



**PUBLIC NOTICE & AGENDA  
COMMUNITY DEVELOPMENT AUTHORITY  
City Hall Forum - 100 State Street, Beloit, WI 53511  
4:30 PM  
Wednesday, August 29, 2018**

1. CALL TO ORDER AND ROLL CALL
2. PUBLIC COMMENT
3. MINUTES
  - 3.a. Consider approval of Minutes of the regular meeting held on July 25, 2018  
[Attachment](#)
4. BELOIT HOUSING AUTHORITY
  - 4.a. Presentation of July Activity Report (Cole)  
[Attachment](#)
  - 4.b. Presentation of June Financial Report (Cole)  
[Attachment](#)
  - 4.c. Consideration of Resolution 2018-13 Approving the Smoke-Free Policy (Cole)  
[Attachment](#)
5. ADJOURNMENT
  - 5.a. The CDA will adjourn to a workshop to hear presentations from Community Development Block Grant (CDBG) Applicants for the 2019 CDBG funding (Downing)

\*\* Please note that, upon reasonable notice, at least 24 hours in advance, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information to request this service, please contact the City Clerk's Office at 364-6680, 100 State Street, Beloit, WI 53511.



## Minutes

### Beloit Community Development Authority

100 State Street, Beloit WI 53511

July 25, 2018

4:30 P.M.

The regular meeting of the City of Beloit Community Development Authority was held on Wednesday, July 25, 2018 in the Forum of Beloit City Hall, 100 State Street.

#### 1. Call to Order and Roll Call

Meeting was called to order by Commissioner Baker at 5:05 p.m.

**Present:** Commissioners Baker, DeBrock, Ellison, Kenitzer and Leavy (by phone)

**Absent:** Commissioners Forbeck and Murray

**Staff Present:** Julie Christensen, Teri Downing, Clinton Cole and Ann Purifoy

#### 2. Public Comments

None

#### 3. Consider Approval of Minutes of the Regular Meeting held on June 27, 2018

A motion was made by Commissioner DeBrock and seconded by Commissioner Kenitzer to approve the minutes of the Regular Meeting held on June 27, 2018. Motion carried unanimously.

#### 4. Beloit Housing Authority:

##### a. Presentation of June Activity Report

Clinton Cole, Director of Beloit Housing Authority, gave a brief summary of the report.

##### b. Presentation of May Financial Report

Clinton Cole gave a brief summary of the report.

##### c. Presentation of 2017 Audit Report

Julie Christensen, Community Development Director, presented the report.

Each year the CDA Board will receive the portions of the report pertaining to the CDA/BHA. Although the two findings identified in the Audit have been resolved, they will remain in the audit for one year.

Councilor Leavy asked what would happen if a fund is depleted or there is a surplus at year end now that we are allocating work hours correctly. Clint stated that the funds are solvent enough that there is no risk of running out of money. Julie added

that since we now have actual numbers in our monthly reports, we are able to monitor funds and adjust workloads, if necessary.

- d. Presentation of the Beloit Housing Authority Monitoring Review Letter and Report  
Clinton Cole presented the report. Julie stated that we were advised by HUD that some of the compliance issues pertain to all housing authorities. We want to ensure that all of our housing policies protect BHA as well as our residents.
- e. Consideration of Resolution 2018-11, Approving the 2018 Beloit Housing Authority Second Quarter Write-offs  
Clinton Cole presented the staff report and recommendation.

Clint explained that it took approximately four months for this tenant to be terminated, evicted and finally move out.

Commissioner Kenitzer moved and Commissioner DeBrock seconded a motion to approve Resolution 2018-11. Motion carried unanimously.

- f. Consideration of Resolution 2018-12, Approving the Collateralization Policy  
Julie Christensen presented the staff report and recommendation.

Commissioner Baker moved and Commissioner Ellison seconded a motion to approve Resolution 2018-12. Motion carried unanimously.

## 5. Community and Housing Services

- a. Review of 2019 CDBG Planning and Budget Process  
Teri Downing, Community and Housing Services Director, reviewed the process.

Teri explained the timeline for the CDBG application process. She also distributed a blank application so that CDA Board members could familiarize themselves with it. New for 2018 are the CDBG Application Score Sheet and Subrecipient Risk Analysis Worksheet which will be completed by staff and included with each application. The Score Sheet is completed for each application based on funding priorities. The Worksheet is a monitor to see if there is a risk involved in funding an agency based on site visits, participant files, financial records, etc.

The date for presentations to the CDA was changed from August 22 to August 29, 2018. This would provide ample time for staff and the CDA Board to review applications before presentations.

## 6. Adjournment

Motion by Commissioner DeBrock and seconded by Commissioner Ellison to adjourn at 5:45 p.m. Motion carried unanimously.

# REPORTS AND PRESENTATIONS TO COMMUNITY DEVELOPMENT AUTHORITY



<b>Agenda Number:</b>	4a		
<b>Topic:</b>	July 2018 Activity Report		
<b>Date:</b>	August 29, 2018		
<b>Presenter:</b>	Clinton Cole	<b>Division:</b>	Beloit Housing Authority

## Overview/Background Information

Each month, the Housing Authority provides an activity report to the Community Development Authority. This report is for information only.

## Key Issues

**Public Housing:**  
 During this reporting period, there was one public housing vacancy. 30 applicants were pulled from the public housing waiting list; 15 applicants were briefed. 14 public housing inspections and 24 annual and interim re-certifications were completed.

**Section 8:**  
 523 vouchers were housed by July 31, 2018, with five voucher holders either searching for units or waiting for passed inspections. 19 portable vouchers were paid by BHA, and four port-in vouchers were administered by BHA. 69 Section 8 inspections were completed during this reporting period, and the Housing Specialists completed 42 annual and 34 interim re-certifications. No applicants were notified; none were briefed.

**FSS:**  
 This month five FSS Participants successfully completed their goals and graduated from the program, earning a combined \$23,797.69 in escrow disbursements.

On August 16, 2018 the BHA was presented a certificate from Beloit Community Health Systems recognizing our partnership and collaboration efforts.

## Conformance with Strategic Plan

- Approval of this action would conform with the stated purpose of the following strategic goal:
- Goal #1 - Create and Sustain Safe and Healthy Neighborhoods
  - Goal #2 - Create and Sustain a High Performing Organization
  - Goal #3 - Create and Sustain Economic and Residential Growth
  - Goal #4 - Create and Sustain a High Quality of Life
  - Goal #5 - Create and Sustain High Quality Infrastructure and Connectivity
  - Goal #6 - Create and Sustain a Positive Image, Enhance Communications and Engage the Community

## Sustainability

(If applicable, briefly comment on the sustainable long term impact of this policy or program related to how it will impact both the built and natural environment. Consider whether the policy or program will reduce dependence upon fossil fuels, reduce dependence on chemicals and other manufacturing substances that accumulate in nature, reduce dependence on activities that harm life sustaining eco-systems, and/or meet the hierarchy of present and future human needs fairly and efficiently. Write N/A if not applicable)

N/A

## Action Required/Recommendation

No action required. Information only.

## Fiscal Note/Budget Impact

All fiscal/budget impacts are noted in the report.

## Attachments

July 2018 Activity Report, Community Health Systems Letter



Section 8 Inspections

69 inspections were completed during this reporting period. 42 were annual inspections, 14 were initial inspections, 12 were re-inspections and there was 1 special inspection.

Section 8 Activities

Vouchers Issued:	0
New Participants:	4
Annual Recerts:	42
Interim Recerts:	34
Abatements:	1
Movers:	1
Possible Program Violations:	4
End of Program	3

Section 8 Briefings

Number Notified:	0
Number Briefed:	0

**APPLICATIONS:**

Waiting List:	142	Public Housing East
	158	Public Housing West
	254	Parker Bluff
	136	Project-Based
	412	Sec. 8

0 Tenants removed for Repayment Default  
0 Tenants removed for unreported income  
0 Tenants removed for unauthorized occupants  
0 Applicants removed for debts owed  
Some applicants are on both lists, some are not  
**Section 8 waiting list opened 4/4/11**



August 15, 2018

Mr. Jeff Hoyt  
Beloit Housing Authority  
210 Portland Avenue  
Beloit, WI 53511

Dear Jeff and staff of the Beloit Housing Authority:

Thank you so much for all the work you do to make our community a better place to live and work. Your outreach and collaboration enable many to thrive and attain life-achieving goals.

During National Health Center Week, we wanted to recognize the work you do in our community and with our organization. We appreciate the opportunity to present to your clients and share our services through your newsletter. The Beloit Housing Authority is an integral part of our overall community's health and well-being.

We are happy to honor you with the Beloit Area Community Health Center **Superhero Award** - you live your organization's mission and exceed expectations in supporting your clients and our community. Not all superheroes wear visible capes. In your case, you wear empowerment and a door of opportunity for everyone. We recognize your successes and thank you for what you are doing.

Congratulations!

Sincere regards,

Julie Sprecher  
CEO  
Community Health Systems

# REPORTS AND PRESENTATIONS TO COMMUNITY DEVELOPMENT AUTHORITY



<b>Agenda Number:</b>	4b		
<b>Topic:</b>	June 2018 Financial Report		
<b>Date:</b>	Aug. 29, 2018		
<b>Presenter:</b>	Clinton Cole	<b>Division:</b>	Beloit Housing Authority

## Overview/Background Information

Each month, the Housing Authority provides a financial report to the Community Development Authority. This report is for information only.

## Key Issues

Attached is the Beloit Housing Authority Financial Statement prepared by the BHA Accountant for the month ending June 30, 2018.

Through the month of June, the Low Income Public Housing (LIPH) program income was \$228,126.96 and the LIPH expenses were \$247,871.41. There was a \$(19,744.45) deficit in LIPH. The Operating Reserve for LIPH at 2018 Period End is \$5,174,280.55.

Through the month of June, the Project Based Voucher (PBV) program income was \$26,665.69 and the expenses were \$15,731.31. The PBV had a surplus of \$10,934.38. The PBV Operating Reserve at this Period End is \$64,507.38.

Through the month of June, Phase 1 and Phase 2 program income was \$313,858.77 and the expenses were \$250,392.36. Phase 1 and Phase 2 had a surplus of \$63,466.41. The Operating Reserve for these programs at this Period End is \$212,765.41.

Through the month of June, the Housing Choice Voucher (HCV) program income was \$1,549,866.49 and expenses were \$1,584,542.74. The HCV program had a surplus of \$2,929.25. The HCV Operating Reserve at this Period End is \$264,157.25.

Debts owed BHA collected to date in 2018: \$22,947.25 TRIP Program: \$20,071.26 Repayments: \$2,875.99

## Conformance with Strategic Plan

Approval of this action would conform with the stated purpose of the following strategic goal:

- Goal #1 - Create and Sustain Safe and Healthy Neighborhoods
- Goal #2 - Create and Sustain a High Performing Organization
- Goal #3 - Create and Sustain Economic and Residential Growth
- Goal #4 - Create and Sustain a High Quality of Life
- Goal #5 - Create and Sustain High Quality Infrastructure and Connectivity
- Goal #6 - Create and Sustain a Positive Image, Enhance Communications and Engage the Community

## Sustainability



(If applicable, briefly comment on the sustainable long term impact of this policy or program related to how it will impact both the built and natural environment. Consider whether the policy or program will reduce dependence upon fossil fuels, reduce dependence on chemicals and other manufacturing substances that accumulate in nature, reduce dependence on activities that harm life sustaining eco-systems, and/or meet the hierarchy of present and future human needs fairly and efficiently. **Write N/A if not applicable**)

N/A

**Action Required/Recommendation**

No action required. Information only.

**Fiscal Note/Budget Impact**

All fiscal/budget impacts are noted in the report.

**Attachments**

N/A

## Consolidated 2018 Budget Report for Beloit Housing Authority - June 2018

	YTD Actual							Annual Board Approved Budget		
	Approved YTD	LIPH	LIPH Grant	PBV	Phase 1 & 2	HCV	Agency Total	LIPH/LLC/PBV	HCV	Total
1 Dwelling Rental	157,079.50			26,518.00	116,910.00		143,428.00	314,159.00		314,159.00
2 Excess Utilities	-				-		-			-
3 Interest on Unrestricted Fund Investments	601.50	35.96			426.71	938.58	1,401.25	770.00	433.00	1,203.00
4 Income - Transfer In from PBV	-				-		-			-
5 Other Income - Tenants	15,510.00			59.83	17,258.69	319.50	17,638.02	31,020.00		31,020.00
6 HAP Fraud Recovery & FSS Forfeitures	-				-	319.50	319.50			-
7 Other Income - Bad Debt Collections	-	18,342.32			-		18,342.32			-
8 Other Income - Laundry/Copy Fees/Misc	23,859.00	8,719.68		87.86	46,926.24	765.91	56,499.69	47,718.00		47,718.00
9 Other Income - CFP Operation Money	15,000.00						-	30,000.00		30,000.00
10 Other Income - Sale of Asset Gain/Loss	-				-		-			-
11 Admin Fees Earned - HUD	154,885.00				-	158,439.00	158,439.00		309,770.00	309,770.00
12 Incoming Billable Admin Fees/Oper Sub	137,500.00				132,337.13		132,337.13	275,000.00		275,000.00
13 HAP Subsidy	1,055,016.00					1,389,084.00	1,389,084.00		2,110,032.00	2,110,032.00
14 Operating Subsidy	187,622.00	201,029.00			-		201,029.00	375,244.00		375,244.00
<b>Total Income</b>	<b>1,747,073.00</b>	<b>228,126.96</b>	<b>-</b>	<b>26,665.69</b>	<b>313,858.77</b>	<b>1,549,866.49</b>	<b>2,118,517.91</b>	1,073,911.00	2,420,235.00	3,494,146.00
<b>Expenses</b>										
	Approved YTD	LIPH	LIPH Grant	PBV	Phase 1 & 2	HCV	Agency Total	LIPH/LLC/PBV	HCV	Total
<b>Administrative Expenses</b>										
15 Admin Salaries	201,448.50	37,020.95		5,056.07	55,903.34	95,564.47	193,544.83	186,433.00	216,464.00	402,897.00
16 FSS Coordinator Admin Salaries	-	12,172.86			-	3,680.00	15,852.86			-
17 Admin Employee Benefits	97,208.00	17,295.51		1,795.17	-	37,468.77	56,559.45	92,416.00	102,000.00	194,416.00
18 FSS Coordinator Admin Benefits	-	4,688.23			-	-	4,688.23			-
19 Advertising & Marketing	1,150.00				-	-	-	1,300.00	1,000.00	2,300.00
20 Legal	1,750.00				913.07		913.07	3,250.00	250.00	3,500.00
21 Staff Training	1,250.00				-		-	2,500.00	-	2,500.00
22 Travel	250.00				-		-	250.00	250.00	500.00
23 Accounting Consultants	17,105.00	3,646.00		590.00	6,032.00	2,990.00	13,258.00	28,710.00	5,500.00	34,210.00
24 Audit Fee	15,207.00	3,318.50			19,575.00	3,318.50	26,212.00	24,957.00	5,457.00	30,414.00
25 Telephone	3,225.50	2,344.13			-	2,788.03	5,132.16	2,940.00	3,511.00	6,451.00
26 Postage	4,100.00	797.77			-	-	797.77	2,700.00	5,500.00	8,200.00
27 Office Supplies	3,210.00	472.35			-	555.56	1,027.91	3,420.00	3,000.00	6,420.00
28 Memberships & Publications	1,147.00	70.00			-	-	70.00	1,147.00	1,147.00	2,294.00
29 Bank Fees	1,355.00	5.00			33.50	1,584.17	1,622.67	10.00	2,700.00	2,710.00
30 Computer Maintenance	-				-		-			-
31 Copier Expenses	2,500.00	1,405.75			-	1,433.08	2,838.83	2,500.00	2,500.00	5,000.00
32 Office Equipment Maintenance	-				-		-	-	-	-
33 Postage Machine	-				-	2,207.11	2,207.11			-
34 Software Maintenance	250.00	245.00			-	255.00	500.00	250.00	250.00	500.00
35 Outgoing Portable Admin Fees	-	122.48			-	-	122.48			-
36 Sundry Administration/Compliance Fees	5,250.00	265.71		693.57	7,881.61	2,435.21	11,276.10	9,500.00	1,000.00	10,500.00
37 Management Improvements	-						-			-
38 Management Fees	9,000.00				8,719.68		8,719.68	18,000.00		18,000.00
39 Eviction & Collection Agent Fees	-				-		-	-	-	-
40 HAP Expense (net fraud recovery to HUD)	-				-	1,423,329.00	1,423,329.00		-	-
HAP Overfunding (Underfunding)	-					(33,925.50)				-
<b>Maintenance Expenses</b>										
41 Maintenance Salaries	61,994.00	2,834.99		1,465.58	76,881.81		81,182.38	123,988.00		123,988.00
42 Casual Labor - Maintenance	-				-		-			-
43 Maintenance Benefits	25,361.50	1,308.36		967.84	-		2,276.20	50,723.00		50,723.00
44 Maintenance Materials & Supplies	14,500.00	459.92		126.75	7,588.23		8,174.90	29,000.00		29,000.00
45 Plumbing Supplies	-	728.70			-		728.70			-
46 Locks, Locksets & Keys	-				-		-			-
47 Electrical Supplies	-	1,057.10			-		1,057.10			-
48 Painting Supplies	-	82.14			-		82.14			-
49 Cleaning Supplies	-	869.18			-		869.18			-
50 Equipment Repair Parts	-				-		-			-



**Cash Flow Statement  
Beloit Housing Authority  
6/30/2018**

	BHA YTD	LLC		YTD Budget	Variance
	Actual	Phase 1 & 2	HCV YTD Actual		Over (Under)
		Actual			
<b>Income</b>					
Dwelling Rent/Utilities	26,518.00	116,910.00		314,159.00	(170,731.00)
Interest on Investments	35.96	426.71	938.58	1,203.00	198.25
Other Income	27,209.69	196,522.06	1,085.41	108,738.00	116,079.16
HUD Admin Fees			158,439.00	309,770.00	(151,331.00)
HUD Grants/Subsidies	201,029.00		1,389,403.50	2,485,276.00	(894,843.50)
<b>Total Income</b>	<b>254,792.65</b>	<b>313,858.77</b>	<b>1,549,866.49</b>	<b>3,219,146.00</b>	<b>(1,100,628.09)</b>
<b>Expenses</b>					
<b>Administrative</b>					
Salaries/Benefits	78,028.79	55,903.34	136,713.24	597,313.00	326,667.63
Office Expenses	12,325.51	34,435.18	13,671.47	109,999.00	49,566.84
Office Contracted Services	1,650.75		3,895.19	5,500.00	(45.94)
Oper Sub Transfer/Mgmt Fee Pd		8,719.68		18,000.00	9,280.32
Housing Assistance Pmts			1,423,329.00	-	(1,423,329.00)
<b>Maintenance</b>					
Salaries/Benefits	6,576.77	76,881.81		174,711.00	91,252.42
Materials & Supplies	3,323.79	7,588.23		29,000.00	18,087.98
Maintenance Contracts	4,926.41	10,673.95		55,250.00	39,649.64
Utilities	6,731.16	12,986.02		59,010.00	39,292.82
<b>Other Operating</b>					
Protective Services	10,888.54	2,233.30		45,400.00	32,278.16
Insurance	5,992.94	13,735.56	2,318.00	45,371.00	23,324.50
PILOT	820.93	10,392.41		26,360.00	15,146.66
Other Operating Expenses	132,337.13	16,842.88	4,615.84	286,950.00	133,154.15
<b>Total Expenses</b>	<b>263,602.72</b>	<b>250,392.36</b>	<b>1,584,542.74</b>	<b>1,452,864.00</b>	<b>(645,673.82)</b>
Net Admin Income (Loss)	(8,810.07)	63,466.41	(750.75)		
Net HAP Income (Loss)			(33,925.50)		
<b>Total YTD Income (Loss)</b>	<b>(8,810.07)</b>	<b>63,466.41</b>	<b>(34,676.25)</b>		

# REPORTS AND PRESENTATIONS TO COMMUNITY DEVELOPMENT AUTHORITY



<b>Agenda Number:</b>	4c		
<b>Topic:</b>	Smoke-Free Policy		
<b>Date:</b>	August 29, 2018		
<b>Presenter:</b>	Clinton Cole	<b>Division:</b>	Beloit Housing Authority

## Overview/Background Information

The Department of Housing and Urban Development (HUD) requires that all Public Housing Authorities (PHAs) administering public housing programs implement a smoke-free policy.

## Key Issues

1. Although the Beloit Housing Authority (BHA) currently utilizes a No Smoking Lease Addendum, HUD PIH Notice 2017-03 states that PHAs must adopt a stand-alone smoke-free policy.
2. The goal of the smoke-free policy is to protect the health of residents as well as BHA employees, reduce the associated maintenance costs due to smoking, and decrease fire risk at BHA properties.
3. The smoke-free policy identifies prohibited tobacco products and smoking equipment, as well as specifies the areas where smoking is not allowed.
4. The smoke-free policy outlines examples of violations, as well as the resulting enforcement steps.

## Conformance with Strategic Plan

Approval of this action would conform with the stated purpose of the following strategic goal:

- Goal #1 - Create and Sustain Safe and Healthy Neighborhoods
- Goal #2 - Create and Sustain a High Performing Organization
- Goal #3 - Create and Sustain Economic and Residential Growth
- Goal #4 - Create and Sustain a High Quality of Life
- Goal #5 - Create and Sustain High Quality Infrastructure and Connectivity
- Goal #6 - Create and Sustain a Positive Image, Enhance Communications and Engage the Community

## Sustainability

(If applicable, briefly comment on the sustainable long term impact of this policy or program related to how it will impact both the built and natural environment. Consider whether the policy or program will reduce dependence upon fossil fuels, reduce dependence on chemicals and other manufacturing substances that accumulate in nature, reduce dependence on activities that harm life sustaining eco-systems, and/or meet the hierarchy of present and future human needs fairly and efficiently. Write N/A if not applicable)

N/A

## Action Required/Recommendation

Staff recommends approval of the attached resolution.

## Fiscal Note/Budget Impact

All fiscal/budget impacts are noted in the report.

## Attachments

PIH Notice 2017-03, Resolution and Smoke-Free Policy

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COMMUNITY DEVELOPMENT AUTHORITY

**RESOLUTION 2018-13  
APPROVING THE SMOKE-FREE POLICY**

**WHEREAS**, the Department of Housing and Urban Development (HUD) PIH Notice 2017-03 issued February 15, 2017 requires that the Beloit Housing Authority (BHA) implement a smoke-free policy, and

**WHEREAS**, the BHA has developed a smoke-free policy in accordance with HUD PIH Notice 2017-03, and

**WHEREAS**, the BHA wishes to protect the health of its residents and employees, minimize property damage, and reduce the risk of fire.

**NOW THEREFORE BE IT RESOLVED**, that the Beloit Community Development Authority, Rock County, Wisconsin, hereby approves the Smoke-Free Policy as presented.

Adopted this 29th day of August, 2018.

**Community Development Authority**

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David Baker, Chairman  
Beloit Community Development Authority

ATTEST:

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Julie Christensen, CDA Executive Director



**COMMUNITY DEVELOPMENT AUTHORITY  
POLICIES AND PROCEDURES**

**Smoke-Free Policy**

<b>Newest Revision Date</b> August 29, 2018	<b>Original Issue Date</b> August 29, 2018	<b>Prior Revision Date(s)</b> N/A	<b>Pages</b> 2
<b>Special Instructions/Attachments</b> PIH Notice – 2017-03			

**I. PURPOSE**

The purpose of this policy is to ensure that the Beloit Housing Authority (BHA) is in compliance with HUD PIH Notice 2017-03 which states that all Public Housing Authorities (PHAs) administering public housing to implement a smoke-free policy. Further, the goal of this policy is to mitigate the known health effects of secondhand smoke, the increased maintenance costs from smoking, and the increased risk of fire from smoking.

**II. DEFINITIONS**

“Smoking” is defined as carrying, inhaling, exhaling, burning or handling of any kind of lighted pipe, cigar, cigarette, or any other lighted smoking equipment containing any burning substance or product, including tobacco that is intended for human consumption by means of inhaling the smoke therefrom. Prohibited tobacco products are defined as items that involve the ignition and burning of tobacco leaves, such as: cigarettes, cigars, pipes and water pipes (also known as hookahs).

**III. POLICY**

Tenants and all persons on the premises with the tenant’s permission or under the tenant’s control shall comply with Smoke-Free Policy as set forth. The use of the identified tobacco products is prohibited in all public housing living units, stairways, public bathrooms, interior common areas and outdoor areas within 25 feet from public housing and administrative office buildings (collectively, “restricted areas”). Interior common areas include but are not limited to: hallways, rental and administrative offices, community centers, day care centers, laundry centers, and similar structures. This policy does not prohibit smoking by residents; rather, it requires that residents who smoke do so at least 25 feet away from the buildings

**IV. DETERMINATION OF VIOLATION OF SMOKE-FREE POLICY** Examples of violations include, but are not limited to:

1. BHA staff witnesses a tenant, tenant’s guest, family member, or service provider smoking in smoke-free areas under the tenant’s control.
2. BHA staff witnesses a lighted smoking product in an ashtray or other receptacle in smoke-free areas under the tenant’s control.
3. Damage to the interior of the property (i.e. flooring, countertops) that are the result of burns caused by smoking products.
4. Evidence of smoking in a unit includes, but is not limited to, cigarette or other smoking product odors, smoke clogged filters, ashes, or smoke film on windows or walls.

5. Repeated reports to BHA staff of violations to this policy by third parties.

**V. ENFORCEMENT**

Failure of any resident, resident's guests, or visitors to comply with the Smoke-Free Policy will result in a lease violation. Multiple violations could lead to an eviction.

1. First Warning: Tenant shall receive a verbal notice from management
2. Second Warning: Tenant shall receive a written violation from management
3. Third Warning: Tenant shall receive a written violation and be required to attend a mandatory meeting with management
4. Fourth Warning: Tenant's lease is terminated, and BHA will begin eviction proceedings

**VI. APPROVAL**

This policy is hereby approved and intended to supersede any and all prior policies addressing smoking in properties managed by BHA.

Approved and adopted this 29th day of August, 2018.

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David Baker  
Chairman





OFFICE OF PUBLIC AND INDIAN HOUSING

**SPECIAL ATTENTION OF:**

**Notice PIH-2017-03**

Regional Directors; State and Area Coordinators; Public Housing Hub Directors; Program Center Coordinators; Troubled Agency Recovery Center Directors; Special Applications Center Director; Administrators; Resident Management Corporations; Public Housing Agencies; Healthy Homes Representatives

Issued: February 15, 2017

This Notice remains in effect until amended, superseded or rescinded

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Cross Reference:

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SUBJECT: HUD Guidance on Instituting and Enforcing Smoke-Free Public Housing Policies

**A. Purpose**

This Notice provides guidance for “Instituting Smoke-Free Public Housing” (FR-5597-F-03) (the “Smoke-Free Rule” or “Rule”). The Rule is intended to improve indoor air quality, benefit the health of public housing residents and PHA staff, reduce the risk of fires, and lower overall maintenance costs. The Rule becomes effective 60 days after publication in the Federal Register. Once effective, PHAs will have 18 months to implement their smoke-free policies. PHAs must design and implement a policy barring the use of **prohibited tobacco products** in all public housing living units, **interior common areas** and outdoor areas within 25 feet from public housing and administrative office buildings (collectively, “restricted areas”). The Rule does not prohibit smoking by residents; rather, it requires that residents who smoke do so at least 25 feet away from the buildings.

- **Prohibited tobacco products** are defined as items that involve the ignition and burning of tobacco leaves, such as: cigarettes, cigars, pipes and water pipes<sup>1</sup> (also known as hookahs)
- **Interior common areas** include but are not limited to: hallways, rental and administrative offices, community centers, day care centers, laundry centers, and similar structures

PHAs should begin the process of implementing smoke-free policies as soon as possible. PHAs are strongly encouraged to work with resident councils, provide residents with information on cessation assistance, post notices, and distribute information to residents about the smoke-free

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<sup>1</sup> Water pipes (hookahs) are smoking devices that use coal or charcoal to heat tobacco, and then draw the smoke through water and a hose to the user. Both the heating source and burning of tobacco are sources of contaminant emissions.

policy. Waiver requests of Rule requirements will be considered with appropriate justification, pursuant to 24 CFR 5.110.

**B. Applicability**

The Smoke-Free Rule applies to all public housing units other than dwelling units in mixed-finance buildings. Under this Rule, “public housing” means low-income housing, such as, community facilities, public housing offices, day care centers, and laundry rooms assisted under the U.S. Housing Act of 1937 (the 1937 Act), other than assistance under section 8 of the 1937 Act.

**C. Implementation**

*1. Amendments to PHA Plans*

PHAs are required to:

- obtain board approval when creating their individual smoke-free policies and document their smoke-free policies in their PHA plans, and
- determine whether an adoption of their smoke-free policies constitutes a significant amendment or modification to the PHA Plan. If it is determined to be a significant amendment, the PHA must conduct public meetings according to standard amendment procedures.

*2. Lease Amendments*

PHAs are required to:

- amend individual resident leases; all residents must sign the lease amendment as a condition of their continuing occupancy,
- incorporate the requirement that residents in public housing, members of a resident's household, resident's guest, or other person under the resident's control must not engage in any smoking of specified prohibited tobacco products in restricted areas, or in other outdoor areas that the PHA has designated as smoke-free, and
- notify a resident of a written revision to an existing lease at least 60 days before the lease revision is to take place, and give residents a reasonable amount of time for the resident to accept the revision

Additionally, PHAs may provide a specific date that the policy will take effect. Lease amendments may be processed anytime during the 18-month required timeframe; lease amendments should note the availability and location of any designated smoking areas (DSAs).

PHAs will have flexibility as to how the lease amendment process occurs during the 18-month implementation period after the Rule's effective date.

### 3. *PHA Flexibility*

The Smoke-Free Rule allows PHAs the flexibility to implement their smoke-free policies. PHAs are encouraged to utilize their flexibility as appropriate; however, they should be aware that adoption of stricter smoke-free policies may expose them to legal risk under State or local law. The following list, while not exhaustive, contains some examples of PHA flexibilities:

- Prohibition on Electronic Nicotine Delivery Systems (ENDS)
- Limitation on smoking to Designated Smoking Areas (DSAs) only
- Requirement of a smoke-free perimeter greater than 25 feet
- Requirement for an entire campus to be smoke-free

### 4. *Signage*

PHAs are strongly encouraged to post signs that reference the new smoke-free policy. These signs must be accessible to all residents and visitors (including persons with disabilities), and must be posted in multiple languages consistent with the Department's current guidance on Limited English Proficiency, issued in accordance with Executive Order 13166 (Improving Access to Services for Persons with Limited English Proficiency, signed August 11, 2000, and published in the Federal Register on August 16, 2000, at 65 FR 50121) (24 CFR 5.2005(a)(3)). PHAs are also encouraged to use various communication methods (e.g., letters, flyers, seminars, etc.) to share this information.

### 5. *Funding*

Costs of implementing smoke-free policies may be covered through operating reserves and eligible capital fund activities. All PHAs may request insurance premium allowances from their insurance providers after implementing smoke-free policies due to decreased fire risk. Budget flexibility is also permitted to the extent provided under arrangements such as the Moving to Work program.

### 6. *ENDS*

The use of ENDS in public housing is not prohibited. However, research on ENDS is emerging and evidence has revealed that the aerosol exhaled by ENDS users contain nicotine and potentially harmful ingredients but generally at much lower levels than tobacco smoke. PHAs have the flexibility to prohibit ENDS in their individual smoke-free policies as they deem appropriate. For example, PHAs may prohibit ENDS in all developments and common

areas or PHAs may allow the use of ENDS, within the unit, but prohibit ENDS in common areas or campus-wide. Residents should always be considered prior to adopting stricter smoke-free policies than the standards in the Rule. PHAs that choose to prohibit ENDS must amend all individual resident leases as mentioned in section C.2. of this notice.

## 7. DSAs

PHAs may provide DSAs to accommodate smoking residents. All DSAs must be outside of restricted areas, and may include partially enclosed structures. DSAs should include suitable wellness and safety features, such as appropriate seating and shade and must be accessible for persons with disabilities, in accordance with section 504 of the Rehabilitation Act of 1973 (and HUD’s implementing regulations at 24 CFR part 8), Title II of the Americans with Disabilities Act, and the Fair Housing Act. This may include a flat or paved pathway, ramp, and adequate lighting. DSAs are not required under the Rule, however if provided, PHAs are encouraged to include DSA funding in future capital needs planning. PHAs without sufficient space may work with their local municipalities to identify nearby public areas where residents may smoke safely. If available, PHAs may provide smoking residents the option to move to an alternate site with greater access to outdoor smoking.

## **D. Enforcement and Monitoring Tools**

Lease and appropriate PHA Plan amendment(s) are the primary policy enforcement mechanisms. PHAs must enforce smoke-free policies when a resident is violating the policy. When enforcing the lease, PHAs must provide due process and allow residents to exercise right to an informal settlement process and a formal hearing, pursuant 24 CFR § 966 Subpart B. PHAs may not evict for a single incident of smoking, in violation of a smoke-free policy.

### 1. Graduated Enforcement Approach and Monitoring Tools

PHAs are encouraged to adopt a graduated enforcement framework that includes escalating warnings with documentation to the tenant file. Under this approach PHAs would take specific, progressive monitoring and enforcement actions, while educating tenants and providing smoking cessation resources or referrals, prior to pursuing tenant eviction for smoke-free policy violations. A graduated enforcement framework may include the following:

- lease amendment by the PHA that identifies the actions that constitute a policy “violation”
- agreement between the PHA and Resident Council that quantifies the number of documented, verified violations that warrant enforcement action
- pursuit by PHA of one or more monitoring and enforcement actions in combination or in sequence that allows the tenant time to address violation
- documentation of noncompliance if there are repeated violations, persistent non-responsiveness, or non-compliance with disciplinary actions. The PHA Plan should note

how many non-compliances with the Smoke Free policy would constitute a violation of the lease.

- eviction proceedings initiated by the PHA, though tenancy termination and eviction should only be pursued as a last resort.

PHAs have the discretion to employ a range of techniques and tools to monitor and enforce compliance with their smoke-free policies. The following monitoring and enforcement tools appear below in the order of increasing severity.

a. Intensified Compliance Monitoring

*Increased Inspection Frequency.* Upon issuance of a written warning from the property manager and/or a documented complaint, the PHA may increase the frequency of unit inspections for a suspected policy violator.

*Violator Rehabilitation.* To the extent a violation has been confirmed, the PHA may provide information and resources on smoking cessation. PHAs may consider a policy that automatically clears or resets the record of a resident if they do not have any new policy violations for a specified period of time.

b. Lease Terminations/Transfers

*Termination of Tenancy.* The PHA may terminate the tenancy at any time—including violations of the Lease Addenda and failure otherwise to fulfill household obligations if resident behaviors disturb other residents' peaceful enjoyment of their accommodations and are not conducive to maintaining the property in a decent, safe and sanitary condition.

*"Other good cause" Termination.* Repeated violations of the Smoke Free Rule could rise to the level of other good cause for termination of tenancy pursuant to 24 CFR § 966.4(1)(2)(iii). For instance, the PHA might determine that it is in the best interest of all the parties to offer a resident other assistance under the PHA's control (e.g., section 8) and allow the resident to move from the property.

c. Eviction

*Eviction.* The PHA may pursue resident eviction after unsuccessfully pursuing resident compliance with the policy over a reasonable period of time, and subject to grievance procedures.

2. Reasonable Accommodation Requests

Addiction to nicotine or smoking is not a disability. A PHA must still provide reasonable accommodations to persons with disabilities who smoke that are in compliance with the requirements of the PHA's smoke-free policies. Under section 504 of the Rehabilitation Act

of 1973 (and HUD's implementing regulations at 24 CFR part 8), Title II of the Americans with Disabilities Act, and the Fair Housing Act, PHAs are prohibited from discriminating, excluding from participation in a program, or denying the benefits of a program on the basis of disability and must make reasonable accommodations in their rules, policies, practices, and services. A reasonable accommodation is a change, adaptation or modification to a policy, rule, program, service, practice, or workplace which will allow a qualified person with a disability to participate fully in a program, take advantage of a service, or perform a job. In order to show that a requested accommodation may be necessary, there must be an identifiable relationship, between the requested accommodation and the individual's disability. This relationship must be determined on a case-by-case basis by the PHA.

When a reasonable accommodation is requested, the PHA must make the accommodation unless the PHA can demonstrate that doing so would result in a fundamental alteration in the nature of its program or an undue financial and administrative burden. For example, an individual with a mobility disability may request a reasonable accommodation in order to move to a floor which provides close proximity to the door. This would allow the resident easier access to a smoking area as required by the rule. Such a request would need to be evaluated on a case-by-case basis in order to make a determination. However, a PHA may not permit continued smoking in restricted areas.

General guidance on the reasonable accommodation process can be found at <http://go.usa.gov/cJBBC>. The Department also issued reasonable accommodation guidance entitled, "Joint Statement of the Department of Housing and Urban Development and the Department of Justice on Reasonable Accommodations under the Fair Housing Act," which can be found at [http://www.hud.gov/offices/fheo/disabilities/reasonable\\_modifications\\_mar08.pdf](http://www.hud.gov/offices/fheo/disabilities/reasonable_modifications_mar08.pdf). The Department's guidance, "Change is in the Air," (see Resources below), provides examples of how PHAs have approached and managed smoke-free policies for residents with disabilities. For instance, PHAs have allowed residents to move to the first floor or closer to an exit door, and provided designated smoking areas with an accessible walkway, cover, lighting, and seating. The Smoke-Free Rule does not require that reasonable accommodation language be contained in the lease amendment, but HUD encourages PHAs to include this information. Public housing residents who suspect they are victims of housing discrimination can call (800) 669-9777. Smokers with certain health conditions (e.g., cognitive impairment) may require special attention to ensure they understand the policy and available cessation resources, as well as reasonable accommodation request procedures; however, these residents must comply with the policy.

## **E. Community Building**

PHAs are strongly encouraged to engage residents early in the development of smoke-free policies. Best practices have indicated that resident engagement in policy development, implementation, and enforcement are less likely to result in evictions. The Resources section (below) provides best practices and examples on resident engagement.

## **F. Resources**

### *1. Best Practices*

- Change is in the Air can be found at <http://portal.hud.gov/hudportal/documents/huddoc?id=smokefreeactionguide.pdf>
- Toolkits for Owners/Management Agents and Residents can be found at <http://portal.hud.gov/hudportal/HUD?src=/smokefreetoolkits1>

### *2. Smoking Cessation*

PHAs are encouraged to partner with outside organizations for cessation support. Medicaid recipients may be eligible to receive financial assistance for cessation services and prescription cessation medications depending on the state Medicaid program. Cessation resources are currently available at [http://www.cdc.gov/tobacco/quit\\_smoking/index.htm](http://www.cdc.gov/tobacco/quit_smoking/index.htm). Residents and PHAs may also contact national quit lines (1-800-QUIT-NOW) and community health centers to ask what services are available through them.

### *3. PHA and Resident Training*

Training resources on Smoke-Free Rule strategies and effective enforcement of smoke-free policies are available in the form of video- and print-based materials, as well as in-person training for select PHAs. PHAs are responsible for providing resident training.

## **G. Further Information**

PHAs that have questions regarding smoke-free public housing can email those questions to [SmokeFreePublicHousing@hud.gov](mailto:SmokeFreePublicHousing@hud.gov). PHAs are also reminded that, with good cause, they may request waivers. For further information about this Notice, please contact Leroy Ferguson, Housing Program Specialist, Office of Public Housing Programs, Management and Occupancy Division, 202-402-2411.

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for Public and Indian Housing