - Executive	569	642	73	11	502	-67	-13
Workers Compensation Insurance	0	5,408	5,408	100	2,024	2,024	100
Business Ops - Salary Payroll	155,418	185,167	29,748	16	147,561	-7,858	-5
Business Ops - Benefits & Insurance	23,121	30,250	7,129	24	21,775	-1,346	-6
Business Ops - Pr Tax	2,297	2,658	361	14	2,254	-43	-2
Business Ops - Work Comp	0	642	642	100	237	237	100
Active Life - Salary Wages	55	458	403	88	0	-55	N/A
Active Life - Payroll Taxes	0	92	92	100	0	0	N/A
Payroll - Property Management - Cda	545,348	541,383	-3,965	-1	518,600	-26,748	-5
Payroll - Board Of Commissioners	0	4,400	4,400	100	3,740	3,740	100
Payroll Tax - Board Of Commissioners	0	92	92	100	210	210	100
Workers Comp - Board Of Commissioners	0	367	367	100	0	0	N/A
Workers Comp - Exec Dir	0	183	183	100	55	55	100
TOTAL PAYROLL	3,641,942	4,074,514	432,572	11	3,467,987	-173,955	-5
GENERAL & ADMINISTRATIVE							
Auto Lease & License	2,272	0	-2,272	N/A	852	-1,420	-167
Consulting	238,993	343,933	104,940	31	280,211	41,217	15
Consulting - Exec	0	6,508	6,508	100	2,606	2,606	100
Consulting - Finance/It	15,333	12,833	-2,499	-19	3,048	-12,285	-403
Consulting - It	19,711	0	-19,711	N/A	0	-19,711	N/A
Dues & Subscriptions - Business Office	81,781	70,308	-11,473	-16	230,925	149,143	65
Dues & Subscriptions - Exec	2,148	4,583	2,435	53	3,588	1,440	40
Dues & Subscriptions - Finance/It	150	0	-150	N/A	0	-150	N/A
Delivery Expenses	42	917	875	95	408	366	90
Postage & Delivery - Ops	9,867	14,300	4,433	31	10,087	220	2
Office/Equipment Rental	39,485	18,242	-21,244	-116	16,173	-23,312	-144
Advertising/Marketing	71,679	90,338	18,659	21	47,473	-24,206	-51
Advertising - Board Of Commissioners	0	550	550	100	221	221	100
Advertising/Marketing - Fin Admin	0	275	275	100	1,944	1,944	100
Contributions - Operating	97,500	178,750	81,250	45	0	-97,500	N/A
Audit/Tax Return Preparation Fee	65,600	63,892	-1,708	-3	63,200	-2,400	-4
Credit Reports / Background Checks	9,310	12,742	3,432	27	8,771	-538	-6
Data Processing Fees	57,493	90,383	32,891	36	12,758	-44,735	-351
Data Processing Fees - Exec Dir	0	275	275	100	0	0	N/A
Data Processing Fees - Fin Admin	0	2,750	2,750	100	0	0	N/A
Data Processing Fees - It	13,181	0	-13,181	N/A	0	-13,181	N/A

Total Agency

Income Statement

For the Eleven Months Ending November 30, 2019

	11/30/2019	11/30/2019			11/30/2018		
	Actual	Budget	Variance	% Var	Last Year	Change	% Change
Payroll Processing Fees	21,840	22,000	160	1	21,598	-243	-1
Legal Fees	139,293	192,225	52,932	28	205,062	65,770	32
License Fees	13,470	14,025	555	4	12,155	-1,315	-11
License Fees - General Building	92	0	-92	N/A	100	8	8
Mileage Reimbursement	12,568	17,783	5,215	29	9,207	-3,361	-37
Mileage Reimbursement - Environmental Services	0	183	183	100	312	312	100
Administrative Services	1,392	2,567	1,174	46	1,918	525	27
Property Program Expenses	24,590	25,575	985	4	22,850	-1,740	-8
Misc Expense - Business Office	1,604	6,050	4,446	73	259,781	258,177	99
Postage - Business Office	-330	1,833	2,163	118	2,241	2,571	115
Travel - Exec	4,152	4,583	432	9	3,982	-170	-4
Travel - Finance/It	141	1,833	1,692	92	191	50	26
Travel - Board Of Commissioners	1,901	917	-984	-107	958	-943	-98
Travel - Cda Car	1,896	0	-1,896	N/A	564	-1,332	-236
Travel	15,738	15,216	-522	-3	11,351	-4,387	-39
Travel - Business Office	415	2,292	1,877	82	2,078	1,663	80
Travel - Active Life	251	92	-159	-173	440	189	43
Education And Training	15,245	42,717	27,471	64	23,686	8,441	36
Training/Ed - Business Office	1,017	6,417	5,399	84	3,889	2,871	74
Training/Ed - Active Life	1,207	550	-657	-119	614	-592	-96
Bank Fees	54,364	61,417	7,053	11	62,878	8,513	14
Training/Ed - Exec	1,470	2,383	913	38	5,967	4,497	75
Training/Ed - Finance/It	1,233	8,892	7,659	86	420	-813	-194
Bank Fees - Financial Admin	119	0	-119	N/A	0	-119	N/A
Training/Ed - Board Of Commissioners	4,885	458	-4,427	-966	314	-4,572	-1,458
Professional Fees	165,171	160,967	-4,204	-3	121,860	-43,311	-36
Professional Services - Environmental Services	2,144	5,958	3,815	64	1,971	-172	-9
Office Contracts	1,614	1,558	-56	-4	1,550	-64	-4
Maintenance Supplies	15	0	-15	N/A	0	-15	N/A
Office Supplies And Equipment	18,210	26,594	8,384	32	17,127	-1,083	-6
Office Supplies - Exec	0	183	183	100	331	331	100
Office Supplies - Finance/It	843	1,008	165	16	682	-161	-24
Office Supplies - Board Of Commissioners	95	183	88	48	63	-32	-51
Telephone - Office Use	66,719	81,583	14,865	18	70,932	4,213	6
Telephone - Exec Dir	708	917	209	23	542	-166	-31
Telephone - Financial Admin	611	642	30	5	681	70	10
Resident Retention	6,005	14,758	8,754	59	7,980	1,975	25
Project Assistance	1,023,548	595,833	-427,715	-72	617,591	-405,957	-66
Contra Project Assistance	-171,255	0	171,255	N/A	0	171,255	N/A
Housing Assistance Payments	3,862,676	3,812,417	-50,259	-1	3,844,762	-17,914	0
Cleaning and Decorating	30,688	48,950	18,262	37	46,652	15,964	34
Repairs & Maintenance	44,357	130,625	86,268	66	92,938	48,581	52
Repairs & Maintenance - General Building	1,355	5,958	4,603	77	546	-809	-148
Fiscal Agency Administration	3,233	0	-3,233	N/A	0	-3,233	N/A
Uniforms - Business Office	11,541	7,608	-3,932	-52	8,502	-3,039	-36
TOTAL G & A EXPENSE	6,111,375	6,237,331	125,956	2	6,169,531	58,156	1
MANAGEMENT FEE							
Management Fee	430,694	450,103	19,409	4	435,029	4,335	1
TOTAL MANAGEMENT FEE	430,694	450,103	19,409	4	435,029	4,335	1
TOTAL ADMINISTRATIVE EXPENSES	10,184,011	10,761,948	577,937	5	10,072,547	-111,464	-1
MAINTENANCE EXPENSES							
REPAIRS & MAINTENANCE EXPENSES							
Service Contract/Repairs - Appliance	972	4,675	3,703	79	3,158	2,185	69
Service Contract/Repairs - Contract Maintenance	0	3,300	3,300	100	1,348	1,348	100
Service Contract/Repairs - Electrical	38,536	56,833	18,298	32	52,252	13,717	26
Service Contract/Repairs - Fire/Life/Safety	39	0	-39	N/A	0	-39	N/A
Service Contract/Repairs - Floors	105,830	134,567	28,736	21	78,248	-27,583	-35

Total Agency

Income Statement

For the Eleven Months Ending November 30, 2019

	11/30/2019	11/30/2019			11/30/2018		
	Actual	Budget	Variance	% Var	Last Year	Change	% Change
Service Contract/Repairs - General Building	420	1,833	1,413	77	60	-361	-602
Service Contract/Repairs - Hvac	20,544	59,217	38,672	65	52,702	32,157	61
Service Contract/Repairs - Janitorial	6,147	11,733	5,587	48	2,216	-3,931	-177
Service Contract/Repairs - Plumbing	51,939	56,375	4,436	8	55,927	3,987	7
Service Contract/Repairs - Miscellaneous	366	0	-366	N/A	0	-366	N/A
Supplies - Appliance	64,052	95,150	31,098	33	57,990	-6,062	-10
Supplies - Electrical	23,110	28,783	5,673	20	21,898	-1,212	-6
Supplies - Floors	4,169	0	-4,169	N/A	0	-4,169	N/A
Supplies - General Building	441	275	-166	-60	35	-406	-1,153
Supplies - Hvac	67,302	46,475	-20,827	-45	53,248	-14,054	-26
Supplies - Janitorial	14,513	16,408	1,895	12	10,509	-4,005	-38
Supplies - Plumbing	54,364	47,208	-7,156	-15	44,749	-9,615	-21
Equipment Rental - Business Office	1,805	25,117	23,311	93	23,728	21,922	92
Supplies - Miscellaneous	37,595	30,800	-6,795	-22	18,825	-18,769	-100
Repairs - Business Office	301	2,567	2,266	88	1,804	1,503	83
TOTAL REPAIRS & MAINTENANCE EXPENSES	492,446	621,317	128,871	21	478,695	-13,752	-3
CONTRACT SERVICE							
Extermination	24,022	18,608	-5,414	-29	14,621	-9,401	-64
Service Contract/Repairs - Elevators	37,638	39,692	2,054	5	33,501	-4,136	-12
Service Contract - Grounds	123,316	159,083	35,768	22	132,878	9,562	7
Service Contract - Snow	104,462	80,175	-24,288	-30	95,034	-9,429	-10
Supplies - Grounds	18	92	74	81	0	-18	N/A
TOTAL CONTRACT SERVICE	289,455	297,650	8,195	3	276,033	-13,422	-5
TURNOVER EXPENSE							
Service Contract - Painting	65,149	62,242	-2,907	-5	51,390	-13,759	-27
Service Contract - Carpet Shampoo	90	0	-90	N/A	0	-90	N/A
Supplies - Painting	19,614	22,550	2,936	13	15,457	-4,157	-27
TOTAL TURNOVER EXPENSE	84,853	84,792	-61	0	66,846	-18,006	-27
TOTAL MAINTENANCE EXPENSES	866,754	1,003,758	137,004	14	821,574	-45,180	-5
UTILITIES							
Electricity	161,213	206,067	44,853	22	189,574	28,361	15
Heat / Gas	128,813	196,258	67,445	34	146,140	17,326	12
Water And Sewer	246,110	235,583	-10,526	-4	219,704	-26,406	-12
Trash Removal	153,745	125,125	-28,620	-23	121,486	-32,259	-27
Trash Removal - Admin Services	208	458	250	55	291	83	29
Cable Tv	21,513	20,808	-705	-3	20,631	-882	-4
Tenant Utility Allowance	25,598	0	-25,598	N/A	0	-25,598	N/A
TOTAL UTILITIES	737,201	784,300	47,099	6	697,826	-39,375	-6
TOTAL OPERATING EXPENSES	11,787,966	12,550,006	762,040	6	11,591,948	-196,018	-2
NET OPERATING INCOME (LOSS)	9,394,104	7,954,299	1,439,805	18	11,260,737	-1,866,633	-17
NON-OPERATING EXPENSES							
Property And Liability Insurance	345,978	369,692	23,714	6	337,185	-8,793	-3
Real Estate Taxes	397,697	390,500	-7,197	-2	389,738	-7,960	-2
Association Assessment	44,211	113,025	68,814	61	112,372	68,161	61
TOTAL NON-OPERATING EXPENSES	787,887	873,217	85,330	10	839,294	51,407	6
TOTAL NON-OPERATING EXPENSES	787,887	873,217	85,330	10	839,294	51,407	6
NET INCOME (LOSS) BEFORE NON-OPERATING	8,606,218	7,081,082	1,525,135	22	10,421,443	-1,815,225	-17
FINANCING EXPENSE							
Sec Dep Interest	3,177	0	-3,177	N/A	0	-3,177	N/A
Mortgage Interest	337,726	365,833	28,108	8	375,393	37,667	10
Debt Service - Principal	331,699	403,298	71,598	18	421,155	89,456	21

Total Agency

Income Statement

For the Eleven Months Ending November 30, 2019

	11/30/2019	11/30/2019			11/30/2018		
	Actual	Budget	Variance	% Var	Last Year	Change	% Change
Debt Service - Interest	126,083	0	-126,083	N/A	0	-126,083	N/A
Interest - Senior Bonds	1,118,111	1,142,444	24,333	2	1,179,106	60,994	5
Interest - Series A Bonds	37,486	38,537	1,051	3	39,820	2,334	6
Gain On Investment	-34,757	0	34,757	N/A	6,590	41,347	627
Financing Fee	0	1,283	1,283	100	1,625	1,625	100
Monitoring Fee	3,000	2,750	-250	-9	3,000	0	0
Fss Escrow Payment	7,040	2,750	-4,290	-156	3,152	-3,888	-123
Bond Premium	-56,584	-40,878	15,706	38	-56,818	-234	0
Bond Discount	17,511	18,129	618	3	18,127	616	3
Gain/Loss On Sale	-52,389	52,451	104,840	200	-50,787	1,602	3
Capital Outlay	0	0	0	N/A	23	23	100
Capital Outlay - Gen Building	0	31,167	31,167	100	0	0	N/A
Deferred Refunding	76,215	96,404	20,189	21	96,401	20,186	21
Deferred Gain On Refunding	-107,415	-107,415	0	0	-107,415	0	0
Transfer To Other Funds	0	27,500	27,500	100	1,014,021	1,014,021	100
TOTAL FINANCING EXPENSE	1,806,903	2,034,254	227,350	11	2,943,394	1,136,491	39
NET INCOME (LOSS) BEFORE DEPR AND AMORT	6,799,314	5,046,828	1,752,486	35	7,478,048	-678,734	-9
DEPRECIATION EXPENSE							
Depreciation	53,216	45,138	-8,078	-18	49,580	-3,636	-7
Depreciation - Building	1,643,616	1,628,051	-15,565	-1	1,599,870	-43,746	-3
Depreciation - Furniture And Equipment	6,967	580	-6,387	-1,101	16,244	9,277	57
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	-1,703,799	-1,673,770	-30,029	-2	-1,665,694	-38,105	-2
NET INCOME (LOSS)	5,095,515	3,373,058	1,722,457	51	5,812,354	-716,839	-12

General Fund

Balance Sheet

November 30, 2019

	2019 YTD	2018 YTD	Net Change
ASSETS			
CURRENT ASSETS			
CASH			
Cash - Operating Checking	4,366,570	5,288,420	-921,850
Cash - Temporary Investments	0	3,828	-3,828
WCCDA Funds Held In Trust	4,863	0	4,863
TOTAL CASH	4,371,433	5,292,248	-920,815
ACCOUNTS RECEIVABLE			
Accounts Receivable - Other	0	779	-779
Accounts Receivable - Property Tax Levy	729,764	573,916	155,849
Accounts Receivable - Delinquent Property Tax	28,454	31,985	-3,531
Due From Other Governments - County	0	22,421	-22,421
TOTAL ACCOUNTS RECEIVABLE	758,219	629,100	129,118
PREPAID EXPENSES			
Prepaid Expenses	29,434	10,563	18,871
TOTAL PREPAID EXPENSES	29,434	10,563	18,871
TOTAL CURRENT ASSETS	5,159,086	5,931,911	-772,826
RESTRICTED CASH/ESCROWS			
Escrow Deposit Account	622	0	622
Operating Reserve	1,389,237	1,348,430	40,807
TOTAL RESTRICTED CASH/ESCROWS	1,389,859	1,348,430	41,429
FIXED ASSETS AND ACCUMULATED DEPRECIATION			
FIXED ASSETS			
Carpet/Flooring	2,092	0	2,092
TOTAL FIXED ASSETS	2,092	0	2,092
NET FIXED ASSETS AND ACCUMULATED DEPRECIA	2,092	0	2,092
NOTES RECEIVABLE			
Installment Note Receivable	2,000,000	0	2,000,000
TOTAL NOTES RECEIVABLE	2,000,000	0	2,000,000
TOTAL ASSETS	8,551,037	7,280,342	1,270,696
LIABILITIES & CAPITAL			
LIABILITIES			

General Fund

Balance Sheet

November 30, 2019

	2019 YTD	2018 YTD	Net Change
CURRENT LIABILITIES			
ACCOUNTS PAYABLE			
Accounts Payable	0	5,278	-5,278
Accounts Payable - Other	0	218	-218
TOTAL ACCOUNTS PAYABLE	0	5,496	-5,496
ACCRUED EXPENSES			
Accrued Payroll Expense	12,455	18,775	-6,320
TOTAL ACCRUED EXPENSES	12,455	18,775	-6,320
TOTAL CURRENT LIABILITIES	12,455	24,271	-11,816
LONG-TERM LIABILITIES			
DEFERRED REVENUE			
Unearned Revenue	187,563	321,610	-134,047
TOTAL DEFERRED REVENUE	187,563	321,610	-134,047
INTERCOMPANY LIABILITIES			
Health Care Plan Liability	2,920	1,445	1,475
TOTAL INTERCOMPANY LIABILITIES	2,920	1,445	1,475
TOTAL LONG-TERM LIABILITIES	190,483	323,055	-132,572
TOTAL LIABILITIES	202,938	347,326	-144,388
CAPITAL			
Retained Earnings	8,348,099	6,933,016	1,415,083
TOTAL CAPITAL	8,348,099	6,933,016	1,415,083
TOTAL LIABILITIES & CAPITAL	8,551,037	7,280,342	1,270,696

General Fund

Income Statement

For the Eleven Months Ending November 30, 2019

	11/30/2019	11/30/2019			11/30/2018		
	Actual	Budget	Variance	% Var	Last Year	Change	% Change
OTHER INCOME							
Interest Income	113,477	20,167	93,310	463	94,756	18,721	20
Restricted Interest Income	1,024	0	1,024	N/A	0	1,024	N/A
Other Income	146	0	146	N/A	9,448	-9,302	-98
Other Income - Non Operating	3,432	0	3,432	N/A	0	3,432	N/A
Property Tax Revenue	1,579,308	1,579,308	0	0	1,538,969	40,339	3
Transfer From Other Funds	0	0	0	N/A	0	0	N/A
Charge For Service	4,016	0	4,016	N/A	1,300	2,717	209
TOTAL OTHER INCOME	1,701,402	1,599,474	101,928	6	1,644,473	56,930	3
TOTAL REVENUE	1,701,402	1,599,474	101,928	6	1,644,473	56,930	3
OPERATING EXPENSES							
ADMINISTRATIVE EXPENSES							
PAYROLL EXPENSE							
Pension Contribution - Executive	4,533	3,850	-683	-18	3,884	-649	-17
Pension Contribution - Administration	17,096	16,683	-413	-2	13,280	-3,816	-29
Pension Contribution - Finance Admin	9,003	6,050	-2,953	-49	2,628	-6,375	-243
Insurance - Acct	15,091	11,917	-3,174	-27	6,829	-8,262	-121
Insurance - Executive	4,592	4,217	-375	-9	7,144	2,552	36
Salary Expense - Accounting	88,176	74,708	-13,468	-18	32,979	-55,197	-167
Salary Expense - Executive	41,206	42,167	961	2	43,155	1,949	5
Payroll Taxes - Property Accounting	1,646	1,558	-88	-6	641	-1,005	-157
Payroll Taxes - Executive	569	642	73	11	502	-67	-13
Workers Compensation Insurance	0	275	275	100	100	100	100
Business Ops - Salary Payroll	155,418	185,167	29,748	16	147,561	-7,858	-5
Business Ops - Benefits & Insurance	23,121	30,250	7,129	24	21,775	-1,346	-6
Business Ops - Pr Tax	2,297	2,658	361	14	2,254	-43	-2
Business Ops - Work Comp	0	642	642	100	237	237	100
Active Life - Salary Wages	55	458	403	88	0	-55	N/A
Active Life - Payroll Taxes	0	92	92	100	0	0	N/A
Payroll - Board Of Commissioners	0	4,400	4,400	100	3,740	3,740	100
Payroll Tax - Board Of Commissioners	0	92	92	100	210	210	100
Workers Comp - Board Of Commissioners	0	367	367	100	0	0	N/A
Workers Comp - Exec Dir	0	183	183	100	55	55	100
TOTAL PAYROLL	362,802	386,375	23,573	6	286,975	-75,827	-26
GENERAL & ADMINISTRATIVE							
Auto Lease & License	2,272	0	-2,272	N/A	852	-1,420	-167
Consulting	71,910	91,667	19,757	22	82,287	10,377	13
Consulting - Exec	0	6,508	6,508	100	2,606	2,606	100
Consulting - Finance/It	8,833	12,833	4,001	31	3,048	-5,785	-190
Consulting - It	19,711	0	-19,711	N/A	0	-19,711	N/A
Dues & Subscriptions - Business Office	10,391	5,958	-4,432	-74	4,857	-5,534	-114
Dues & Subscriptions - Exec	2,148	4,583	2,435	53	3,588	1,440	40
Dues & Subscriptions - Finance/It	150	0	-150	N/A	0	-150	N/A
Delivery Expenses	0	183	183	100	0	0	N/A
Postage & Delivery - Ops	17	0	-17	N/A	0	-17	N/A
Office/Equipment Rental	21,672	0	-21,672	N/A	0	-21,672	N/A
Advertising/Marketing	3,539	4,583	1,044	23	158	-3,381	-2,140
Advertising - Board Of Commissioners	0	550	550	100	221	221	100
Advertising/Marketing - Fin Admin	0	275	275	100	1,944	1,944	100
Audit/Tax Return Preparation Fee	52,900	47,667	-5,233	-11	44,500	-8,400	-19
Credit Reports / Background Checks	29	0	-29	N/A	0	-29	N/A
Data Processing Fees	30,668	82,500	51,832	63	9,546	-21,122	-221
Data Processing Fees - Exec Dir	0	275	275	100	0	0	N/A
Data Processing Fees - Fin Admin	0	2,750	2,750	100	0	0	N/A
Data Processing Fees - It	13,181	0	-13,181	N/A	0	-13,181	N/A
Payroll Processing Fees	21,840	22,000	160	1	21,598	-243	-1

General Fund

Income Statement

For the Eleven Months Ending November 30, 2019

	11/30/2019	11/30/2019			11/30/2018		
	Actual	Budget	Variance	% Var	Last Year	Change	% Change
Legal Fees	25,623	55,000	29,377	53	35,610	9,987	28
License Fees	100	0	-100	N/A	200	100	50
License Fees - General Building	0	0	0	N/A	100	100	100
Mileage Reimbursement	193	0	-193	N/A	0	-193	N/A
Mileage Reimbursement - Environmental Services	0	183	183	100	312	312	100
Postage - Business Office	-330	1,833	2,163	118	2,241	2,571	115
Travel - Exec	4,152	4,583	432	9	3,982	-170	-4
Travel - Finance/It	141	1,833	1,692	92	191	50	26
Travel - Board Of Commissioners	1,901	917	-984	-107	958	-943	-98
Travel - Cda Car	1,896	0	-1,896	N/A	564	-1,332	-236
Travel	1,028	0	-1,028	N/A	0	-1,028	N/A
Travel - Business Office	415	2,292	1,877	82	2,078	1,663	80
Travel - Active Life	224	92	-133	-145	440	215	49
Education And Training	1,902	0	-1,902	N/A	0	-1,902	N/A
Training/Ed - Business Office	1,017	6,417	5,399	84	3,889	2,871	74
Training/Ed - Active Life	1,207	550	-657	-119	614	-592	-96
Bank Fees	5,143	5,042	-101	-2	5,188	45	1
Training/Ed - Exec	1,470	2,383	913	38	5,967	4,497	75
Training/Ed - Finance/It	1,233	8,892	7,659	86	420	-813	-194
Bank Fees - Financial Admin	119	0	-119	N/A	0	-119	N/A
Training/Ed - Board Of Commissioners	4,885	458	-4,427	-966	314	-4,572	-1,458
Professional Fees	2,324	10,083	7,759	77	2,128	-196	-9
Professional Services - Environmental Services	0	4,033	4,033	100	170	170	100
Office Supplies And Equipment	10,130	12,742	2,612	20	8,885	-1,245	-14
Office Supplies - Exec	0	183	183	100	331	331	100
Office Supplies - Finance/It	843	1,008	165	16	682	-161	-24
Office Supplies - Board Of Commissioners	95	183	88	48	63	-32	-51
Telephone - Office Use	10,678	10,542	-137	-1	9,865	-814	-8
Telephone - Exec Dir	708	917	209	23	542	-166	-31
Telephone - Financial Admin	611	642	30	5	681	70	10
Cleaning and Decorating	13,995	14,483	488	3	15,922	1,927	12
Repairs & Maintenance	889	0	-889	N/A	2,255	1,366	61
Repairs & Maintenance - General Building	1,355	5,958	4,603	77	546	-809	-148
TOTAL G & A EXPENSE	353,208	433,584	80,376	19	280,342	-72,865	-26
TOTAL ADMINISTRATIVE EXPENSES	716,009	819,959	103,949	13	567,317	-148,692	-26
MAINTENANCE EXPENSES							
REPAIRS & MAINTENANCE EXPENSES							
Service Contract/Repairs - Contract Maintenance	0	3,300	3,300	100	1,348	1,348	100
Service Contract/Repairs - Electrical	4,907	4,950	43	1	3,558	-1,350	-38
Service Contract/Repairs - General Building	-2,092	1,833	3,926	214	0	2,092	N/A
Service Contract/Repairs - Hvac	0	6,325	6,325	100	926	926	100
Service Contract/Repairs - Plumbing	1,158	1,925	768	40	0	-1,158	N/A
Supplies - Electrical	101	1,192	1,091	92	104	3	3
Supplies - General Building	12	275	263	96	35	23	65
Supplies - Hvac	54	183	129	71	339	285	84
Supplies - Janitorial	887	1,375	488	35	207	-680	-328
Supplies - Plumbing	448	550	102	19	397	-51	-13
Equipment Rental - Business Office	1,805	25,117	23,311	93	23,728	21,922	92
Supplies - Miscellaneous	132	1,100	968	88	54	-78	-145
Repairs - Business Office	301	2,567	2,266	88	1,804	1,503	83
TOTAL REPAIRS & MAINTENANCE EXPENSES	7,713	50,692	42,979	85	32,499	24,786	76
CONTRACT SERVICE							
Extermination	388	733	345	47	350	-38	-11
Service Contract/Repairs - Elevators	1,429	4,583	3,154	69	1,677	248	15
Service Contract - Grounds	3,760	6,775	3,014	44	2,903	-858	-30
Service Contract - Snow	2,300	2,250	-50	-2	2,514	214	8
Supplies - Grounds	0	92	92	100	0	0	N/A

General Fund

Income Statement

For the Eleven Months Ending November 30, 2019

	11/30/2019	11/30/2019			11/30/2018		
	Actual	Budget	Variance	% Var	Last Year	Change	% Change
TOTAL CONTRACT SERVICE	7,878	14,433	6,555	45	7,443	-435	-6
TURNOVER EXPENSE							
Service Contract - Painting	0	2,750	2,750	100	0	0	N/A
Supplies - Painting	0	92	92	100	78	78	100
TOTAL TURNOVER EXPENSE	0	2,842	2,842	100	78	78	100
TOTAL MAINTENANCE EXPENSES	15,591	67,967	52,376	77	40,020	24,429	61
UTILITIES							
Electricity	9,546	11,367	1,821	16	10,732	1,186	11
Heat / Gas	1,535	3,667	2,132	58	1,401	-134	-10
Water And Sewer	1,519	2,658	1,140	43	1,412	-107	-8
Trash Removal	965	1,833	868	47	875	-90	-10
Trash Removal - Admin Services	208	458	250	55	291	83	29
TOTAL UTILITIES	13,772	19,983	6,211	31	14,711	939	6
TOTAL OPERATING EXPENSES	745,373	907,909	162,536	18	622,048	-123,325	-20
NET OPERATING INCOME (LOSS)	956,029	691,566	264,464	38	1,022,424	-66,395	-6
NON-OPERATING EXPENSES							
Property And Liability Insurance	6,661	6,325	-336	-5	6,088	-573	-9
TOTAL NON-OPERATING EXPENSES	6,661	6,325	-336	-5	6,088	-573	-9
TOTAL NON-OPERATING EXPENSES	6,661	6,325	-336	-5	6,088	-573	-9
NET INCOME (LOSS) BEFORE NON-OPERATING	949,368	685,241	264,128	39	1,016,336	-66,968	-7
FINANCING EXPENSE							
Mortgage Interest	0	27,843	27,843	100	31,257	31,257	100
Debt Service - Principal	110,062	110,233	171	0	106,818	-3,244	-3
Debt Service - Interest	28,013	0	-28,013	N/A	0	-28,013	N/A
Gain On Investment	-11,613	0	11,613	N/A	3,159	14,773	468
Financing Fee	0	1,192	1,192	100	0	0	N/A
Capital Outlay	0	0	0	N/A	23	23	100
Capital Outlay - Gen Building	0	31,167	31,167	100	0	0	N/A
Transfer To Other Funds	0	0	0	N/A	0	0	N/A
TOTAL FINANCING EXPENSE	126,462	170,434	43,972	26	141,258	14,796	10
NET INCOME (LOSS) BEFORE DEPR AND AMORT	822,906	514,807	308,100	60	875,079	-52,172	-6
NET INCOME (LOSS)	822,906	514,807	308,100	60	875,079	-52,172	-6

Total Properties

Balance Sheet

November 30, 2019

	2019 YTD	2018 YTD	Net Change
ASSETS			
CURRENT ASSETS			
CASH			
Cash - Lockbox	2,167,540	1,104,132	1,063,408
Cash - Operating Checking	1,071,752	457,550	614,202
Cash - Operating Savings	0	39,358	-39,358
WCCDA FSS - Public Housing Escrow	48,448	0	48,448
Cash - Temporary Investments	1,575,681	2,444,035	-868,354
WCCDA Funds Held In Trust	1,073,013	0	1,073,013
Security Deposit Checking	153,921	144,823	9,099
Cash - Swap Account	283,158	275,260	7,898
TOTAL CASH	6,373,514	4,465,158	1,908,356
ACCOUNTS RECEIVABLE			
Accounts Receivable	16,873	18,716	-1,844
Accounts Receivable - Other	56,125	1,200	54,925
Accounts Receivable - Hud	-151	0	-151
Accounts Receivable - Tenant Based Subsidy	876	0	876
Accounts Receivable - Repayments	3	0	3
Accounts Receivable - Security Deposits	1,240	0	1,240
Accounts Receivable - Resident Reimbursements	2,867	0	2,867
Allowance For Doubtful Accounts	-6,917	-4,081	-2,836
Accounts Receivable - Property Tax Levy	416,841	663,903	-247,062
Developer Fee Receivable	1,126,287	925,000	201,287
Developer Fee Interest Receivable	134,896	88,802	46,094
Capital Lease Receivable	2,789,736	3,254,472	-464,735
Due From Other Governments - Federal	90,482	74,239	16,243
TOTAL ACCOUNTS RECEIVABLE	4,629,158	5,022,251	-393,093
PREPAID EXPENSES			
Prepaid Expenses	122,139	66,349	55,790
TOTAL PREPAID EXPENSES	122,139	66,349	55,790
TOTAL CURRENT ASSETS	11,124,812	9,553,758	1,571,054
RESTRICTED CASH/ESCROWS			
Insurance Escrow	266,617	217,050	49,567
Real Estate Tax Escrow	99,299	176,197	-76,898
Real Estate Tax Escrow - Qecb Bonds	81,220	77,450	3,770
Debt Service Fund	2,049,894	1,901,134	148,760
Debt Service Fund - Qecb Bonds	0	12	-12

Total Properties

Balance Sheet

November 30, 2019

	2019 YTD	2018 YTD	Net Change
Debt Service Reserve Fund	2,422,285	2,633,004	-210,719
Debt Service Reserve Fund - Qecb Bonds	13	1	12
Fund-Operating Deficit R	0	12,258	-12,258
Issuer Reserve Fund	1,222,402	683,773	538,630
Repair Fund	0	40,517	-40,517
Operating Fund	443,420	606,179	-162,759
Restoration Fund	1	1	0
Operating Reserve	843,420	818,807	24,613
WCCDA Operating Reserve	12,564	0	12,564
Fee Escrow	54,240	44,904	9,337
Replacement Reserve Fund	183,441	179,739	3,702
WCCDA Transitional Housing Repl Res	41,527	0	41,527
Surplus Fund	101,493	44,542	56,951
Other Escrow	8,302	8,135	168
TOTAL RESTRICTED CASH/ESCROWS	7,830,138	7,443,702	386,436
FIXED ASSETS AND ACCUMULATED DEPRECIATION			
FIXED ASSETS			
Land	4,559,054	4,559,054	0
Land Improvements	2,394,032	2,292,521	101,511
Building	69,198,533	68,277,046	921,487
Appliances	1,104	0	1,104
Office Furniture And Equipment	515,702	515,702	0
TOTAL FIXED ASSETS	76,668,425	75,644,323	1,024,101
ACCUMULATED DEPRECIATION			
Accum Depreciation - Land Improvements	-532,741	-448,808	-83,934
Accum Depreciation - Building And Fixtures	-31,780,963	-30,117,317	-1,663,646
Accum Depreciation - Furniture And Equipment	-522,036	-512,116	-9,921
TOTAL ACCUMULATED DEPRECIATION	-32,835,740	-31,078,240	-1,757,500
NET FIXED ASSETS AND ACCUMULATED DEPRECIA	43,832,684	44,566,083	-733,399
INVESTMENTS			
Other Investments	1,857,704	1,857,732	-28
TOTAL INVESTMENTS	1,857,704	1,857,732	-28
NOTES RECEIVABLE			
Installment Note Receivable	8,583,081	8,797,260	-214,179
Loan Receivable Lhia On Cda Company	400,000	0	400,000
Forgivable Long Term Loan	1,000,000	1,000,000	0

Total Properties

Balance Sheet

November 30, 2019

	2019 YTD	2018 YTD	Net Change
TOTAL NOTES RECEIVABLE	9,983,081	9,797,260	185,821
OTHER ASSETS			
Interest Receivable	37,107	2,807	34,300
Construction In Progress	600,285	492,951	107,334
TOTAL OTHER ASSETS	637,392	495,758	141,634
TOTAL ASSETS	75,265,811	73,714,293	1,551,518
LIABILITIES & CAPITAL			
LIABILITIES			
CURRENT LIABILITIES			
ACCOUNTS PAYABLE			
Accounts Payable	99,468	310,406	-210,939
Accounts Payable - Other	0	37	-37
Retainage Payable	8,905	21,400	-12,495
TOTAL ACCOUNTS PAYABLE	108,373	331,844	-223,471
OTHER CURRENT LIABILITIES			
Prepaid Tenant Rent	500	0	500
Hap Repayment	-120	0	-120
Security Deposit Liability	380,895	380,811	84
Security Deposit Interest Liability	22,579	21,337	1,242
Security Deposit Dispositions/Refunds	301	0	301
Due To Other Governments - County	389,207	348,777	40,430
Tenant Based Subsidy Suspense	-1,182	0	-1,182
Escrow Deposits Payable - Fss	48,448	39,358	9,090
TOTAL OTHER CURRENT LIABILITIES	840,627	790,282	50,345
ACCRUED EXPENSES			
Accrued Expenses	107	0	107
Accrued Interest	28,314	28,955	-641
Accrued Interest Senior Bonds	443,877	359,383	84,494
Accrued Interest Series D Bonds	13,546	10,650	2,896
TOTAL ACCRUED EXPENSES	485,845	398,988	86,856
TOTAL CURRENT LIABILITIES	1,434,845	1,521,114	-86,270
LONG-TERM LIABILITIES			
DEFERRED REVENUE			
Unearned Revenue	127,074	221,301	-94,227

Total Properties

Balance Sheet

November 30, 2019

	2019 YTD	2018 YTD	Net Change
TOTAL DEFERRED REVENUE	127,074	221,301	-94,227
INTERCOMPANY LIABILITIES			
Due To Others	500,000	500,000	0
TOTAL INTERCOMPANY LIABILITIES	500,000	500,000	0
LONG-TERM DEBT			
Mortgage Payable	9,574,983	9,778,380	-203,397
Note Payable	1,389,793	1,389,793	0
Bonds Payable	32,705,000	34,940,000	-2,235,000
Series D Bond Payable	1,395,000	1,535,000	-140,000
Unamortized Premium	720,752	787,355	-66,603
Deferred Refunding Costs	-533,297	-627,042	93,745
Deferred Gain On Sale Of Property	250,628	312,389	-61,761
Deferred Gain On Refunding	48,851	175,796	-126,945
Unamortized Discount	-219,260	-239,245	19,985
TOTAL LONG-TERM DEBT	45,332,451	48,052,426	-2,719,975
TOTAL LONG-TERM LIABILITIES	45,959,525	48,773,727	-2,814,202
TOTAL LIABILITIES	47,394,370	50,294,841	-2,900,472
CAPITAL			
Retained Earnings	27,871,442	23,419,452	4,451,990
TOTAL CAPITAL	27,871,442	23,419,452	4,451,990
TOTAL LIABILITIES & CAPITAL	75,265,811	73,714,293	1,551,518

Total Properties

Income Statement

For the Eleven Months Ending November 30, 2019

	11/30/2019	11/30/2019			11/30/2018		
	Actual	Budget	Variance	% Var	Last Year	Change	% Change
OTHER RENTAL INCOME							
Rent Income - Residents	7,172,509	7,074,925	97,584	1	6,976,896	195,613	3
County Assistance Rent	521,541	593,358	-71,817	-12	1,182,835	-661,294	-56
Hap Income - Section 8	622,151	615,817	6,334	1	0	622,151	N/A
Bad Debt Rent	-17,715	-34,283	16,568	48	-22,508	4,792	21
Bad Debt Other	-33,490	-17,233	-16,257	-94	22,429	-55,919	-249
Employee Concessions	-4,685	-7,883	3,198	41	-9,543	4,858	51
Vacancy	-16,123	-329,542	313,419	95	-41,225	25,102	61
Application Fees	5,450	6,967	-1,517	-22	5,175	275	5
Electric Reimbursement	10,027	0	10,027	N/A	0	10,027	N/A
Water & Sewer Reimbursement	63	0	63	N/A	0	63	N/A
Heat Reimbursement	28	0	28	N/A	0	28	N/A
Cable Reimbursement	17,164	15,767	1,397	9	17,772	-608	-3
Trash Reimbursement	325	0	325	N/A	0	325	N/A
Utility Reimbursement Recovery	-5,940	16,592	-22,532	-136	-21,443	15,503	72
Guest Suite Income	3,500	2,200	1,300	59	2,500	1,000	40
Late Fees	23,236	18,150	5,086	28	19,948	3,288	16
Laundry Income	25,345	26,950	-1,605	-6	28,939	-3,593	-12
Clubhouse Rental	550	0	550	N/A	0	550	N/A
Nsf Fees	925	0	925	N/A	0	925	N/A
Cleaning & Damages Income	27,103	0	27,103	N/A	0	27,103	N/A
Damage Fees - Painting	400	0	400	N/A	0	400	N/A
Damage Fees - Carpet Cln/Rpr	135	0	135	N/A	0	135	N/A
Damage Fees - Carpet Replace	862	0	862	N/A	0	862	N/A
Damage Fees - Other	3,802	0	3,802	N/A	0	3,802	N/A
Parking / Garage Income	79,161	80,392	-1,231	-2	79,600	-439	-1
Emergency Pendant Reimbursement	620	642	-22	-3	469	150	32
TOTAL OTHER RENTAL INCOME	8,436,943	8,062,816	374,127	5	8,241,843	195,100	2
NET RENTAL INCOME	8,436,943	8,062,816	374,127	5	8,241,843	195,100	2
OTHER INCOME							
Interest Income	94,894	37,858	57,036	151	103,259	-8,365	-8
Restricted Interest Income	193,037	55,733	137,304	246	124,985	68,052	54
Interest Income - Loans	131,226	133,856	-2,630	-2	137,795	-6,568	-5
Interest Income - Capital Leases	66,743	66,261	482	1	78,340	-11,597	-15
Other Income	18,237	231,825	-213,588	-92	528,934	-510,697	-97
Other Income - Non Operating	56,108	0	56,108	N/A	0	56,108	N/A
Intergovernmental Revenue	192,460	0	192,460	N/A	0	192,460	N/A
Property Tax Revenue	1,394,026	1,394,342	-316	0	1,217,155	176,870	15
Grant Revenue - Federal	189,679	146,667	43,012	29	164,897	24,782	15
Grant Revenue - State	0	0	0	N/A	268,277	-268,277	-100
Grant Revenue - Cfp Operating	14,308	0	14,308	N/A	1,370	12,938	944
Grant Revenue - Cfp Capital	213,319	281,600	-68,281	-24	65,205	148,114	227
Grant Revenue - Cdbg	171,255	222,890	-51,635	-23	0	171,255	N/A
Transfer From Other Funds	0	0	0	N/A	395,228	-395,228	-100
Hud Pass Through	-17,695	-17,417	-279	-2	-16,017	-1,678	-10
TOTAL OTHER INCOME	2,717,597	2,553,615	163,981	6	3,069,428	-351,832	-11
TOTAL REVENUE	11,154,540	10,616,432	538,108	5	11,311,272	-156,732	-1
OPERATING EXPENSES							
ADMINISTRATIVE EXPENSES							
PAYROLL EXPENSE							
Payroll - Office	513,084	592,318	79,234	13	522,949	9,865	2
Payroll - Maintenance	415,772	535,212	119,440	22	447,269	31,496	7
Payroll - Grounds	160,345	187,864	27,519	15	144,974	-15,372	-11
Payroll - Property Management - Cda	545,348	541,383	-3,965	-1	518,600	-26,748	-5
TOTAL PAYROLL	1,634,550	1,856,777	222,227	12	1,633,792	-759	0

Total Properties

Income Statement

For the Eleven Months Ending November 30, 2019

	11/30/2019	11/30/2019			11/30/2018		
	Actual	Budget	Variance	% Var	Last Year	Change	% Change
GENERAL & ADMINISTRATIVE							
Consulting	21,703	17,233	-4,470	-26	24,007	2,304	10
Consulting - Finance/It	6,500	0	-6,500	N/A	0	-6,500	N/A
Dues & Subscriptions - Business Office	1,414	183	-1,230	-671	216	-1,197	-553
Postage & Delivery - Ops	1,808	4,125	2,317	56	1,919	111	6
Office/Equipment Rental	17,814	18,242	428	2	16,173	-1,641	-10
Advertising/Marketing	24,895	36,025	11,130	31	25,937	1,043	4
Contributions - Operating	97,500	178,750	81,250	45	0	-97,500	N/A
Audit/Tax Return Preparation Fee	12,700	15,308	2,608	17	16,700	4,000	24
Credit Reports / Background Checks	7,595	10,175	2,580	25	7,329	-266	-4
Data Processing Fees	26,511	1,008	-25,502	-2,529	2,111	-24,399	-1,156
Legal Fees	42,355	48,308	5,954	12	25,682	-16,673	-65
License Fees	13,370	14,025	655	5	11,955	-1,415	-12
Mileage Reimbursement	12,083	17,783	5,700	32	9,207	-2,876	-31
Property Program Expenses	24,590	25,575	985	4	22,850	-1,740	-8
Misc Expense - Business Office	124	3,850	3,726	97	2,304	2,181	95
Travel	2,145	1,375	-770	-56	1,667	-478	-29
Education And Training	4,122	6,966	2,845	41	6,564	2,442	37
Bank Fees	49,222	56,008	6,787	12	57,690	8,468	15
Professional Fees	3,965	3,667	-298	-8	366	-3,598	-982
Professional Services - Environmental Services	2,144	1,925	-219	-11	1,739	-405	-23
Office Contracts	1,614	1,467	-147	-10	1,550	-64	-4
Maintenance Supplies	15	0	-15	N/A	0	-15	N/A
Office Supplies And Equipment	6,406	9,992	3,585	36	5,534	-872	-16
Telephone - Office Use	49,891	64,075	14,184	22	55,177	5,286	10
Resident Retention	6,005	14,758	8,754	59	7,980	1,975	25
Housing Assistance Payments	12,930	0	-12,930	N/A	0	-12,930	N/A
Cleaning and Decorating	16,693	34,467	17,774	52	30,730	14,037	46
Repairs & Maintenance	42,569	130,075	87,505	67	90,683	48,114	53
Uniforms - Business Office	11,541	7,608	-3,932	-52	8,502	-3,039	-36
TOTAL G & A EXPENSE	520,220	722,974	202,754	28	434,574	-85,645	-20
MANAGEMENT FEE							
Management Fee	430,694	450,103	19,409	4	435,029	4,335	1
TOTAL MANAGEMENT FEE	430,694	450,103	19,409	4	435,029	4,335	1
TOTAL ADMINISTRATIVE EXPENSES	2,585,464	3,029,854	444,390	15	2,503,396	-82,069	-3
MAINTENANCE EXPENSES							
REPAIRS & MAINTENANCE EXPENSES							
Service Contract/Repairs - Appliance	972	4,675	3,703	79	3,158	2,185	69
Service Contract/Repairs - Electrical	33,628	51,883	18,255	35	48,695	15,066	31
Service Contract/Repairs - Fire/Life/Safety	39	0	-39	N/A	0	-39	N/A
Service Contract/Repairs - Floors	105,830	134,567	28,736	21	78,248	-27,583	-35
Service Contract/Repairs - General Building	2,513	0	-2,513	N/A	60	-2,453	-4,092
Service Contract/Repairs - Hvac	20,544	52,892	32,347	61	51,776	31,231	60
Service Contract/Repairs - Janitorial	6,147	11,733	5,587	48	2,216	-3,931	-177
Service Contract/Repairs - Plumbing	50,782	54,450	3,668	7	55,927	5,145	9
Service Contract/Repairs - Miscellaneous	366	0	-366	N/A	0	-366	N/A
Supplies - Appliance	64,052	95,150	31,098	33	57,990	-6,062	-10
Supplies - Electrical	23,009	27,592	4,582	17	21,794	-1,215	-6
Supplies - Floors	4,169	0	-4,169	N/A	0	-4,169	N/A
Supplies - General Building	429	0	-429	N/A	0	-429	N/A
Supplies - Hvac	67,248	46,292	-20,956	-45	52,909	-14,339	-27
Supplies - Janitorial	13,626	15,033	1,407	9	10,301	-3,325	-32
Supplies - Plumbing	53,916	46,658	-7,258	-16	44,352	-9,564	-22
Supplies - Miscellaneous	37,463	29,700	-7,763	-26	18,708	-18,755	-100
TOTAL REPAIRS & MAINTENANCE EXPENSES	484,734	570,625	85,892	15	446,132	-38,601	-9

Total Properties

Income Statement

For the Eleven Months Ending November 30, 2019

	11/30/2019	11/30/2019			11/30/2018		
	Actual	Budget	Variance	% Var	Last Year	Change	% Change
CONTRACT SERVICE							
Extermination	23,633	17,875	-5,759	-32	14,271	-9,363	-66
Service Contract/Repairs - Elevators	36,208	35,108	-1,100	-3	31,824	-4,384	-14
Service Contract - Grounds	116,963	150,475	33,512	22	126,975	10,012	8
Service Contract - Snow	102,162	77,925	-24,238	-31	92,520	-9,642	-10
Supplies - Grounds	18	0	-18	N/A	0	-18	N/A
TOTAL CONTRACT SERVICE	278,985	281,383	2,399	1	265,590	-13,394	-5
TURNOVER EXPENSE							
Service Contract - Painting	65,149	59,492	-5,657	-10	51,390	-13,759	-27
Service Contract - Carpet Shampoo	90	0	-90	N/A	0	-90	N/A
Supplies - Painting	19,614	22,458	2,845	13	15,379	-4,235	-28
TOTAL TURNOVER EXPENSE	84,853	81,950	-2,903	-4	66,769	-18,084	-27
TOTAL MAINTENANCE EXPENSES	848,571	933,958	85,387	9	778,491	-70,080	-9
UTILITIES							
Electricity	151,668	194,608	42,940	22	178,777	27,109	15
Heat / Gas	127,278	192,592	65,313	34	144,739	17,460	12
Water And Sewer	244,591	232,925	-11,666	-5	218,292	-26,299	-12
Trash Removal	152,780	123,292	-29,488	-24	120,611	-32,169	-27
Cable Tv	21,513	20,808	-705	-3	20,631	-882	-4
Tenant Utility Allowance	16,018	0	-16,018	N/A	0	-16,018	N/A
TOTAL UTILITIES	713,848	764,225	50,377	7	683,050	-30,799	-5
TOTAL OPERATING EXPENSES	4,147,883	4,728,037	580,154	12	3,964,936	-182,947	-5
NET OPERATING INCOME (LOSS)	7,006,657	5,888,395	1,118,262	19	7,346,336	-339,679	-5
NON-OPERATING EXPENSES							
Property And Liability Insurance	336,538	359,975	23,437	7	328,258	-8,280	-3
Real Estate Taxes	397,286	386,467	-10,820	-3	389,288	-7,998	-2
Association Assessment	44,211	113,025	68,814	61	112,372	68,161	61
TOTAL NON-OPERATING EXPENSES	778,035	859,467	81,432	9	829,918	51,882	6
TOTAL NON-OPERATING EXPENSES	778,035	859,467	81,432	9	829,918	51,882	6
NET INCOME (LOSS) BEFORE NON-OPERATING	6,228,622	5,028,928	1,199,694	24	6,516,418	-287,796	-4
FINANCING EXPENSE							
Sec Dep Interest	3,177	0	-3,177	N/A	0	-3,177	N/A
Mortgage Interest	314,194	314,464	270	0	320,608	6,414	2
Interest - Senior Bonds	1,118,111	1,142,444	24,333	2	1,179,106	60,994	5
Interest - Series A Bonds	37,486	38,537	1,051	3	39,820	2,334	6
Gain On Investment	-106	0	106	N/A	-1,053	-947	-90
Bond Premium	-56,584	-40,878	15,706	38	-56,818	-234	0
Bond Discount	17,511	18,129	618	3	18,127	616	3
Gain/Loss On Sale	-52,389	52,451	104,840	200	-50,787	1,602	3
Deferred Refunding	76,215	96,404	20,189	21	96,401	20,186	21
Deferred Gain On Refunding	-107,415	-107,415	0	0	-107,415	0	0
Transfer To Other Funds	0	0	0	N/A	118,793	118,793	100
TOTAL FINANCING EXPENSE	1,350,202	1,514,137	163,935	11	1,556,784	206,582	13
NET INCOME (LOSS) BEFORE DEPR AND AMORT	4,878,420	3,514,791	1,363,629	39	4,959,635	-81,215	-2
DEPRECIATION EXPENSE							
Depreciation	53,216	45,138	-8,078	-18	49,580	-3,636	-7
Depreciation - Building	1,643,616	1,628,051	-15,565	-1	1,599,870	-43,746	-3
Depreciation - Furniture And Equipment	6,967	580	-6,387	-1,101	16,244	9,277	57
TOTAL DEPRECIATION & AMORTIZATION EXPENSE	-1,703,799	-1,673,770	-30,029	-2	-1,665,694	-38,105	-2

Total Properties

Income Statement

For the Eleven Months Ending November 30, 2019

	11/30/2019	11/30/2019			11/30/2018		
	Actual	Budget	Variance	% Var	Last Year	Change	% Change
NET INCOME (LOSS)	3,174,621	1,841,021	1,333,600	72	3,293,940	-119,320	-4

Property Summary - June 2019

CDA Owned Properties	Location	# of Units	# of Vacant Units	December	Projected Occupancy January	Projected Occupancy February	Month End Delinquency
Ann Bodlovick	Stillwater	50	1	98.00%	98.00%	96.00%	$29
Briar Pond	Oakdale	196	1	99.49%	100.00%	100.00%	$349
Brick Pond	Stillwater	40	0	100.00%	100.00%	100.00%	$52
Cobble Hill	Woodbury	45	1	97.78%	98.00%	98.00%	$25
Poth	Oakdale	3	0	100.00%	100.00%	100.00%	$0
John Jergens	Forest Lake	30	0	100.00%	100.00%	100.00%	$0
Scattered Site	Scattered	56	0	100.00%	100.00%	100.00%	$5,668
Muller Manor	Hugo	28	0	100.00%	100.00%	100.00%	$0
Oakhill Cottages	Scandia	40	0	100.00%	100.00%	100.00%	$35
Park Place I	St.Paul Park	36	0	100.00%	100.00%	100.00%	$1,824
Park Place II	St.Paul Park	6	0	100.00%	100.00%	100.00%	$0
Pioneer	St.Paul Park	18	0	100.00%	100.00%	100.00%	$0
Raymie Johnson	Stillwater	120	1	99.17%	99.00%	99.00%	$4,082
TrailSide	Forest Lake	70	0	100.00%	100.00%	100.00%	$0
Whispering Pines	Forest Lake	40	0	100.00%	100.00%	100.00%	$24
Woodland Park	Cottage Grove	180	3	98.33%	98.50%	97.00%	$3,199
TOTALS:		958	7	99.27%	99.59%	99.38%	$15,287

Joint Ventures	Location	# of Units	# of Vacant Units	December	Projected Occupancy January	Projected Occupancy February	Month End Delinquency
Piccadilly Square	Mahtomedi	79	2	97.47%	97.50%	97.50%	$0
The Groves	Cottage Grove	67	0	100.00%	98.50%	98.50%	$50
The Glen at Valley Creek	Woodbury	42	8	80.95%	85.50%	85.50%	$418

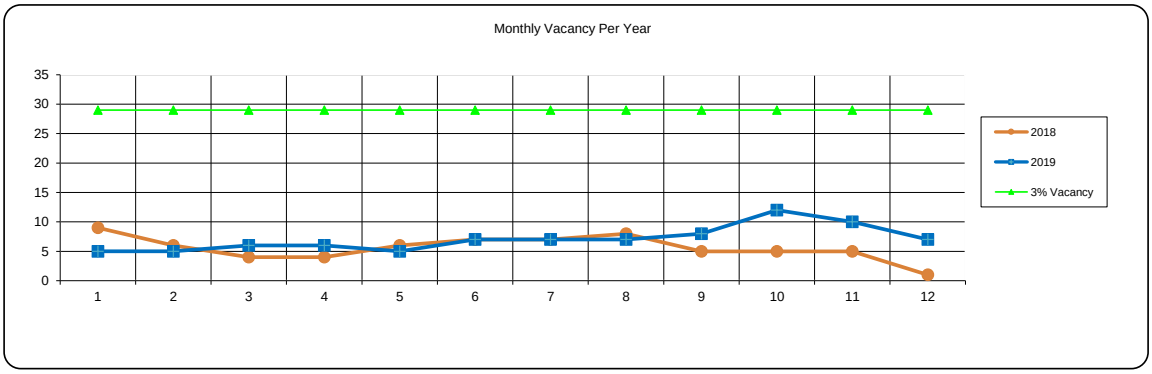
Property Summary - June 2019

CDA Owned Properties	Location	# of Units	# of Vacant Units	December	Projected Occupancy January	Projected Occupancy February	Month End Delinquency
Ann Bodlovick	Stillwater	50	1	98.00%	98.00%	96.00%	$29
Briar Pond	Oakdale	196	1	99.49%	100.00%	100.00%	$349
Brick Pond	Stillwater	40	0	100.00%	100.00%	100.00%	$52
Cobble Hill	Woodbury	45	1	97.78%	98.00%	98.00%	$25
Poth	Oakdale	3	0	100.00%	100.00%	100.00%	$0
John Jergens	Forest Lake	30	0	100.00%	100.00%	100.00%	$0
Scattered Site	Scattered	56	0	100.00%	100.00%	100.00%	$5,668
Muller Manor	Hugo	28	0	100.00%	100.00%	100.00%	$0
Oakhill Cottages	Scandia	40	0	100.00%	100.00%	100.00%	$35
Park Place I	St.Paul Park	36	0	100.00%	100.00%	100.00%	$1,824
Park Place II	St.Paul Park	6	0	100.00%	100.00%	100.00%	$0
Pioneer	St.Paul Park	18	0	100.00%	100.00%	100.00%	$0
Raymie Johnson	Stillwater	120	1	99.17%	99.00%	99.00%	$4,082
TrailSide	Forest Lake	70	0	100.00%	100.00%	100.00%	$0
Whispering Pines	Forest Lake	40	0	100.00%	100.00%	100.00%	$24
Woodland Park	Cottage Grove	180	3	98.33%	98.50%	97.00%	$3,199
TOTALS:		958	7	99.27%	99.59%	99.38%	$15,287

Joint Ventures	Location	# of Units	# of Vacant Units	December	Projected Occupancy January	Projected Occupancy February	Month End Delinquency
Piccadilly Square	Mahtomedi	79	2	97.47%	97.50%	97.50%	$0
The Groves	Cottage Grove	67	0	100.00%	98.50%	98.50%	$50
The Glen at Valley Creek	Woodbury	42	8	80.95%	85.50%	85.50%	$418

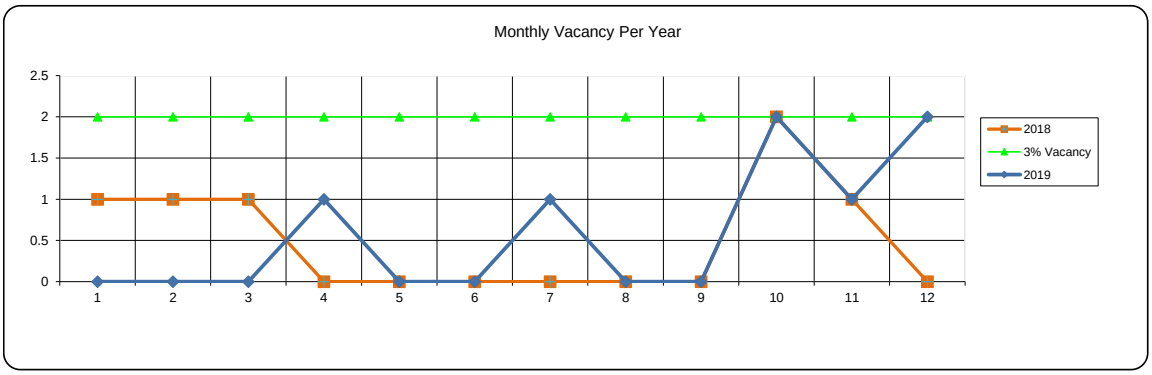
Washington County CDA Current Annual Vacancy as of December 2019

	January	February	March	April	May	June	July	August	September	October	November	December
2018	9	6	4	4	6	7	7	8	5	5	5	1
2019	5	5	6	6	5	7	7	7	8	12	10	7
3% Vacancy	29	29	29	29	29	29	29	29	29	29	29	29



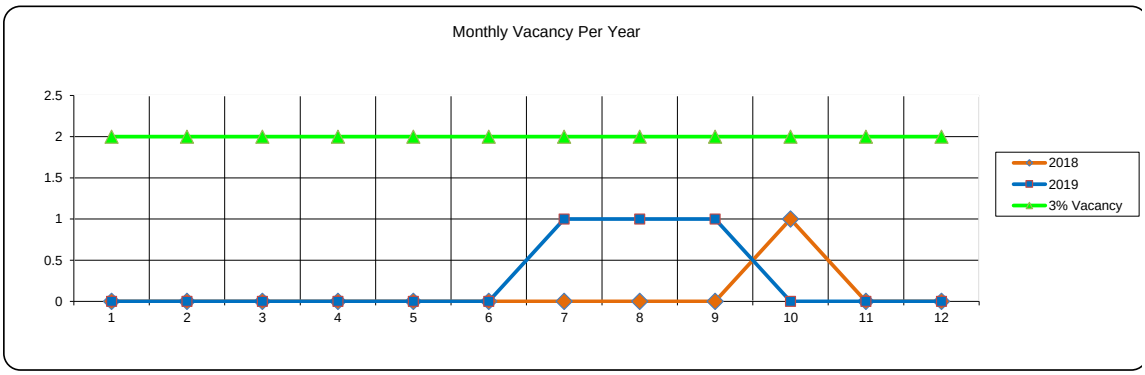
Joint Venture - Piccadilly Square Current Annual Vacancy as of December 2019

	January	February	March	April	May	June	July	August	September	October	November	December
2018	1	1	1	0	0	0	0	0	0	2	1	0
2019	0	0	0	1	0	0	1	0	0	2	1	2
3% Vacancy	2	2	2	2	2	2	2	2	2	2	2	2



Joint Venture - The Groves Current Annual Vacancy as of December 2019

	January	February	March	April	May	June	July	August	September	October	November	December
2018	0	0	0	0	0	0	0	0	0	1	0	0
2019	0	0	0	0	0	0	1	1	1	0	0	0
3% Vacancy	2	2	2	2	2	2	2	2	2	2	2	2



Building Type for Washington County CDA and Joint Ventures

	Development	Type	Number of Units	Number of Units by Building					Income Restrictions**				
				Apt	TH	SF	EF	City	< 110% AMI	< 80% AMI	< 60% AMI	< 50% AMI	< 30% AMI
CDA	Oakhill Cottages	Senior	40		40			Scandia		40			
	Muller Manor	Senior	28	28				Hugo		28			
	Woodland Park	Family	180	116	64			Cottage Grove		180			
	Briar Pond	Family	196	164	32			Oakdale		196			
	Brick Pond	Family	40	30			10	Stillwater		40			
	Park Place	Family	42	42				St. Paul Park		42			
	Ann Bodolvick	Senior	50	50				Stillwater		50			
	John Jergens	Senior	30		30			Forest Lake		30			
	Pioneer Apartments	Senior	18	18				St. Paul Park		18			
	TrailSide	Senior	70	70				Forest Lake			14	42	14
	Cobble Hill	Senior	45	45				Woodbury		45			
	Transitional Housing	Family	3			3		Oakdale					3
	Raymie Johnson Sr	Sen/Dis	96	96				Oak Park Hts		96			
	Raymie Johnson TH	Family	24		24			Oak Park Hts		24			
	Whispering Pines	Sen/Dis	40					Forest Lake		20			20
	Scattered Site	Family	56		56			Varies		34			22
Joint Ventures	Piccadilly Square	62+ Senior	79	79				Mahtomedi			63	16	
	The Groves	Family	67	67				Cottage Grove				67	
	The Glen at Valley Creek	62+ Senior	42	42				Cottage Grove				37	5

***Scattered Site Units: Numbers do not reflect actual incomes of households but only the maximum number of units permitted under income category. HUD requires that at least 40% of the units have incomes at or below 30% AMI. A majority of tenants have incomes at 30% AMI or lower.**

****Income Restrictions: Numbers do not reflect actual incomes of households but only the maximum number of units permitted under the tax exempt bond requirements regulated by the IRS. Actual incomes average lower than the maximum income limits permitted by the IRS.**

Waiting and Interest Lists for Washington County CDA Properties and Joint Ventures

Interest Lists - Senior	
Property	**# on List**
Ann Bodlovick	42
John Jergens	121
Muller Manor	109
Oakhill Cottages	122
Pioneer	39
Cobble Hill	61
The Glen at Valley Creek - JV	76

Interest Lists - Multi-Family	
Property	**# on List**
Park Place I	14
Park Place II	0
Briar Pond	50
Brick Pond	340
Woodland Park	35
Piccadilly Square - JV	259
The Groves - JV	10

Waiting Lists	
Property	**# on List**
Raymie Johnson	36
Scattered Site	373
Whispering Pines	352
TrailSide	143

Interested Party Lists:

The properties maintain an Interested Party List for those prospects interested in renting from one of our communities. Lists are maintained for each individual property and for each size of unit that property provides. An Interested Party List differs from a waiting list, as a wating list requires that we contact prospects in the order they were placed on the list, whereas an Interested Party List allows us to contact all person interested simultaneously. When we receive notice for a unit, we refer to the Interested Party List and make every effort to contact all persons interested in that type of unit at the same time, by phone and by mail. The first person to respond and place a deposit on the available unit will have that unit reserved for them. We make three attempts to contact someone on the Interested Party List. If they do not respond after three attempts have been made, we remove their name. They can be placed back on the list if they contact us again and request it.

*Continued on next page

Waiting List - Project Based Section 8 (Raymie Johnson):

Names are added to the Project Based Section 8 waiting list for Raymie Johnson based on the date and time the prospective resident applies. The waiting list is monitored by HUD and the property is required to follow the HUD regulations for rules on the waiting list. As units become available, those residents on the list are contacted, in the order they were placed on the list. Only one resident is contacted at a time and only one application can be processed at a time. Considering that the length of time to process an application is between 30-45 days, there are times where a unit is vacant for a period of time during this process. The timeline for filling a vacant unit is also subject to the amount of vacate notice the new resident will need to give to their current housing provider. There are instances in which a manager will process and approve an applciation for a person on the waiting list, but the applicant back out of accepting the unit. In that case, the manager will go back to the waiting list and start the full process again.

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Waiting List - Public Housin Scattered Site

Names for this program are required to be drawn both from the WCCDA and MPHA waiting lists, according to the Hollman Consent Decree. The request for the number of names will be equal between the two lists. Applicants from both lists will have 14 days to respond. Responses from the MPHA list will take priority over the WCCDA list. If there are no responses from the MPHA list, staff will move forward with processing applications for the responses from the WCCDA list. WCCDA will continue with this process until the unit is filled.

This list is also monitored by HUD and the property is required to follow the HUD regulations for rules on the waiting list. As with the Project Based Section 8 waiting list, the tiem to process an application is around 30-45 days and a unit may remain vacant for a period of time due to that timeline. Additionally, the timeline for filling a vacant unit is also subject to the amount of vacate notice the new resident will need to give their current housing provider. Similar to the Project Based Section 8 waiting list, there are instances in which a manager will process and approve an applcation for a person on the waiting list, but the applicant backs of accepting the unit. In that case, the manager will go back to the waiting list and start the full process again.

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HOUSING ASSISTANCE AND ADMINISTRATIVE SERVICES REPORT

January 2020

Housing Choice Voucher Programs

- Currently administering: 464 voucher participants
- Portability into the County: 4 families ported in

Family Self Sufficiency/Earning Power

- 18 people are enrolled in Family Self Sufficiency. We are currently marketing to all participants.

Bridges

- Bridges I is an MHFA funded program for households, with at least one adult member who has a serious and persistent mental illness. There are preferences for those individuals who are homeless. Currently there are 24 households leased on this program. 4 households are looking for new units. The CDA has notified Adult Mental Health of additional openings and they are reviewing case loads at this time.
- Bridges II is funded by Washington County. It operates exactly like Bridges I and currently has 14 participants.
- Bridges Regional Treatment Center is an MHFA funded program specifically for persons ready to exit the Anoka Reginal Treatment Center who are homeless. Currently 1 person has leased up. There is another possible participant that we are waiting on Washington County Adult Mental Health for referral.

Shelter Plus Care/Continuum of Care

- Currently there are 26 households. Shelter Plus Care is still currently operating in the black and thus no tenants have been transferred to the CDA HCV waiting list.

Homeless Update

- The Point In Time (PIT) count for homeless is set to be done on January 22, 2020. The responsibility for this count is now with Washington County Community Services (WCCS) as the county has taken over the Lead position with Suburban Metro Area Continuum of Care (SMAC). The CDA has offered assistance to WCCS in organizing this vital count. This count helps the providers in the SMAC area qualify for federal assistance.

Inspections

- 43 inspections were completed

PIC Count

- Public and Indian Housing Information Center (PIC) is a tracking system that updates HUD on the monthly activities of the housing programs. It is used specifically for Section 8/Housing Choice Voucher and for the Public Housing programs. After every tenant recertification, the Housing Authority is required to upload related data files to HUD. This allows HUD to determine that housing activities are happening on a timely basis and allows HUD to extrapolate the costs of the housing programs.

- Currently it is required to have at minimum a 98% reporting rate. At the Washington County CDA, administrative staff upload the data files to PIC and monitor PIC to assure that all HCV tenant files have been accepted and are properly attributed to the CDA. Shelter staff upload the Public Housing files. HUD provides the reporting rate monthly. It is possible to report more than 100% because of port-ins and new issues for that month.

- Housing Choice Voucher Reporting Rate: 100.89%

- Public Housing Reporting Rate: 99.04%

Program Statistics

- Unit Months Leased (UML) refers to the number of CDA owned vouchers under lease each month. In the HCV program there are 90, the VASH program has a potential for 10 and the Family Unification Program (FUP) has a potential for 15. The CDA must use 98% of the available annual UMLs or 98% of its annual budget authority (HAP) in order to be a high performer. VASH usage does not count in this equation since it depends on referrals and HUD is evaluating FUP for the same reason.

Housing Assistance Payments (HAP)

Program	Actual HAP Paid	98% of monthly HAP Budget	Monthly HAP sent by HUD
HCV-Total 90	$56,957	$32, 533	$ 33,197 HUD recovered NRP
VASH total 10	Included in HCV HAP	Included in HCV HAP	Included in HCV HAP
FUP-total 15	$11,943	$9,475	$9,668

Unit Months Leased (UML)

Program	UML	Issued/not leased	UML YTD	98% of UML YTD	Total UML YTD
HCV- Total 90	90	1	1068	1058	1080
VASH total 10	4	5 additional referrals from VA	48	118	120
FUP Total 15	15		67	147	150

NUMBER OF FAMILIES RECEIVING RENTAL ASSISTANCE
BY PROGRAM AND LOCALITY
December 2019

CITY	HOUSING CHOICE VOUCHERS (SECTION 8)	SHELTER PLUS CARE	BRIDGES	BRTC	VASH	FUP	TOTAL
Afton	1						1
Bayport	1		2				3
Cottage Grove	45	3	2				50
Forest Lake	26	7	5			2	40
Hugo	4	1					5
Lake Elmo			1				1
Lakeland							0
Landfall							0
Mahtomedi	24	1					25
Marine on St. Croix							0
Newport	19		4		1		24
Oakdale	158	5	10	1	1	3	178
Oak Park Heights	2	1	1				4
Scandia							0
St. Croix Beach	1						1
St. Mary's Point	1		1				2
St. Paul Park	8						8
Stillwater	57	7	11		1	2	78
Willernie							0
Woodbury	117	1	3			2	123
Other	4		4				8
TOTAL	**468**	**26**	**40**	**1**	**3**	**9**	**551**

Human Resources and Communication Coordinator

- The grand opening for The Glen is scheduled for Wednesday, February 5 at noon. Invites were sent by email to your CDA email accounts. Please reply to that email, or let Barbara or Ryan know directly if you are planning on attending so we can have nametags prepared for you.

- The CDA has received a grant from the Statewide Health Improvement Program (SHIP) to update its water fountains to newer models with bottle filling stations and filtration systems. The fountains will be like those installed at the Washington County Government Center. The filtration system will improve the quality and flavor of the water, and the bottle-filling component reduces waste by promoting the use of reusable containers. SHIP funds are provided by the Minnesota Department of Health and administered by county-level departments, in this case, the Washington County Public Health and Environment department. The CDA previously received SHIP funds to convert an unused conference room into an exercise area for employees and to assist with the creation of a resident-supported outdoor garden at Oakhill Cottages in Scandia. A thank you to the Wellness Committee for their advocacy, and special thanks to CDA Project Managers Kathryn Paulson and Kristen Scobie for their efforts on researching and writing the grant.

Executive Director

- Kathryn Paulson, Melissa Taphorn, and I met with the Landfall Mayor and City Administrator on Wednesday, January 8th, 2020 to discuss the Executive Director transition and to introduce Melissa Taphorn. We will be attending the Landfall HRA meeting on Tuesday, January 21, 2020 to formally introduce Melissa Taphorn to the HRA Board/City Council and to the citizens of Landfall. The annual consideration of extending the Operating Agreement will be scheduled for board action later this year.

- At Chair Belisle's request, I attended the January 14th, 2020 Metropolitan Interfaith Council on Affordable Housing (MICAH) Legislative Breakfast at the Stillwater Ascension Episcopal Church. Members of the state delegation from northern Washington County and the City of White Bear Lake were in attendance. The purpose of the breakfast was to discuss what gaps exist in the housing continuum and what steps will be taken in the upcoming year to address those gaps. I spoke about the new affordable housing developments coming online in the county, especially for those households that have very low incomes. I also spoke about the cooperation from the county delegation on many affordable housing legislative issues including allocation of funds for housing infrastructure bonds, rehabilitation funds for public housing, and preserving bonding for first time homebuyers.

- I have been working with various members of the staff regarding transition responsibilities and wrapping up my role in various work assignments and external committee work. A smooth transition is anticipated and the Board's decision to move quickly to hire a new Executive Director was certainly helpful.

- Thank you, Commissioners, for the consistent support for the last 19 years, and your leadership, devotion and passion to accomplish the mission of the Agency. I am also deeply appreciative of the recognition and acknowledgement of my service on today's agenda. I am so proud of the work that our CDA team produces each day, and I am grateful for their passion and commitment to our mission. Together, we are delivering a high level of service to our citizens and communities. We have established many community and stakeholder partnerships to address a spectrum of housing and economic development needs. Our productive and proactive relationship with Washington County has been the most important. Many thanks to the County Commissioners, talented staff, and County Administrators Molly O'Rourke and Kevin Corbid. I am excited for the future of the Agency and will miss working with you. All the best!