

KARUK TRIBE HOUSING AUTHORITY
CHAPTER 4
ADMISSION TO AND CONTINUED OCCUPANCY OF THE
HUD AIDED NEW MUTUAL HELP PROJECT

CHAPTER 1 CONDITIONS GOVERNING ELIGIBILITY

1-1 Eligibility for Admission: There are to be eligible for admission as a participant of a Mutual Help project operated by this Housing Authority only those applicants:

a. Who qualify as a Family: "Family" means:

1) a group of one or more persons who have a stable family type relationship (including members temporarily absent) and whose income and resources are available for use in meeting the living expenses of the group,

2) a single person, 62 years of age or over,

3) a single disabled, handicapped, remaining member of a tenant family, or single pregnant woman.

b. Whose Family Income does not exceed the applicable income limit for admission set forth. "Family Income" means "Total Family Income" less deductions and exemptions specified below and anticipated during the twelve-month period or which Total Family Income is estimated.

c. Whose Net Family Assets do not exceed \$5,000, unless such assets together with the Family Income are insufficient to obtain and maintain adequate housing on the Private Market. "Net Family Assets" include the value of, or equity in, real property, savings, bonds, stocks, and other forms of capital investments. The value of personal property such as furniture and automobiles is to be disregarded in the Net Assets determination.

d. Who supplies all of the verification and family composition information.

1-2 Selection of Home buyer

Participants shall be selected for Mutual Help Housing from those applicant families determined to be eligible under 1-1, and who are able and willing to meet all the obligations of a participant as set forth in the Mutual Help and Occupancy Agreement, including the obligation to provide the required Mutual Help Contribution and its own utilities and to pay the Administration Charge. No applicant shall be selected for a Mutual Help project who is presently a participant in any other HUD Assisted Home ownership Project.

1-3 Eligibility for Continued Occupancy

a. To be eligible for continued occupancy in the HUD-Aided Mutual Help Projects managed by the authority are only those participants:

1. Who intend to occupy on a regular and full time basis, vacations and sporadic absences excepted.

2. Who are successors (members of the immediate household).

3. Who have Housing Authority generated and approved subleases.
4. Who maintains the home as provided in the MHO Agreement.
5. Who conforms to the occupancy standards.
6. Who attends the counseling sessions.
7. Who is current in his/her monthly payments.

b. Participants who abandon or leave their home for extended periods will forfeit their right to that home unless prior approval has been granted by the Housing Committee.

c. Subleasing without prior Authority Approval renders the Mutual Help Agreement void. The house will be returned to the Housing Authority for reassignment.

CHAPTER 2 PARTICIPANT SELECTION CRITERIA

- 2-1 Governing Conditions: This Housing Authority is subject to the Indian Civil Rights Act (Title II of the Civil Rights Act of 1968, 25 U.S.C. 1301-03) which provides among other things that no Indian Tribe in exercising powers of self-government shall deny due process of the equal protection of its law to any person within this jurisdiction.
- 2-2 Objectives: It is the policy of the Housing Authority:
- a. To attain at initial occupancy, (but without prejudice to contract rights of home buyers) a Home buyer body in each project composed of families with a broad range of incomes which is generally representative of the range of incomes of low income families within the reservation area.
 - b. To avoid concentrations of the most economically and socially deprived families in any one or all of the Housing Authority's projects.
 - c. To provide home for persons who plan to live on the reservation and not rent their houses to others while they reside elsewhere.
- 2-3 Insert Point Scoring Table.
- 2-3 Federal Preference: Preference will be given to applicants who request and are determined eligible for any of the following Federal Preferences.
- a. Involuntarily displaced persons. Applicant has been involuntarily displaced and is not living in standard housing, or applicant will be involuntarily displaced within six months.
 - b. Applicant is living in substandard housing. Housing does not have:
 1. Operable indoor plumbing with flush toilet and tub or shower unit for the exclusive use of the family;
 2. Electricity or heat;
 3. Had been declared unfit for habitation by a unit of government;

4. Is dilapidated to the point it endangers the health and safety of the family; or

5. Applicant is homeless.

c. Applicant is paying more than 50% of family income for rent. Includes actual monthly rent payment and the average monthly utility expenses.

Applicants who qualify for any of the above Federal Preferences will be moved ahead of applicants on the waiting list who do not qualify for Federal Preferences. The KTHA may admit up to 10% of new residents per year who do not qualify for Federal Preference before applicants qualified for Federal Preference.

2-4 Tenant Selection: Among eligible families of the size and composition appropriate to available rental units, tenants shall be selected from a waiting list prioritized with the "point scoring system" (attachment).

CHAPTER 3 OCCUPANCY STANDARDS

3-1 The number, age, sex, and relationship of persons permitted to occupy a bedroom or dormitory unit should meet reasonable standard of health and privacy and allow flexibility to accommodate changes in family composition.

3-2 Unit sizes will be assigned within the following limits while allowing for planned family growth:

<u>BR</u>	<u>No. of Persons</u>
2.....	2-4
3.....	2-6
4.....	4-8
5.....	6-10

3-3 Succession shall conform to Article 10 of the Mutual Help Agreement.

3-4 Illegal Occupants

Persons occupying a home that is not assigned to them by the Housing Authority will be removed from the property through legal means and will be ineligible for participation in other Mutual Help projects until they vacate the home.

CHAPTER 4 Receipt of Applications and Determination of Eligibility

This chapter sets forth the basic steps which are to be taken in obtaining and verifying information from applicant families for the purpose of

- a. determining whether they meet the conditions of eligibility for admission set forth in chapter 1;
- b. applying the participant selection criteria contained in chapter 2;
- c. determining the required monthly payment to be charged in accordance with Appendix 2; and
- d. determining the size of dwelling required in accordance with chapter 3.

4-1 Procedure Governing Receipt of Applications

a. The application constitutes the basic record of each family applying for admission. Each applicant, therefore, will be required to supply information as called for on the Application for Admission and sign the application attesting to the accuracy of the data provided. In addition applicants must complete and sign consent forms allowing staff to obtain wage and claims information from employers and information collection agencies. Each application shall reflect the date and time received. The application together with all other materials relating to the family's eligibility are to be maintained in an active file for each applicant not classified as ineligible or withdrawn.

b. If during the application interview it appears that the applicant is definitely not eligible, the applicant is to be informed and the application as ineligible. In such instances, sufficient information is to be entered on the application form to establish ineligibility.

c. All entries are to be made in ink, indelible pencil or typed in. Corrections or changes are to be made by lining through the original entry and entering the correct data. Such changes are to be dated and initialed by the person recording the change and the reason and authority for such changes noted in the record.

4-2 Verification and Documentation of Application Data

a. To assure that the data upon which determination of eligibility, preference status, monthly payment to be paid and size of dwelling required are to be based are full, true and complete, the information submitted by each applicant is subject to verification.

b. Complete and accurate verification records consisting of, but not limited to the following, are to be maintained.

1. Letter or other statements from employers and other pertinent sources giving authoritative information concerning all amounts of income;

2. Photostatic or carbon copies from documents in the applicants possession which substantiate his statement or a brief summary of the pertinent contents of such documents signed and dated by the staff member who viewed them;

3. Certified statements or summary data from books of account, from self-employed persons and from persons whose earnings are irregular, such as salesmen, seasonal workers, etc., setting forth gross receipts itemized expenses and net income.

4. Memoranda of verification data obtained by personal interviews, telephone or other means, with source, date reviewed, and the person receiving the information, clearly indicated.

5. Copies of social security cards of all household members over the age of five years.

4-3 Summary of Verification Data

a. Verification data are to be reviewed and evaluated as received for completeness, accuracy, and conclusiveness. Where the information received is not completely adequate in all respects, follow-ups or new efforts to obtain such information are to be made and carried through to conclusion. If, during the verification process, it becomes evident that for one or more reasons an applicant is ineligible, the investigation is to be discontinued and the applicant notified of his/her ineligibility and the reasons therefore.

b. As a part of the application record of each family determined to be eligible by the Housing Authority a designated staff member is to complete and sign the eligibility certification on the Application for Participation form.

4-4 Mutual Help Waiting List

a. The Housing Authority shall maintain list of families which have applied for Mutual Help housing and which have been determined to meet the admission requirements.

b. Procedure upon notification by HUD of the availability of Low Income units to be allocated.

Upon determining the need for Mutual Help Housing the Housing Authority may submit an application for a Program Reservation. As a part of its application the Housing Authority shall include a Table "A" consisting of data on potential MH Home buyer, families from the MH waiting list. If there are insufficient eligible applications on the waiting list the Housing Authority will publicize the need for more applicants who will be placed on the Table "A" if determined to be eligible. Before submitting the Table "A" to HUD the Housing Authority may require applicants on the waiting list to submit current data upon which to determine eligibility as in paragraph 4-2 and 4-3.

4-5 Notification to Selected Families

a. Promptly after HUD approval of the application for a project the Housing Authority shall proceed with the selection of as many Home buyers as there are homes in the project. Selection of Home buyers shall be made from the list of applicants approved by HUD on the Table "A" and in accordance with the date of application and other pertinent factors under the Housing Authority admission policy.

b. Selection of a Home buyer shall be made only after the site for that Home buyer has received HUD final site approval.

c. The notification shall be in writing and include the following:

1. statement that the family has been selected for the MH Project and the site number that has been approved for the family.

2. statement of willingness to execute an MHO Agreement shall be enclosed for signature and return to the Housing Authority. The notification shall state the name(s) of the person(s) who must sign the agreement.

3. statement that the family will be advised at a later date of time and place for training activities and execution of the MHO Agreement and the name(s) of the person(s) who must execute it on behalf of the family.

4. statement that the family's eligibility shall be subject to verification at the time of execution of the MHOA and will not thereafter be subject to verification.

5. statement that after execution of the Construction Contract the family will receive a notice of confirmation which will state the estimated date of completion of the unit in so far as such a date can be reasonably determined.

6. statement that the issuance of the Notice of Selection does not constitute or give rise to any contractual obligation on the part of the Housing Authority or HUD.

7. request for submission of social security numbers for all household members five years of age and older for staff verification prior to execution of MHOA.

4-6 Notification to Families Not Selected for a Project

If the Housing Authority determines that an applicant meets the admission requirements but is not to be selected for a certain MH project the Housing Authority shall so notify the applicant in writing. The notice shall also state that the applicant will remain on the waiting list for consideration in the event of vacancies or additional housing.

4-7 Notification to Families not Meeting Admission Requirements

When the Housing Authority determines that a family does not meet the admission requirements the Housing Authority shall so notify the applicant in writing. The notice shall state the basis for the determination and shall state that the family is entitled to an informal hearing by the Housing Authority if a request for such hearing is made within a reasonable time as specified in the notice.

CHAPTER 5 MUTUAL HELP AND OCCUPANCY AGREEMENT

A Mutual Help and Occupancy Agreement is to be executed by the Housing Authority and each participant family in a Mutual Help Project.

5-1 Execution of Mutual Help and Occupancy Agreement

a. After the Housing Authority has entered into an Annual Contributions Contract with HUD, an MHO Agreement shall be executed in duplicate original.

b. The MHO Agreement shall be executed by the Executive Director on behalf of the Housing Authority and by the Home buyer and spouse (if any).

5-2 Purchase of Home

The purchase of a Mutual Help home shall be in accordance with the provisions contained in Article VII of the Mutual Help and Occupancy Agreement.

5-3 TDHE Home ownership Financing

TDHE Home ownership financing shall be in accordance with the provisions contained in Article VIII of the Mutual Help and Occupancy Agreement.

5-4 Termination of Agreement

Termination of the MHO Agreement shall be in accordance with the provisions contained in Article IX of the Mutual Help and Occupancy Agreement.

CHAPTER 6 EXAMINATION AND RE-EXAMINATION OF FAMILY INCOME

6-1 For the purpose of determining the Required Monthly Payment amount, making adjustments in the amount, so determined, and determining whether the Home buyer is required to purchase the home in accordance with section 7.5 of the Mutual Help and Occupancy Agreement, the Housing Authority shall examine the Home buyer family's earnings and other income prior to initial occupancy and shall make periodic re-examinations thereafter once every twelve months.

6-2 Re-examination Procedures

Data assembled at the time of the re-examination is to be filed in the folder set up for the family at the time of its admission.

a. RECEIPT OF APPLICATION FOR CONTINUED OCCUPANCY AND RE-EXAMINATION

The Home buyer or spouse shall be required to submit information for completion of an application for continued occupancy and re-examination. All entries are to be made in ink, indelible pencil, or typed in by the person interviewing the Home buyer on behalf of the Housing Authority. Changes or corrections are to be initialed and dated by the person making such changes.

The complete application must be signed by the Home buyer and the interviewer and the required certification completed by the Housing Authority.

6-3 Interim Redetermination of Family Income and Adjustment of Monthly Payment

No adjustments of monthly payments are to be effected between dates of periodic re-examinations (as set forth in 6-1 and 6-2 above) except as provided in paragraphs (a) and (b) below.

a. In addition to submitting such information as may be required at time of periodic re-examination, home buyers are required to report the loss of a family member through death, divorce or other continuing circumstance, or addition of a family member by marriage, birth or other circumstance.

b. After the initial determination of the Home buyer's Required Monthly Payment, the Housing Authority shall increase or decrease the amount of such payment to reflect changes in the Home buyer's Family Income (pursuant to a reexamination of the family's earnings and other income by the Housing Authority), adjustments in the utility deduction, or adjustments in the Administration charge.

Failure to report the occurrence of the changes set forth in (a) and (b) may require a retroactive monthly payment charge.

6-4 Verification and Documentation of Re-examination Data

To assure that the data upon which determination as to eligibility for continued occupancy and changes in required monthly payments are made, (either by scheduled reexamination or an interim reexamination) the information

- submitted by the home buyers is to be verified. Verification is the same as that shown in 4-2 and 4-3.

6-5 Action Required Following Re-examination

Within 30 days after the home buyer has submitted all the information required of him/her, and called for on the Application for Continued Occupancy and Re-examination Form, he/she is to be informed concerning:

- a. In writing any change to be made in the required monthly payment and the effective date thereof.
- b. Any instances of misrepresentation or non-compliance with the Mutual Help and Occupancy Agreement, other HUD regulations or TDHE policy and any corrective or punitive action which is to be taken.

If the re-examination discloses that the Home buyer, at the time of admission or at any previous reexamination, knowingly made misrepresentations which have resulted in the payment of a lower monthly payment than he/she should have paid, the Home buyer is to be required to pay the difference between the amount paid and what should have been paid.

CHAPTER 7 EXCEPTIONS AND APPENDICES

- a. An exception to the full time occupancy requirement (1-3; 1a) is provided when tenant must reside in another location due to:
 1. Armed services obligation;
 2. Attending school; or
 3. Out of area temporary employment.

The foregoing is subject to Housing Committee determination.

CHAPTER 8 94-1 AMENDMENT

8-1 Transfer of Residents: A resident family may transfer from one HUD unit, project or program to another operated by the KTHA if the family is eligible for continued occupancy.

- a. Transfers within a program which are to a larger or smaller unit as determined by family composition may be prioritized over other applicants on the waiting list at the discretion of KTHA staff. A resident may be required to move to a larger or smaller unit with thirty (30) days written notice.
- b. A resident is not eligible for a voluntary transfer unless all obligations under the current program have been met, including payment of charges to the KTHA and completion of maintenance requirements.

8-2 Succession of Home ownership Units

- a. A successor is the person(s) who will assume all rights and responsibilities under the Home buyer's MHO Agreement upon occurrence of an "event." "Event" is defined in 24 CFR 905.449(a) as "the death or mental incapacity of all of the persons who have executed the MHO Agreement as Home buyers."

b. The designation of successor shall be made at the time of execution of the MHO Agreement, and the Home buyer may change the designation at any later time by written notice to the KTHA.

c. The designated successor will assume all Home buyer rights, obligations and responsibilities) (at the time of death or mental incapacitation of the Home buyer) if he/she meets the following conditions:

I. The successor is a family member and will make the home his/her primary residence;

II. The successor is willing and able to pay the administration charge and to perform the obligations of a Home buyer under an MHO agreement;

III. The successor satisfies program eligibility requirements; and

IV. The successor executes an assumption of the former Home buyer's obligations under the MHO Agreement.

V. If a successor satisfies the requirements stated above in paragraph (C) of this section except for paragraph (C) (iii), the successor may execute an outright purchase of the home.

d. If at the time of the death or mental incapacitation of the Home buyer there is no successor designated by the Home buyer, or if any of the conditions in subparagraph c are not met the designated successor, the KTHA may designate, in accordance with its occupancy policy, any person who qualifies under subparagraph c.

e. If, at the time of the event there is no qualified successor designated by the Home buyer or by the KTHA, and a minor child or children of the Home buyer are living in the home, the KTHA may approve, as occupant of the home, an appropriate adult who has been appointed legal guardian of the children. This has been done in order to protect the children's continued occupancy and opportunity for acquiring ownership of the home. The guardian has a duty to perform the obligations of the Home buyer agreement on the children's behalf.

f. In the case of a home on trust land subject to restrictions on alienation under Federal law (including Federal, trust or restricted land and land subject to trust or restriction under State law), or under Tribal or State law, a person who is prohibited by law from succeeding to the KTHA's interest on such land may, nevertheless, continue in occupancy with all the rights, obligations and benefits of the MHO Agreement, modified to conform to these restrictions on succession to the land.

g. If there is no qualified successor in accordance with the KTHA's approved policy, the KTHA shall terminate the MHO Agreement and select a subsequent Home buyer to occupy the unit under a new MHO Agreement, or if the home cannot continue to be used for low-income housing in accordance with the Mutual Help Program, the KTHA may submit an application to HUD to approve disposition of the home.

For terms and definitions refer to: CHAPTER 17 - GLOSSARY OF TERMS.

Revised This ___ Day of March, 2000.

Charlene Martin, Secretary