



Red Wing Housing and Redevelopment Authority Equal Opportunity Housing/Equal Opportunity Employment

Our Mission

To provide quality, affordable, sustainable housing and community redevelopment programs utilizing resources that develop public and private partnerships.

Statement of Intent

We gather today in this room as one people to discuss and attend to the matters of Red Wing. Together, as a government body and as community members, we agree to treat everyone with courtesy, dignity, and respect. We will listen to all sides of an issue, encourage participation, support each other, act with honor and accountability, and inspire pride in our community. This we commit as we open this meeting.

Meeting Announcement and Agenda Housing & Redevelopment Authority Board Regular Meeting City Council Chambers, 315 West 4th Street, Red Wing, MN & Virtually Tuesday, April 9, 2024, at 3:30 PM

This meeting will be held in the City Hall Council Chambers and virtually via Webex at the same time. Members of the public can join this meeting either in person at City Hall or virtually. To join this meeting via Webex, [click this link](#). To join via telephone, please dial (415) 655-0001. Enter access code 2559 127 7149 and password 2024 when prompted.

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Roll Call**
4. **Approval of Agenda**
5. **Public Comment**

We now invite anyone to share their thoughts on a topic that is not on the agenda. We welcome all opinions and ideas. We appreciate you stating your name at the lectern, and please remember that personal attacks may be ruled out of order. You will have up to three minutes to comment, and we appreciate your time in coming tonight.

6. **Consent Agenda (Roll Call Required *)**

The Consent Agenda consists of items that often don't require Council discussion. These items are usually routine business, non-controversial, or have been discussed publicly in the past. These items can be approved by the Council all at once unless a Council member or a member of the public acknowledges they would like to comment or have a discussion on any of these items at this meeting. To speak on one of these items, members of the public can fill out the sign-up sheet in the Council Chambers lobby before the meeting or raise their hands in person or virtually at this time. If no one has a concern or comment on any of the consent agenda items, the Council will approve them all at the same time. Approval of the Consent Agenda constitutes approval of the following Consent Agenda items:

- 6.A. Motion to Approve March 12, 2024 Minutes.
- 6.B. Motion to Approve Bills (Warrant #51357-51436, totaling \$204,500.69).
 - a. Public Housing: \$101,098.53
 - b. Housing Choice Voucher: \$2,978.71
 - c. Jordan Tower II: \$55,014.50
 - d. Redevelopment: \$29,504.45
 - e. Small Cities: \$0
 - f. TIF: \$812.50
 - g. AHTF: \$15,092.00

7. Motions & General Business

- 7.A. Approval of the Updated EIV Policy 2024

8. Communication Items

- 8.A. Director's Report
- 8.B. Finance Report
- 8.C. Housing Report
- 8.D. Community Redevelopment Report
- 8.E. Resident Council Report
- 8.F. Hope Coalition Liaison Report
- 8.G. City Council Liaison Report
- 8.H. Announcements

The next HRA regular Board Meeting will be Tuesday, May 14, 2024 at 3:30 p.m. in the City Council Chambers.

9. Adjournment

Accommodations for signing interpreter, Braille, large print, etc. can be made. Call City Hall at 385.3600 seven days prior to the need. Hearing assistance devices are available during meetings.

Red Wing Housing and Redevelopment Authority
HRA Board Workshop Meeting
Tuesday, March 12, 2024 at 2:00 PM

Board Members Present: Board Chair, Dana Borgschatz; Commissioners: Jason Jech, Abby Villaran, Sara Hoffman, Jackie Luikart, Glen Witham, and Kristi Reuter.

Others Present: Kurt Keena, Executive Director; Jennifer Cook, Housing Director; RyAnne Schutz, Finance Administrative Assistant.

Absent:

A. Call to Order

The meeting was called to order at 2:00 p.m. by Board Chair Dana Borgschatz.

B. Workshop Purpose Statement

The Board Workshop will focus on the topic of the Red Wing Affordable Housing Trust Fund. (AHTF). Commissioners will consider a number of items related to the AHTF and provide feedback to staff. Items will include:

1. History of the AHTF and Controlling Documents
2. Advisory Committee
3. Current Uses
4. Potential and Additional Uses
5. Method of Solicitation – RFP vs. Pipeline
6. Funding Sources – Current and Future
7. Allocation of AHTF Funds
8. Annual Report

C. Communication Items

A. Keena explained the history of AHTF and how it's funded. He proposed getting rid of the Advisory Committee. Discussion was held. Keena also explained the current uses. Discussion was held about new city funds. An explanation of RFP vs Pipeline was discussed. Funding sources started with \$100K and have increased to \$125K with MHFA matching one-time competitive option may become available. The discussion was held for allocation and Keena referenced the tactical plan. Keena reported that we have not done a formal Annual Report before but will start for 2023 and ongoing. Discussion was held.

B. Announcements

The next HRA Board Meeting will be on April 9th at 3:30 p.m. in the City Council Chambers.

C. Adjourn

The meeting was adjourned at 3:16 p.m. by Board Chair Borgschatz.

Respectfully Submitted By,
RyAnne Schutz

Board Chair



Red Wing Housing and Redevelopment Authority
HRA Board Regular Meeting
Tuesday, March 12, 2024 at 3:30 PM

Board Members Present: Board Chair, Dana Borgschatz; Commissioners: Jason Jech, Abby Villaran, Sara Hoffman, Jackie Luikart, Glen Witham, and Kristi Reuter.

Others Present: Kurt Keena, Executive Director; Jennifer Cook, Housing Director; RyAnne Schutz, Finance Administrative Assistant; and Jessica Kitzmann, Senior Resident Service Coordinator.

Absent:

A. Call to Order

The meeting was called to order at 3:30 p.m. by Board Chair Dana Borgschatz.

B. Pledge of Allegiance

C. Roll Call

Roll Call was taken with all members present.

D. Approval of Agenda

A motion to approve the agenda was made by Jech and seconded by Reuter. Motion carried.

E. Public Comment

There were no public comments.

F. Consent Agenda (Roll Call Required*)

A. Motion to Approve February 2024 Regular Meeting Minutes

B. Motion to Approve Bills (Checks #51289-51356, totaling \$329,341.77)

- a. Public Housing: \$224,089.30
- b. Housing Choice Voucher: \$ 2,671.00
- c. Jordan Tower II: \$ 43,803.47
- d. Redevelopment: \$26,725
- e. Small Cities: \$0
- f. TIF: \$0

G. Motions and General Business

A. Resolution 1447-24 Approving the 2024 Annual PHA Plan

Keena explained the PHA plan and that it's routine and explained what we plan to do with the money. Cook added that about 1/3 of the CFP goes towards operations and administrations, some money for smaller projects with JI and Family Units, and some for POHP.

A motion was made to open Public Hearing for this resolution by Jech and seconded by Hoffman. All in favor. Public comment from Vicki Lambert. She asked Keena if what was discussed at the workshop affected this. Keena explained that it doesn't and that this is HUD wanting to hear from us because it's Federal Funding. AHTF is local funding. Borgschatz asked Cook if there were any emails or calls regarding this. Cook stated she went over it with Resident Council and there were no emails or calls. Motion to close the Public Hearing was moved by Reuter and seconded by Luikart. All in favor. Motion made to adopt Resolution 1447-24 moved by Reuter and seconded by Jech. Roll call was taken and all were in favor.

B. Resolution 1448-24 Approving the 2024 CFP Action Plan

Borgschatz asked for any discussion on this resolution. Cook explained this previously. Motion to open Public Hearing by Witham and seconded by Jech. All in favor. There were no public comments. Motion to close Public Hearing was made by Luikart and seconded by Villaran. All in favor. The motion to adopt Resolution 1448-24 was made by Jech and seconded by Luikart. Roll call was taken and all were in favor.

H. Communication Items

- A. Executive Director Report
Keena updated us that we have a signed budget for the HUD program with 4.7 million dollar increase in HAP and unfortunately a decrease in funding for administration. We have been notified that our request for \$175K for capital improvements for Hill Street has been included in the budget. Still working on the last \$100K that we got for the shelter property. As talked about in the past we made the big ask of \$10.5 million from POHP. We are watching 3 more things with MHFA that we will apply for and hoping for some AHTF match money. Keena discussed the proposal for a policy to make counties responsible for everybody who presents as homeless and we are watching another bill for tenant protections and worried it may affect the voucher program.
- B. Finance Report
Keena explained the changes in revenues and expenses. The audit is scheduled for the beginning of April. Looking at new medical insurance for staff. No March finance meeting.
- C. Housing Report
Cook shared that our numbers are staying steady. Talking with staff about doing a purge for the waiting list in the next month or two. HRA-owned properties are doing well with occupancy rates. The voucher program is doing well utilizing about 97% of the provided funding. We increased by one voucher on the Bridges program. Villaran stated that this is a tougher population. Bridges vouchers are more challenging to find housing for. Keena explained that he looked back and they have been sending \$17K more into our community through hard work with Jennifer and her staff. JI electrical project has a final simulated test on Thursday and should be the last outage for this project. 160 new refrigerators and 15 A/C units through a Multi-housing savings program we utilized through Xcel.
- D. Community Development Report
Keena reported that we have one Small Cities pending application with the potential for 2 or 3 more to come in. Hallstrom project closed. Alleva closed with June construction anticipated. TIF is in the final phase. GC Habitat and Hope Coalition are looking for funding. Missing Middle Housing interest and someone reached out to explore the opportunities for Red Wing. Discussion was held about Missing Middle. Witham asked about the art building.
- E. Social Services Report
Kitzmann explained who she is and what she and Tieman do. She reported Tieman received a Professional Service Coordinator Certificate. She explained that post-COVID the biggest challenge they have faced is getting people to do stuff with the residents again so they have started hosting activities like art classes. They received a grant from Goodhue County and had raised garden beds last year and are planning to switch it up this year with different vegetables. In 2023 they served 263 tenants including moving in and out, service logged was 6573 times, and 97.7 percent of the population utilized the services. Luikart, Keena, and Cook commented on how important of a role they play in the tenants' lives and how well they do. Discussion was held.
- F. Resident Council Report
Luikart reported they made it through Valentine's Day and they are having chili and music for St. Patrick's Day.
- G. Hope Coalition Report
Borgschatz reports he doesn't have anything and asked Lambert in the audience if anything to report. Villaran has decided to take on the Hope Coalition liaison role in May. Lambert reported that Salsalicious tickets are available.
- H. City Council Report
Brown was not in attendance.

I. Announcements

- a. The next HRA Board Meeting will be on April 9th at 3:30 p.m. in the City Council Chambers.

J. **Adjourn**

The meeting was adjourned at 4:18 p.m. by Board Chair Borgschatz.

Respectfully Submitted By,
RyAnne Schutz



Board Chair

Red Wing Housing & Redevelopment Authority
Checks Written Report

March 1, 2024- March 31, 2024

Payment Date	Payment Number	Payment Amount	Payee Name
3/4/2024	1352	\$50.00	Dana Borgschatz
3/4/2024	1353	\$139.26	Jennifer Cook
3/4/2024	1354	\$288.57	ESI Hosted Services
3/4/2024	1355	\$4,224.00	FileVision USA
3/4/2024	1356	\$193.10	Huebsch Laundry Co
3/4/2024	1357	\$52.92	Innovative Office Solutions, LLC
3/4/2024	1358	\$20.00	Renee LaVigne
3/4/2024	1359	\$297.95	THEIPGUYS.NET, LLC OneNet Global
3/4/2024	1360	\$200.00	Barry Preble
3/4/2024	1361	\$50.00	Kristi L. Reuter
3/4/2024	1362	\$50.00	Abby Villaran
3/4/2024	1363	\$50.00	Glen Witham
3/8/2024	1364	\$193.10	Huebsch Laundry Co
3/8/2024	1365	\$298.50	MRI Software LLC
3/14/2024	1366	\$452.64	Innovative Office Solutions, LLC
3/14/2024	1367	\$435.00	Maids in Minnesota
3/21/2024	1368	\$193.10	Huebsch Laundry Co
3/28/2024	1369	\$241.79	Carahsoft Technology Corporation
3/28/2024	1370	\$21,000.00	Community & Economic Development Assoc.
3/28/2024	1371	\$99.32	Innovative Office Solutions, LLC
3/28/2024	1372	\$44,982.50	Kirtland Electric
3/28/2024	1373	\$2,600.00	MKC Inc.
3/28/2024	1374	\$18,747.15	Minnesota Housing Finance Agency
3/28/2024	1375	\$297.95	THEIPGUYS.NET, LLC OneNet Global
3/28/2024	1376	\$30.00	Barry Preble
3/28/2024	1377	\$46.28	Shred-It USA, LLC
3/4/2024	51357	\$20.39	Ace Hardware
3/4/2024	51358	\$272.00	City of Red Wing-Other Utils
3/4/2024	51359	\$231.00	Culligan Water Conditioning
3/4/2024	51360	\$812.50	Finn Daniels Architects
3/4/2024	51361	\$200.00	Candis Fleck
3/4/2024	51362	\$150.00	Steven Gregory
3/4/2024	51363	\$500.00	Quadient Finance USA, INC
3/4/2024	51364	\$170.57	HD Supply Facilities Maintenance
3/4/2024	51365	\$50.00	Sara Hoffman
3/4/2024	51366	\$80.73	Erick Johnson
3/4/2024	51367	\$50.00	Jackie Luikart
3/4/2024	51368	\$200.00	Deborah Marson
3/4/2024	51369	\$175.05	Menards-Red Wing
3/4/2024	51370	\$150.00	Nathan Mewes
3/4/2024	51371	\$29.00	Jasmin Lane
3/4/2024	51372	\$297.29	Rebecca Labs

3/4/2024	51373	\$150.00	Corrine Stockwell
3/4/2024	51374	\$3,800.64	Visa
3/4/2024	51375	\$200.00	Leslie Wilburn
3/4/2024	51376	\$71.79	Xcel Energy
3/8/2024	51377	\$543.00	Culligan Water Conditioning
3/8/2024	51378	\$46.00	Goodhue County Recorder
3/8/2024	51379	\$4,325.00	Hawkins, Ash,CPAs, LLP
3/8/2024	51380	\$6,058.00	Housing Authority Risk Retention Group
3/8/2024	51381	\$40,218.07	Housing Insurance Services Inc.
3/8/2024	51382	\$33.87	Menards-Red Wing
3/8/2024	51383	\$615.10	James Chalmers
3/8/2024	51384	\$41.53	Runnings Farm & Fleet
3/8/2024	51385	\$1,306.88	Schumacher Elevator Company
3/8/2024	51386	\$230.00	Startech Computing Inc
3/8/2024	51387	\$60.00	Corrine Stockwell
3/8/2024	51388	\$299.16	Xcel Energy
3/14/2024	51389	\$963.36	City of Red Wing-Other Utils
3/14/2024	51390	\$450.00	Coinmach Corporation-NY
3/14/2024	51391	\$560.00	Fireline Sprinkler, LLC
3/14/2024	51392	\$92.00	Goodhue County Recorder
3/14/2024	51393	\$389.66	Hiawatha Broadband
3/14/2024	51394	\$636.88	HD Supply Facilities Maintenance
3/14/2024	51395	\$2,628.39	Steve Junge Installations, Inc
3/14/2024	51396	\$3.79	Menards-Red Wing
3/14/2024	51397	\$93.93	The Sherwin Williams Co
3/14/2024	51398	\$540.00	Startech Computing Inc
3/14/2024	51399	\$178.75	Vickis Foot and Nail Care PLLC
3/21/2024	51400	\$221.91	City of Red Wing-Other Utils
3/21/2024	51401	\$533.87	Coinmach Corporation-NY
3/21/2024	51402	\$1,820.95	Directv
3/21/2024	51403	\$969.55	Finn Daniels Architects
3/21/2024	51404	\$18.45	HD Supply Facilities Maintenance
3/21/2024	51405	\$978.04	Keys Etc Locksmith Service
3/21/2024	51406	\$604.96	Menards-Red Wing
3/21/2024	51407	\$2,535.15	Mutual of Omaha
3/21/2024	51408	\$125.00	Tom Parker Electric, Inc.
3/21/2024	51409	\$536.00	Red Wing Plumbing & Heating
3/21/2024	51410	\$1,845.00	Stortz Satellite
3/28/2024	51411	\$250.00	American Assoc of Service Coordinators
3/28/2024	51412	\$30.00	Irene Alger
3/28/2024	51413	\$20.00	Joanne Bundy
3/28/2024	51414	\$32.00	City of Red Wing-Other Utils
3/28/2024	51415	\$0.00	Void / City of Red Wing-water & sewer
3/28/2024	51416	\$0.00	Void / City of Red Wing-water & sewer
3/28/2024	51417	\$13,005.35	City of Red Wing-water & sewer
3/28/2024	51418	\$320.35	Culligan Water Conditioning
3/28/2024	51419	\$576.96	Cummins NPower

3/28/2024	51420	\$30.00	Jeanelle Fosberg
3/28/2024	51421	\$100.00	Patrick Garza
3/28/2024	51422	\$10.50	Goodhue County Public Works
3/28/2024	51423	\$20.00	Todd Hallahan
3/28/2024	51424	\$425.00	P Hanson Marketing Inc
3/28/2024	51425	\$30.00	Cheryl Lund
3/28/2024	51426	\$50.87	Marco Technologies LLC
3/28/2024	51427	\$747.89	Menards-Red Wing
3/28/2024	51428	\$30.00	Romelia Moreno
3/28/2024	51429	\$239.00	Nan McKay & Assoc.
3/28/2024	51430	\$10.00	Christine Radtke
3/28/2024	51431	\$365.92	O'Rourke Media Group
3/28/2024	51432	\$30.00	Barbara Rietmann
3/28/2024	51433	\$30.00	Linda Rowan
3/28/2024	51434	\$30.00	Joyce Thompson
3/28/2024	51435	\$30.00	Betty Twitchell
3/28/2024	51436	\$14,740.51	Xcel Energy

\$204,500.69



Red Wing Housing & Redevelopment Authority

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April 9, 2024

To: Red Wing HRA Board of Commissioners
From: Jennifer Cook, Housing Director
RE: Approval of the Updated Enterprise Income Verification (EIV) Reporting & Resident Monitoring Policy 2024

Background

The Enterprise Income Verification (EIV) System is a web-based computer system that contains employment and income information of individuals who participate in HUD rental assistance programs. All Public Housing Agencies (PHAs) are required to use HUD's EIV System. Overall, the purpose of EIV is to identify and prevent fraud within HUD rental assistance programs.

The information in EIV is used by PHAs for the following purposes: confirm name, date of birth, and social security number; verify reported incomes sources; confirm participation in only one HUD rental assistance program; confirm if any outstanding debt to a PHA; confirm any negative status if moved out of subsidized unit; and to follow up with emergency contact regarding deceased household members.

There are a variety of reports that are run at different times of a resident's tenancy. Some are to provide information about past or current HUD housing assistance. Other reports are to look at income sources and continued compliance with the program.

EIV Policy

The Red Wing HRA last reviewed and revised the EIV Policy in 2022. The EIV Policy pertains to the Public Housing Program, Multi-family Program, and the Housing Choice Voucher Program. Staff run the reports as required by the policy to ensure continued compliance by all participants.

The EIV policy covers EIV access, EIV master files, and EIV security. The main revisions to the policy are due to the Housing Opportunity through Modernization Act of 2026 (HOTMA) compliance requirements. HUD published the final rule for HOTMA in the Federal Register on February 14, 2023. HUD has begun to send out notices on how to implement the different regulations from the final rule.

Attachment: Red Wing HRA EIV Reporting & Resident Monitoring Policy
EIV Policy Checklist HOTMA

Recommendation

Staff recommends to the HRA Board of Commissioners to approve the revisions to the EIV Reporting & Resident Monitoring Policy 2024.

EIV Policy Checklist HOTMA

USE OF EACH REPORT

EIV Reports are used for HUD purposes only.

APPLICATION

Existing Tenant Search – Requirements did not change with HOTMA. .

MASTER FILES

Identity Verification Reports - Requirements did not change with HOTMA.

Deceased Tenant Report - Requirements did not change with HOTMA. .

Multiple Subsidy Report - Requirements did not change with HOTMA. .

New Hires Report - Requirements changed with HOTMA.

- Must be reviewed at least quarterly and stored as part of the Master File.
- Owner/agents may review more frequently only if they have established a written policy to do so.
- Must be reviewed when conducting AR interviews unless OA used Means-tested verification when determining income for the most recent certification (NEW).
- Owner/agents that do not require families to undergo Interim Recertification (IRs) for earned income increases after submitting an IR to decrease earned income do not need to review this report at all between a family's Annual Recertification. If the owner/agent's policy is to require an IR for increases in earned income after submitting an IR to decrease earned income, then the owner/agent must review the report quarterly after submitting an IR to decrease earned income. (NEW).

REPORTS REVIEWED WHEN CERTIFYING OR RECERTIFYING

Income Summary Report - Requirements changed with HOTMA.

- The Income Summary Report is reviewed at AR. HUD used to require review of this report only until all household members' Personal Identifiers have been verified but that language is no longer included in HUD's instruction.
- Owner/agents are no longer required to review this report when creating an IR. (NEW).
- Personal Identifiers are Last Name, SSN, and Birth Date.
- For HUD programs, owner/agents may, but are not required to, use the Income Summary Report as verification of the SSN for the tenant file and the owner/agent may remove previously used verifications such as the SS Card.

Income Report (Income Detail) - Requirements changed with HOTMA.

- The Income Report is reviewed at AR.
- Owner/agents are no longer required to review this report when creating an IR. (NEW).
- Owner/agents may use this report to verify any income shown on the report when paired with self-certification. (NEW).
- Residents should indicate that the report is correct when using the report to verify specific information (or disagree if that is appropriate) (NEW).
- Owner/agents **are not** required to use the report when creating the Annual Recertification if they used Means-tested verification to determine the family's income for the current certification. (NEW).
- OAs are required to review the report 120 days after submission of the MI/IC transaction. Additional Requests for clarification have been submitted to HUD. (NEW – changed from 90 days)

Income Discrepancy Report - Requirements changed with HOTMA.

- Owner/agents may discontinue use of the EIV Income Discrepancy Report once site software has been updated and residents have signed the new lease. (NEW).
- Because the report is designed to detect discrepancies related to a \$200 income variance, it is no longer valid under HOTMA.
- The report will have to be updated (or hopefully eliminated) before the data provided is meaningful.
- Once the report has been modified, the Income Discrepancy Report will be reviewed at AR.
- Owner/agents are no longer required to review this report when creating an IR. (NEW).
- Owner/agents **are not** required to use the report when creating the Annual Recertification if they used Means-tested verification to determine the family's income for the current certification. (NEW).
- OAs are required to review the report 120 days after submission of the MI/IC transaction. Additional Requests for clarification have been submitted to HUD. (NEW – changed from 90 days)

MISCELLANEOUS REPORTS

No Income on 50059 – Requirements did not change with HOTMA.

No Income from HHS or SSA – Requirements did not change with HOTMA.

RECORDKEEPING

Requirements did not change with HOTMA.



*Red Wing Housing and
Redevelopment Authority*

**EIV Reporting &
Resident Monitoring
Policy**

Updated: April 9, 2024

EIV Reporting & Resident Monitoring Policy

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EIV Reporting & Resident Monitoring Policy

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EIV Reporting & Resident Monitoring Policy

Use of EIV Reports reduces the overall burden of verification of income claimed by residents. The reports provided through EIV are to be used for applicable HUD programs only as described in this policy. The HUD programs applicable to this policy are Public Housing, Housing Choice Voucher, and Multifamily. Under no circumstances will EIV be used as a tool to verify information or monitor compliance for other programs such as HOME, Tax Credits (Section 42) or Rural Development (515).

EIV ACCESS:

EIV reports will be produced and reviewed by staff responsible for:

- HUD eligibility determination
- HUD discrepancy analysis
- HUD compliance monitoring
- HUD compliance training

Reports will be produced, secured and stored in accordance with this policy.

When information in EIV indicates potential errors in the eligibility determination or assistance calculation, documentation of the investigations of such errors will be stored, as appropriate, in:

- The property's EIV Master File (electronic or paper)
- The resident/applicant file (electronic or paper)

RELEASE TO REVIEW EIV INFORMATION

Owner/agents will require that all adult household members review and sign HUD Forms at move-in, initial certification and at all Annual Recertifications. HUD Form will be signed by:

- The head-of-household, co-head and any spouse regardless of age
- All adult household members
- Any adult household members added to the unit
- Any household member who turns 18.

Residents are not required to report when a family member turns 18 years of age between annual recertifications. The resident, who turned 18 years of age, must sign the consent form(s) and other paperwork at the household's next recertification. If resident fails to sign these forms, the household would be in non-compliance with their lease and the tenancy of the household may be terminated in accordance with HUD guidelines.

If an adult household member is added in between certifications (Interim Recertification) then the new household member will sign the HUD Form and lease paperwork before being added to the household.

REPORT REVIEWED DURING THE FINAL ELIGIBILITY REVIEW

Currently, there is only one EIV report available that provides information about *applicants*. This is the *Existing Tenant Search*. The owner/agent will review this report before any new household or new resident is approved.

EIV Reporting & Resident Monitoring Policy

EXISTING TENANT SEARCH

All applicants **MUST** disclose if they are currently receiving HUD housing assistance. This rule applies to all new households and to new members of an existing household. The owner/agent will not knowingly assist applicants who will maintain a residence in addition to the HUD-assisted unit. The *Existing Tenant Search* provides the owner/agent with information about an applicant's current status as a HUD housing assistance recipient.

Note: If a household member is exempt from the Social Security Number disclosure requirement, a note will be made in the applicant/resident file. No Existing Tenant Report is available in EIV.

The owner/agent will use the *Existing Tenant Search*, before move-in, to determine if the applicant or any new member of the applicant household (including minors) may be receiving HUD assistance. This applies to all household members including live-in aides and foster children/adults. The report will be maintained in the applicant/resident file in accordance with HUD's recordkeeping requirements.

Since the applicant is required to provide current landlord information, the owner/agent should be aware of any current HUD housing assistance. Nothing prohibits a HUD housing assistance recipient from applying to this property. However, the applicant must move out of the current property and/or forfeit any HUD voucher before HUD assistance on this property will begin. Special consideration applies to:

- Minor children where both parents share 50% custody
- Applicants who are part of a "split" household or a "swap" household

The report gives the owner/agent the ability to coordinate move-out and move-in dates with the resident and the PHA or owner/agent of the property at the other location. The owner/agent will follow-up with the respective PHA or owner/agent to confirm the individual's program participation status before admission. In addition, applicants will be notified that assistance will not be provided in the new unit until the day after assistance stops in the residence identified in EIV.

If the applicant or any member of the applicant household fails to fully and accurately disclose receipt of HUD assistance or rental history on the application, the entire applicant family will be rejected and the applicant family will be removed from the waiting list.

If the owner/agent discovers a discrepancy between the information on the application and the information provided by EIV, the applicant will be notified and will have ten (10) **business days** to respond to the inquiry

Failure to respond to owner/agents' requests for additional information and/or providing false or incomplete information will result in rejection and removal from the waiting list in accordance with the property's current resident selection plan. Unintentional errors that do not cause preferential treatment will not be used as a basis to reject and applicant.

EIV Reporting & Resident Monitoring Policy

THE EIV MASTER FILE – COMPLIANCE REPORTING

Certain EIV reports must be produced and reviewed on a regular basis. These reports allow the owner/agent to monitor residents' compliance with reporting requirements. These reports are:

- The Failed Pre-Screening Report
- The Failed Verification Report
- The Multiple Subsidy Report
- The Deceased Tenant Report
- The New Hires Report

The owner/agent will also review the *Pending Verification Report* each month to see if any household members are still Pending Verification. Because this report contains information about multiple households, the owner/agent will maintain copies of this report in the Master File.

If EIV is not used as indicated in this policy because the resident is still "Pending Verification" then a note will be included in the resident file and reviewers can cross-reference information in the Master File for three years.

The owner/agent will also use the Master File to store reports used to monitor residents who report zero income for an entire household:

- No Income on 50058/50059 Report
- No Income from SSA or HHS Report

RECORDKEEPING – MASTER FILE

The EIV Master File reports will be maintained in the property EIV Master File.

The owner/agent will also maintain detailed information about discrepancy investigation and resolution. This includes notices, notes, verification documents and corrected certifications. This detailed information will be maintained in the resident file.

The Master Files will be purged after three years in accordance with HUD's current data purge/destruction policies.

ADDRESSING DATA ENTRY ERRORS – MASTER FILE

The owner/agent will review the resident file to determine if a simple data entry error caused any discrepancy indicated on a Master File report. If the owner/agent discovers a data entry error, the corresponding certification will be corrected.

The corrected certification(s) must be signed by all adult household members, as specified by HUD, and the new, corrected, signed certification will be transmitted to the Contract Administrator and/or HUD

EIV Reporting & Resident Monitoring Policy

FAILED EIV PRE-SCREENING AND FAILED VERIFICATION REPORTS

Failed Pre-Screening Reports indicate that SSA information provided on HUD Form failed some level of edit. This report will be produced and reviewed each month.

Failed Verification Reports identify household members who failed the SSA identity match due to invalid personal identifiers. This report will be produced and reviewed each month.

- Incorrect Social Security Number and/or
- Incorrect Date of Birth and/or
- Incorrect Last Name

Since Social Security identification discrepancies can impact program eligibility, the owner/agent will maintain detailed information about discrepancy investigation and resolution. Detailed information will be maintained in the resident file.

Usually, failed identification reports are returned when there are data entry errors. However, other factors can create errors.

Resident Who are Exempt from the Social Security Number Disclosure Requirements

There are certain cases where household members are exempt from disclosing and providing verification of an SSN:

- Residents who were 62 years of age or older as of January 31, 2010 and whose initial determination of eligibility was begun before January 31, 2010; and
- Individuals who do not contend eligible immigration status
- Existing households who add a child under the age of 6 (Household will have 90 days to provide a Social Security Number and adequate documentation to verify that Social Security Number. An additional 90 days will be granted under certain circumstances as provided by HUD)
- Foster children when:
 - The foster agency will not disclose the SSN or required documents and;
 - The owner/agent receives approval from HUD
- Applicant households who add a child under the age of 6 no more than six months prior to move-in (Household will have 90 days to provide a Social Security Number and adequate documentation to verify that Social Security Number. An additional 90 days will be granted under certain circumstances as provided by HUD)

In these cases, the owner/agent will note when the discrepancy was reviewed and that the resident is exempt from the SSN disclosure requirement.

Note: Because these household members cannot be verified by the Social Security Administration, no income information is provided by SSA or HHS. It is understood that the owner/agent will be unable to use EIV to monitor or verify compliance using the EIV reports.

Meeting with the Resident – Failed Pre-Screening or Failed Verification

If the cause of the discrepancy cannot be identified after a simple file review, the owner/agent will contact the affected resident and notify him/her that the Social Security Administration is indicating discrepancies related to the Social Security Number, date of birth and/or last name. The resident will

EIV Reporting & Resident Monitoring Policy

have ten (10) **calendar days** to respond to the notice. Failure to respond will result in termination of assistance and/or tenancy as appropriate.

During the meeting, the owner/agent will discuss the discrepancy with the resident. In some cases, the owner/agent may request additional verification of the information provided. The owner/agent has the right to determine the veracity of the verification documents provided.

Addressing Valid Discrepancies – Failed Pre-Screening or Failed Verification

If the information provided by the resident was inaccurate, the owner/agent will issue a notice of lease violation and begin the process to re-evaluate eligibility and assistance. The owner/agent will attempt to recover improper payments. If the assistance provided was incorrect, the owner agent will:

- Create/correct appropriate certifications and
- Request all “improper payments” be returned to HUD

If the resident is deemed ineligible, refuses to sign the verification documents or attempts to refuse to return improper payments, the owner/agent will take appropriate action which may include, but is not limited to, termination of assistance, termination of tenancy and pursuit of fraud.

Unintentional errors that do not cause preferential treatment will not be used as a basis to terminate tenancy.

Invalid Data in EIV – Failed Pre-Screening or Failed Verification

If the resident claims that the information provided by EIV is not accurate, the owner/agent and the resident will work together to obtain the necessary documentation to ensure the information provided on the certification is accurate. If necessary, the resident must assist the owner/agent in efforts to obtain verification of the information provided. The owner/agent will also document efforts to communicate that the resident should attempt to resolve the discrepancy with the Social Security Administration.

In these cases, the owner/agent will note when the discrepancy was reviewed and that existing verification documents support the information submitted on the resident’s certification. No additional action is required.

DECEASED TENANT REPORT

This report identifies residents whose certification information is recorded in HUD as existing/active residents and who have been identified by SSA as deceased. This report will be produced and reviewed each month.

Addressing Valid Discrepancies – Deceased Tenant

If the resident is deceased and the household consists of multiple members and other members of the household failed to report as required by the lease, the owner/agent will issue a notice of lease violation and begin the process to re-evaluate eligibility, tenant rent, improper payments and potentially terminate tenancy.

The owner/agent will verify the date of death, determine eligibility of remaining household members, re-calculate assistance and create an appropriate certification to update the household composition. The

EIV Reporting & Resident Monitoring Policy

owner/agent will refer to HUD instruction provided in HUD Handbook and appropriate HUD Notices when working with the remaining household members and creating certifications. Any improper payments must be returned to HUD.

In the case where the deceased resident is the sole member of a household, the owner/agent will process a move out in accordance with the HUD regulations.

If the *Deceased Tenant Report* provides information for a resident who has already been removed from the household via an Interim Recertification/Annual Recertification or who has been removed via a Move-out Certification, the owner/agent will note that the Move-out Certification or Interim Certification has been submitted.

Meeting with the Resident – Deceased Tenant

If there is more than one household member and the reason for the discrepancy cannot be identified, the owner/agent will contact the affected resident/remaining household members about the discrepancy. The resident will have ten (10) calendar days to respond to the notice. The owner/agent will confirm that the resident has passed away.

In the case of a sole household member, the owner/agent will take necessary steps to investigate the discrepancy in EIV.

Invalid Data in EIV – Deceased Tenant

If the owner/agent verifies that the resident is not deceased, the owner/agent will note the file and encourage the resident to contact the SSA to get the discrepancy resolved. In some cases, the owner/agent may opt to waive Minimum Rent if financial assistance is temporarily terminated.

The owner/agent may review the *Income Report* when investigating to see if the *Income Report* indicates that Social Security Benefits have stopped. This may also be done for verification of the need for a Hardship Exemption.

NEW HIRES REPORT

The New Hires Report provides employment information for residents who may have started new jobs. This report will be produced and reviewed each month. This report must be reviewed when conducting AR interviews unless OA used Means-tested verification when determining income for the most recent certification.

The owner/agent will not deny, suspend, or reduce any benefits of a resident until HUD or the owner has taken appropriate steps to independently verify information relating to:

- The amount of the wages, other earnings or income, or unemployment compensation involved;
- Whether such resident actually has (or had) access to such wages, other earnings or income, or benefits for his or her own use; and
- The period (or periods) when, or with respect to which, the resident actually received such wages, other earnings or income, or benefits.

EIV Reporting & Resident Monitoring Policy

Requirement to Report – New Hires

If the household member identified in EIV's *New Hires Report* was previously employed, the owner/agent will contact the resident to remind the resident of his/her reporting requirement. The resident will be asked to make an appointment to discuss the change and determine if any adjustment to assistance is required.

If the OA policy is to require an IR for increases in earned income after submitting as IR to decrease earned income, then the OA must review the report monthly after submitting an IR to decrease earned income.

Meeting with the Resident – New Hires

If the owner/agent suspects there is undisclosed new employment, the household will be provided with a notice, in accordance with HUD Handbook. The household will be required to meet with the owner/agent within 10 calendar days or face termination.

During the meeting, the resident will be asked if the information in EIV is accurate. The resident will be required to sign appropriate verification forms so that the hire date and income information can be verified with the employer.

Addressing Valid Discrepancies - Resident Failure to Report as Required – New Hires

If the owner/agent discovers there is undisclosed new employment, the owner agent will:

- Provide Notice of Lease Violation
- Correct and/or create appropriate certifications

If necessary, a new or corrected certification will be created.

In these cases, the owner agent will require all “improper payments” be returned to HUD as appropriate.

Action will be taken based on the owner/agent's policy and procedure regarding lease violations.

If the resident refuses to participate in the certification process, refuses to sign the verification documents or attempts to refuse to return improper payments, the owner/agent will take appropriate action up to and including termination of assistance and/or tenancy and pursuit of fraud.

Invalid Data in EIV – New Hires

If the resident claims that the information is invalid, the resident must sign appropriate verification forms. The resident must self-certify that the employer and employment information displayed in EIV is invalid and has been wrongly attributed to his or her personal identifiers (SSN, Last Name, and DOB).

The owner/agent will contact the employer listed in EIV to verify the information provided by the resident. There may be cases where attempts to verify the EIV data is unsuccessful. In these cases, the owner/agent will attempt alternative verification as indicated in HUD Handbook and current HUD guidance.

There can be several valid causes for errors that would preclude any action:

EIV Reporting & Resident Monitoring Policy

- Human error
- System Error (SSA/SSI/EIV/HHS)
- Identity Theft - If there is suspicion of identity theft, the resident will be advised to contact the appropriate agency and begin the process of reporting suspected identify theft.

The resident will be advised to contact the third-party income source(s), to have that employer remove the invalid income information from his or her records. The resident will also be advised of the risk of identity theft and will be provided with information to investigate and report identity theft.

MULTIPLE SUBSIDY REPORT

The *Multiple Subsidy Report* provides information about residents living in your community who appear to be receiving subsidy at another property. The *Multiple Subsidy Report* will be produced and reviewed each month in the PH and Multi-Family programs. This report will be reviewed on a quarterly basis for the Housing Choice Voucher program.

There are situations where a dual assistance is allowed (See HUD's Guidance).

- A minor may reside in two different HUD assisted units if two parents live in separate HUD assisted units and share custody of the minor.
- When households "split" (one household member remains in a unit and other household members move to a new unit), there may be a required notification period that prevents the owner/agent from removing a resident until the notice has been executed.
- In addition, a resident receiving housing assistance that does not include subsidy, such as a 236 property, may also benefit from HUD's tenant-based voucher programs.

If any household member received or attempted to receive assistance in another HUD assisted unit while receiving assistance on this property, the household member will be required to reimburse HUD for any improper payments. Failure to return improper payments is considered a lease violation and may result in penalties up to and including eviction and pursuit of fraud charges.

Meeting with the Resident – Multiple Subsidy

If a resident appears on the *Multiple Subsidy Report* and the resident appears to be violating HUD's rules regarding dual subsidy or multiple residences, the household will be sent an appropriate notice. The resident will have ten (10) calendar days to respond to the notice. The household will be required to meet with the owner/agent or face termination and/or eviction as appropriate.

During the meeting, the resident will be asked if the information in EIV is accurate.

The resident will be required to sign appropriate verification forms so that the residency information can be verified with the landlord indicated in EIV.

Addressing Valid Discrepancies - Resident Non-compliance – Multiple Subsidy

If necessary, a new or corrected certification will be created. The resident will be required to return to HUD any improper payments. In these cases, the owner agent will:

- Provide Notice of Lease Violation
- Correct and/or create appropriate certifications

EIV Reporting & Resident Monitoring Policy

The owner/agent will work with the resident and any other owner/agent indicated in EIV to get the error resolved. Action will be taken based on the owner/agent's policy and procedure regarding lease violation.

If the resident refuses to participate in the certification process, refuses to sign the verification documents or attempts to refuse to return improper payments, the owner/agent will take appropriate action up to and including termination of assistance and/or tenancy and pursuit of fraud.

Invalid Data in EIV – Multiple Subsidy

If the resident claims that the information is invalid, the resident must sign appropriate verification release forms. The resident must certify that the provider displayed in EIV is invalid and has been wrongly attributed to his or her personal identifiers (SSN, Last Name, and DOB). The owner/agent will contact the landlord listed in EIV to verify the information provided by the resident. There may be cases where attempts to verify the EIV data is unsuccessful.

If the property listed in EIV is a former residence, the resident may be asked to provide documentation of move-out if that information is not already included in the resident file.

There can be several valid causes for errors that would preclude any action:

- Human error
- System Error
- Identity Theft - If there is suspicion of identity theft, the resident will be advised to contact the Department of Justice and begin the process of reporting suspected identify theft.

The resident will be advised to contact the landlord indicated in EIV and if unsuccessful, contact the local Contract Administrator or local HUD office to have that landlord or agency remove the invalid income information from his or her records. The resident will be asked to provide copies of correspondence with the landlord indicated in EIV.

ZERO INCOME HOUSEHOLDS

All households (not necessarily individual residents) claiming zero income (except those with a known Hardship Exemption) will be required to report to the owner/agent every 90 days in order to participate in an income review. These income interviews will be scheduled quarterly and a notice will be sent to the household notifying them of the date and time of the meeting.

When an entire household claims zero income, each adult household member must complete the Zero Income Questionnaire.

No Income on 50058/50059 Report and No Income from HHS or SSA Report

The *No Income on certification Report* will be used to provide a list of residents who must participate in the quarterly meeting. This report will be maintained in the Master File.

The *No Income from HHS or SSA Report* will be reviewed quarterly for resident households (not necessarily individual residents) who claim zero income on the certification. If any zero income household member does not appear on this report, the owner/agent will investigate why. Documentation of use of this report will be in the Master File.

EIV Reporting & Resident Monitoring Policy

REPORTING POST MOVE-IN/INITIAL AND AT ANNUAL & INTERIM CERTIFICATION

Aside from the reports previously mentioned, EIV income reports will be reviewed for each resident household as part of the recertification process. The reports reviewed during recertification include:

- The *Income Reports (Income Summary and Income Detail)*
- The *Income Discrepancy Report*

The reports will be produced as part of the following certification processes:

- **Annual Recertification** - No more than 120 days before the effective date of an Annual Recertification
- **Initial Certification** – if available (as in the case of a 236 resident starting to receive Section 8 assistance on the same property), the owner agent will review income information provided by EIV when preparing the household's certification
- **Household Split and Household Swap** – the owner/agent will use EIV for verification, as described, when an existing member moves to another unit on this property or to a unit on a property owned or managed by the owner/agent
- **Post Move-in:** the owner/agent will review income information within 120 days of submission of any move-in or initial certification in order to quickly identify any potential discrepancies that may affect the household's assistance payments. The owner/agent will also review this report when an existing tenant add a household member. The report will be reviewed within 120 days of transmission of the certification adding the household member.

NO DATA FOUND IN EIV

If there is no income information for a resident/household, the owner/agent will check the *Identity Verification/Pending Verification Report* to see if the household is still pending verification by the Social Security Administration. If this is the case, the owner/agent will note that the household was pending verification.

The report and appropriate documentation will be maintained in the resident file. The owner/agent will not “go back” later to review information. *Income Reports* and the *Income Discrepancy Report* will be reviewed at the next certification as described in this policy. No additional action will be taken until the next Interim or Annual Recertification.

Because the *Pending Verification Reports* contain information for multiple households, this report is maintained in the Master File.

If EIV generates an error “*No data found in EIV*”, the owner/agent will access the certification query to make sure the most recent certification has been received. If the certification is missing, the owner/agent will re-submit the certification through the Contract Administrator or HUD as appropriate.

If the certification has been recorded in TRACS/PIC, the owner/agent will maintain the report with the appropriate message and note that information is not available in EIV. Traditional verification methods discussed in HUD Handbook will be used to verify information included on the certification.

EIV Reporting & Resident Monitoring Policy

INCOME SUMMARY REPORT

When reviewing the income reports within 120 days of submission of the move-in and at AR, the owner/agents will review the *Income Summary Report*. This report provides a summary of household information from the current, active certification in the EIV file.

- To validate a resident's SSN
- To review and resolve discrepant or invalid personal identifiers of tenants with a "failed" or "deceased" status
- OA may use this report to verify any income shown on the report when paired with self-certification.
- Residents should indicate that the report is correct when using the report to verify specific information (or disagree if that is appropriate)
- OA are not required to use the report when creating the AR if they used Means-tested verification to determine the family's income for the current certification.

The report provides Identity Verification Status by indicating that the residents' personal identifiers:

- Have not been sent by HUD to SSA for validation or have not yet been matched by SSA for validation – "Not Verified"
- Do not match the SSA database – "Failed"
- Indicate the person is deceased – "Deceased"
- Match the SSA database - "Verified"

If the *Income Summary Report* indicates that a household member is "Not Verified", this means that the resident's personal identifiers have not been forwarded to the Social Security Administration for verification. This could be a timing issue if this is a new resident.

The owner/agent will check the Identity Verification status and review the *Failed Pre-Screening Report* and *Pending Verification Report* to see if the resident failed the "basic" test. Since no income information is available until a resident is verified, the *Income Summary Report* will be retained in the resident file and HUD's approved verification methods will be used to verify information provided by the resident.

If there is no error indicated in the *Failed Pre-Screening Report*, the owner/agent will note the resident file. Since the *Failed Pre-Screening Report* includes names of members of other households, a copy of the *Failed Pre-Screening Report* will not be retained as part of the resident file and HUD's approved verification methods will be used to verify information provided by the resident. Reviewers can access copies of *Failed Pre-Screening Reports* in the Master File.

If the *Income Summary Report* indicates that a household member "Failed Verification", the owner/agent will check the *Identity Verification* status and review the *Failed Verification Report* to see a description of the error.

Appropriate steps will be taken to address the error. Since no income information is available until a resident is verified, the *Income Summary Report* will be retained in the resident file and HUD's approved verification methods will be used to verify information provided by the resident.

If there is no error indicated in the *Failed Verification Report*, the owner/agent will make a note on the *Income Summary Report* retained in the resident file.

EIV Reporting & Resident Monitoring Policy

If the *Income Summary Report* indicates that a household member is “Deceased”, the owner/agent will check the *Deceased Tenant Report* to obtain more information about the reported death. Appropriate steps will be taken based on the circumstances. Since no income information is available until a resident is verified, the *Income Summary Report* will be retained in the resident file and HUD’s approved verification methods will be used to verify information provided by the resident.

If there is no error indicated in the *Deceased Tenant Report*, the owner/agent will make a note on the *Income Summary Report* retained in the resident file.

INCOME DETAIL REPORT

The *Income Detail Report* will be used to verify certain income, expense and employment information as specified in this document. This report will be used as the preferred electronic third-party verification resource for this purpose per HUD’s instruction.

SOCIAL SECURITY BENEFITS

Social Security information provided by EIV includes:

- SSA
- SSI
- Dual Entitlement
- Medicare Part B Premium
- Disability Onset (*not to be used for HUD eligibility purposes*)

Using the EIV Printout as 3rd Party Verification of Social Security Income

For HUD programs, *Income Detail Reports* will be used as third-party verification of Social Security income and Medicare Part B expenses unless:

- EIV is not available
- There is no information in EIV
- The resident disputes the income information provided
- The income information is incomplete and missing information would affect the assistance calculation

If the Social Security information in EIV agrees with the amount that the resident reports, the owner/agent will use the EIV report as third-party verification of Social Security income and Medicare Part B expenses. No additional verification is required. This information will be maintained in the resident file for the term of tenancy plus three (3) years after tenancy ends.

In some cases, the owner/agent uses EIV to verify information but may have collected a benefit/award letter from the resident at the recertification interview. If the benefit/award letter is in the resident file and includes cents, but EIV information does not include cents, the EIV information will be used as the verification resource for HUD programs (without the cents).

If information is not available in EIV, the owner/agent will use either:

- A current benefit letter provided by the Social Security Administration or by the resident.

EIV Reporting & Resident Monitoring Policy

Benefit/award letters must be no more than 120 days old from the date of receipt. The owner/agent will collect the current benefit letter within 120 days of the Effective Date of the certification.

Because the COLA increase is usually not known when the OA creates certifications for the first quarter, the owner/agent has adopted the following policy.

The OA will verify Social Security income using EIV when information is available.

Incorporating the Cost of Living Adjustment (COLA) Increase

The SSA Cost Of Living Adjustments (COLAs) are not included in EIV until December 31. According to HUD instruction, when processing Annual Certifications effective January 1, February 1, March 1, and April 1, the owner/agent may:

- Use the benefit information reported in EIV that does not include the COLA as third-party verification as long as the income data in EIV agrees with the income the resident reports he/she is receiving. (Request a current Award Letter when the income in EIV does not agree with the income the resident reports he/she is receiving, or the resident disputes the EIV data)
- Use the Award Letter provided by the resident if the resident has received his/her Award Letter that includes the COLA adjustment
- Determine the resident's income by applying the COLA increase percentage to the benefit amount in the Award Letter for the current award year or by applying it to the benefit reported in EIV that does not include the COLA

For certifications effective between January 1 and April 1, the owner/agent will determine the resident's income by applying the COLA increase percentage to the benefit amount in the Award Letter for the current award year or by applying it to the benefit reported in EIV that does not include the COLA. After April 1, the owner/agent will ensure that any COLA increase is included in the Social Security Income Amount.

Alternatively, when Social Security income information is not available in EIV or if the COLA increase is not reflected in EIV, the owner/agent will use either:

- Streamlined Verification of fixed income as appropriate; or
- A current benefit letter provided by the Social Security Administration or by the resident; or
- Verification provided directly from SSA such as information from the mySSA.gov web site.

Including the Medicare Part B Deduction in the Assistance Calculation

If the resident agrees, the Medicare Part B premium will be used as part of the Medical Expense Deduction when an "N" is indicated in the "Buy-in" column and if there is a date under Buy-in Stop Date".

When the Medicare premium is being paid by the state or another entity, there will be a "Y" in the Buy-in column with a corresponding "Buy-in Start Date". In these cases, the Medicare Part B amount will not be used to calculate the Medical Expense Deduction.

Addressing Unexplained Social Security Deductions

While the SSA provides information on Medicare premiums, it does not provide information on additional deductions such as Medicare Part D (prescription drugs) premiums, Repayment Agreement information or garnishments.

EIV Reporting & Resident Monitoring Policy

If there is an unexplained difference between the gross benefit and the net payment, the owner/agent will ask the resident to disclose any deductions from their SSA benefits. When necessary, the owner/agent will request that the resident obtain a current Award Letter from SSA to verify these amounts.

For example, if the resident is paying his/her Medicare premium and the difference between the gross and net SS benefit exceeds the amount of the Medicare premium, the owner/agent will:

- Discuss this with the resident
- Determine the reason for the difference and
- Obtain additional verification to support any of the deductions that may affect the resident's income or allowable expenses

According to HUD instruction, it is up to the owner/agent to determine whether additional verification is necessary. In consideration of this, the owner/agent will only require additional verification if the unexplained difference can affect the Assistance Payment calculation.

Obtaining Alternative/Additional Verification of Social Security Income

If the information in EIV does not agree with the amount that the resident reports he/she receives or when the resident disputes the EIV data, the owner/agent will use either:

- Streamlined Verification of fixed income as appropriate; or
- A current benefit letter provided by the Social Security Administration or by the resident; or
- Verification provided directly from SSA such as information from the mySSA.gov web site.

Residents who need to request a current Award Letter may contact SSA by calling 1-800-772-1213 (TTY 1-800-325-0778) or by requesting it over the internet at:

https://www.ssa.gov/myaccount/?gclid=EA1aIQobChMIyPui24-n6gIVuey1Ch1Q7QTzEAAYASAAEgJ5JvD_BwE .

If the owner/agent finds it necessary to use some other alternative form of verification, e.g., oral verification, it may be necessary to use more than one document for verification. See HUD Handbook.

HHS NDNH - WAGE AND UNEMPLOYMENT COMPENSATION

EIV identifies all adult household members and provides wage and unemployment benefits for all active adults who:

- Are at least 18 years of age (except live-in aides)
- Are Active in TRACS/PIC
- Are Verified in EIV

EIV provides wage and unemployment benefit data contained in the National Directory of New Hires (NDNH) maintained by the Department of Health and Human Services (HHS). EIV retains NDNH employment and income data for a resident for at least two years.

EIV Reporting & Resident Monitoring Policy

Employment & Employment Income Verification

EIV will be used to verify a resident's employment. If information provided by the resident matches the employment information on the *Income Detail Report*, this is considered third-party electronic verification of employment.

The owner/agent understands that the EIV System does not provide "real-time" information. There is a delay between the time income is earned and the time income is reflected in EIV. Because of this, the NDNH income information in EIV will **not** be used to verify the resident's projected income except in specific cases (irregular income).

The owner/agent will obtain additional, more current, verification documentation from the resident (e.g. the most recent, concurrent 4 to 6 pay stubs, unemployment benefit information, payroll summary, etc.) in accordance with the most current HUD guidance. The owner/agent will use the documentation provided by the resident to calculate projected income.

Example:

EIV shows that the resident is working at Jack's Restaurant and the resident has reported he/she works at Jack's Restaurant. The resident has brought in his/her four most current, consecutive check stubs. The owner/agent will use the *Income Report* in EIV as third-party verification that the resident is employed at Jack's Restaurant and use the check stubs provided by the resident for determining the resident's income.

Check stubs – gross pay 1) \$120; 2) \$145; 3) \$125; 4) \$130
 $\$120 + \$145 + \$125 + \$130 = \$520$
 $\$520 / 4 = \130 average
 $\$130 \times 52 = \$6,760$ gross annual income

In Summary, below is the step-by-step process for verifying employment income using EIV. Employment and employment income verification using data provided by EIV is always done as follows:

1. Resident reports employment
2. Resident reports employment income
3. OA checks EIV and finds that employment matches resident's information
4. OA requests at least four (4) but no more than eight (8) pay stubs and projects income (*alternative verification documents, such as payroll summaries, are acceptable as long as they meet the requirements outlined in HUD Handbook, and/or the most recent HUD Notice*)

If HUD guidance dictates or the owner/agent determines that traditional third-party verification is more appropriate, then the owner/agent will contact the employer to verify income for the next 12 months. If the owner/agent is unable to contact the employer, alternative verification methods, as indicated by HUD, will be used.

EIV Reporting & Resident Monitoring Policy

Unemployment Income

Since unemployment income is generally reported in EIV after the benefit has stopped, EIV unemployment income will not be used to project income for the next 12 months. However, this information will be compared to the previous certifications to monitor resident reporting compliance.

Irregular Income - Using Income Reflected for the Past 12 Months

As referenced in HUD, some circumstances present more than the usual challenges to estimating anticipated income.

Examples of challenging situations include a resident who has sporadic work or seasonal income or a resident who is self-employed. In all instances, owners are expected to make a reasonable judgment as to the most reliable approach to estimating what the resident will receive during the year. In many of these challenging situations, mid-year or Interim Recertifications may be required to reflect changing circumstances.

In these cases, the owner/agent may elect to use historical income to assist in projecting income, for the new certifications. The EIV *Income Detail Report* will be used as a tool to identify past income and verify past employment.

EIV may be used to assist with income estimates. Agreement will be documented in the file via resident self-certification. The EIV report will be used to substantiate the self-certification.

If complete information is unavailable or the resident claims that the information does not accurately reflect future income, the resident will be asked to sign appropriate verification release forms and/or produce alternative verification documents such as tax returns, Social Security earnings statements, bank statements or other documents indicated by HUD Handbook and other HUD guidance.

Undisclosed Income

The owner/agent has the option to review the *Income Detail Report* when the owner/agent suspects that a resident is working, receiving unemployment or receiving undisclosed SSA/SSI benefits.

Credible information must be used to determine if such investigation is warranted. Credible information includes, but is not limited to, eye-witness reports from property staff or other residents and formal complaints from credible sources including other residents, care-takers, police, social service agencies, etc.

Income Decreases

Certain conditions, including but not limited to assignment to active military duty, hospitalization, dementia, or disabilities, may prevent a resident from reporting decreases in income in a timely manner. These decreases may be discovered when reviewing the *Income Detail Reports*.

If EIV reports indicate an undisclosed income decrease, then the owner/agent will investigate the situation. If the owner/agent discovered that the resident paid more rent than required due to

EIV Reporting & Resident Monitoring Policy

extenuating circumstances, the excess rent will be returned to the resident. The resident will be given the “refund” as a rent credit.

RECORDKEEPING – INCOME REPORTS

Income reports will be maintained in the resident file in accordance with EIV Recordkeeping Requirements.

Reports obtained through EIV will be retained in the resident files for the term of tenancy plus three years.

EIV Reporting & Resident Monitoring Policy

EIV DISCREPANCY REPORTING

By regulation, resident income information must be reviewed and verified on at least an annual basis.

Reviewing *Income Discrepancy Reports* provides the owner/agent with information necessary to monitor resident compliance with income reporting requirements and, if necessary, re-calculate rent and assistance. The reports help monitor compliance by providing information about residents who may have failed to report (*Income Detail Report*):

- Social Security benefits
- Past or current employment and employment income
- Unemployment benefits

INCOME DISCREPANCY REPORT

Income Discrepancy Reports will be reviewed:

- Within 120 days after move-in or addition of a new family member
- At each Annual Recertification

Requirement Changes with HOTMA

- OA may discontinue use of the EIV Income Discrepancy Report once site software has been updated and residents have signed the new lease.
- Because the report is designed to detect income discrepancies related to a \$200 income variance, it is no longer valid under HOTMA.
- The report will have to be updated (or hopefully eliminated) before the data provided is meaningful.
- Once the report has been modified, the Income Discrepancy Report will be reviewed at AR.
- OA are no longer required to review this report when creating an IR.
- OA are not required to use the report when creating the AR if they used Means-tested verification to determine the family's income for the current certification.
- OA are required to review the report 120 days after submission of the MI/IC transaction.

Investigating Income Discrepancies

The owner/agent will review and, if necessary, resolve any discrepancies in income reported on the *Income Discrepancy Report*. The owner/agent will follow the guidance in HUD Handbook and HUD Notices. The owner/agent will compare information in the resident file with information reported in EIV to determine whether or not there is a valid discrepancy.

The owner/agent will not suspend, terminate, reduce, or make a final denial of any financial assistance or payment under a federal benefit program against an individual, or take other adverse action against such individual, as a result of information produced by the EIV system without meeting with the resident and properly verifying the information and notifying the resident in writing of any adverse findings in the same manner as applies to other information and findings related to eligibility factors.

If the owner/agent discovers that a resident failed to report as required, the household will be provided with a notice, in accordance with HUD Handbook.

EIV Reporting & Resident Monitoring Policy

Income Discrepancies that Require No Action

Because EIV information is historical and resident income calculations are generally “projected”, the file may already include documentation that explains the discrepancy.

Addressing Data Entry Errors

The owner/agent will review the resident file to determine if a simple data entry error caused this discrepancy. If the owner/agent discovers a data entry error, the corresponding certification must be corrected within 30 days.

The new, corrected, signed certification will be transmitted to the Contract Administrator and/or HUD. In these cases, data entry errors may affect the assistance paid. The correction will generate an increase or decrease in the assistance and the rent.

If the correction generates a rent decrease/assistance increase, the owner/agent will correct the certification and any subsequent certifications using the original certification Effective Date. The owner/agent will notify the resident of the rent change and make that change retroactive to the Effective Date of the certification.

The rent credit will be returned to the resident. The resident will be given the “refund” as a rent credit.

Addressing Valid Income Discrepancies

If review of the *Income Discrepancy Report* and review of the supporting *Income Detail Report* indicate that the resident has failed to disclose income or decreases/increases in income as required, the owner/agent will send a notice to the household in accordance with HUD Handbook.

The resident will have ten (10) calendar days to participate in a meeting with the owner/agent to discuss the discrepancy. Failure to respond to the notice will result in termination of assistance and/or tenancy beginning the first of the month following the notice.

During the meeting, the resident will be asked if the information in EIV is accurate.

If the resident agrees that the information is accurate, when creating retroactive certifications, the owner/agent will either:

- Use reported income information in EIV with resident self-certification; or
- Obtain independent verification of EIV data such as that provided by SSA and HHS’ NDNH, in accordance with 24 CFR 5.236.

The resident may also be required to sign appropriate verification forms so that the hire date and income information can be verified with the employer. In these cases, the owner agent will:

- Provide Notice of Lease Violation
- Correct/create appropriate certifications
- Request all “improper payments” is returned to HUD

Action will be taken based on the owner/agent’s policy and procedure regarding lease violations.

EIV Reporting & Resident Monitoring Policy

If the resident refuses to participate in the certification process, refuses to sign the verification documents or attempts to refuse to return improper payments, the owner/agent will take appropriate action up to and including termination of assistance and/or tenancy and pursuit of fraud.

If a change in income occurs immediately before or on the same day as a unit transfer, the effective date of the change/correction will be the same date that the household took possession of the new unit.

With the use of the employment and income information from the Enterprise Income Verification System, the owner/agent may discover that some residents have not disclosed all of their income information and the non-disclosure of income goes back for a number of years. When resolving income discrepancies, including non-reporting of income by residents, in accordance with HUD Handbook, the owner/agent will limit investigation of unreported income to income received by the resident within the last five (5) years (assuming that the resident has received assistance at this property for those five years).

If the income causing the discrepancy in EIV did not need to be included, was already included on a previous or current certification or if the income is excluded by regulation, the owner/agent will document the file and no further action is required.

Income Decrease - Income Discrepancy

In some cases, reduction of income is not reported even though income projected is higher than income actually received. This usually occurs when a household member's income fluctuates and income calculations were performed when the owner/agent and the resident agreed on a non-standard method to project income.

In these cases, if the owner/agent discovers that the household income, as reflected on the certification is actually lower, and the resident has complied with all HUD and owner/agent reporting requirements, then the owner/agent will re-calculate the certification and refund any overpayment of rent. The resident will be given the "refund" as a rent credit.

Invalid Data in EIV – Income Discrepancy

If the resident claims that the information provided in EIV is invalid, the resident must sign appropriate verification forms.

The owner/agent will contact the income source listed in EIV to verify the information provided by the resident.

There may be cases where attempts to verify the EIV data is unsuccessful. In these cases, the resident must self-certify that the income information displayed in EIV is invalid and has been wrongly attributed to his or her personal identifiers (SSN, Last Name, and DOB). The resident will be advised to contact the third-party income source(s) to remedy the issue.

Recordkeeping – Income Discrepancy

The owner/agent will maintain detailed information about discrepancy investigation and resolution. This information will be maintained in the resident file with the certification information.

EIV Reporting & Resident Monitoring Policy

REPAYMENT OPTIONS

Please see the Admissions and Continued Occupancy Policy, Tenant Selection Plan, and Administrative Plan for repayments options for each program.

EIV SECURITY

The purpose of this section is to provide instruction and information to staff, auditors, consultants, contractors and applicants and residents for the acceptable use, disposition and storage of data obtained through EIV (Enterprise Income Verification System). This policy has been developed to ensure that EIV data is secure. This policy has been communicated to all persons with access to EIV or EIV data.

This policy has been developed to ensure compliance with HUD's security protocol regarding the three safeguard categories:

1. Technical
2. Administrative
3. Physical

In order to comply with **Technical Safeguards**:

- Each coordinator/user must have a valid WASS User ID and password - Coordinators, who are not property owners, must obtain a letter of authorization from the property owner. This letter must state that the Secure Systems Coordinator has authorization to act as the EIV Coordinator. This letter is maintained in the property's EIV file and will be available to Reviewers during the Management and Occupancy Review
- WASS IDs and passwords **must not be shared**
- Each user is required to fill out and sign the user access authorization forms and rules of behaviors. Each user must provide an application access authorization form (CAAF or UAAF)
 - Coordinators must request recertification from HUD at least annually
 - Users must request recertification from the Coordinator at least every six months
- Access to data is restricted based on EIV role (EIV Coordinator or EIV User)
- Access is limited based on need to know

To comply with **Administrative Safeguards**:

- Established standard operating procedures for use of data
- Use Employment and income data for certification and compliance purposes only
- Do not share data with others who do not have a need to know for HUD purposes
- Monitor access
- Ensure that a signed copy of form HUD-9886/9887 is on file for all adults living in the unit
- Destroy EIV information in accordance with HUD requirements
- Ensure all EIV users receive security awareness training at time of implementation and at least annually thereafter
- Communicate security information
- Detect, deter, and report improper disclosures, unauthorized access, or security breaches to ***EIV Coordinator*** who will report as necessary to:
 - HUD's Help Desk
 - Other HUD staff
 - Mail to: Department of Housing and Urban Development Office
 - Notify the Office of Inspector General (IG)

EIV Reporting & Resident Monitoring Policy

- E-mail it to Hotline@hudoig.gov.

The owner/agent has also implemented the following processes to ensure compliance with HUD's

Physical Safeguard requirements:

- Restricted use of printers, copiers, facsimile machines, etc.
- Controlled access to areas containing EIV information
- Secure computer systems and output
- Process to retrieve all computer printouts as soon as they are generated so that EIV data is not left unattended
- Secure disposal of EIV information

DISCLOSURE OF EIV INFORMATION

EIV Data may be disclosed to:

- The individual residents to whom the information pertains
- Anyone authorized by the resident (in writing) who is assisting with the certification process
- Private owners
- Management agents
- Independent Public Auditors (for HUD purposes)
- Service Bureaus
- Contract Administrators
- HUD staff
- HUD Office of Inspector General (OIG) for investigative purposes

EIV income data may only be used for:

- Verification of employment and income at certification
- Discrepancy monitoring as described in this EIV Use Policy
- Compliance with lease requirements by residents
- Compliance monitoring and investigation by HUD or HUD's agents
- Certification by service bureaus working for the owner/agent

EIV data must not be disclosed (or re-disclosed) to any third parties such as the local Welfare office, DFCS, etc. Willful disclosure or inspection of EIV data can result in civil and criminal penalties.

- Unauthorized disclosure – felony conviction and fine up to \$5,000 or imprisonment up to five (5) years, as well as civil damages
- Unauthorized inspection – misdemeanor penalty of up to \$1,000 and/or one (1) year imprisonment, as well as civil damages

Official use **does not include** using the EIV data for certifying residents under the Low Income Housing Tax Credit (LIHTC) or Rural Housing Services (RHS) Section 515 programs. Neither the Internal Revenue Service (IRS) nor RHS are a party to the computer matching agreements HUD has with the Department of Health and Human Services (HHS) and with the Social Security Administration (SSA).

The fact that there is financing through other federal agencies involved in a particular property under one of the authorized HUD programs **does not** permit that federal agency to **use or view** information from the EIV system for certifying residents for their programs or for monitoring purposes.

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ACCESS TO THE EIV SYSTEM (WASS) OR EIV DATA

Designated Staff

EIV Coordinator will have the responsibility of ensuring compliance with the security policies and procedures outlined in this document. These responsibilities include:

- Maintaining and enforcing the security procedures
- Keeping records and monitoring security issues
- Communicating security information and requirements to appropriate personnel including coordinating and/or conducting security awareness training sessions
- Conducting review of all User ID's issued to determine if the users still have a valid need to access EIV data and taking necessary steps to ensure that access rights are revoked or modified as appropriate
- Revoke access to EIV or any database where resident information is stored the day employment is terminated for any reason (no more than seven days after termination if there are extenuating circumstances).
- Reporting any evidence of unauthorized access or known security breaches to ***EIV Coordinator and/or Executive Director*** and taking immediate action to address the impact of the breach including but not limited to prompt notification to ***EIV Coordinator. EIV Coordinator and/or Executive Director*** will escalate the incident by reporting to appropriate parties including the HUD and/or the Contract Administrator.

Security Awareness Training (Cyber Awareness Challenge)

Security Awareness Training is a crucial aspect of ensuring the security of the EIV System and data. Users and potential users will be made aware of the risk of phishing, malware, viruses and other cyber challenges. Before granting access to the EIV information, each person must participate in Security Awareness Training (Cyber Awareness Challenge) as prescribed by HUD.

Currently, coordinators, users and staff who may view EIV reports as part of their job function must complete the required Security Awareness Training (Cyber Awareness Challenge) before being given access to any EIV information and then at least annually.

EIV Coordinators

Before accessing EIV, the Secure Systems Coordinators will obtain a letter/memo from each property owner indicating that the owner gives permission for the Secure Systems Coordinator to act as the EIV coordinator.

Once that permission is obtained, the Coordinator will:

- Complete the required online Security Awareness Training (Cyber Awareness Challenge)
- Read the EIV Use Policy

Upon completion of these tasks, the EIV Coordinator will submit to HUD, the appropriate Coordinator Access Authorization Form. Upon receipt of HUD approval, the EIV Coordinator will complete the EIV Coordinator setup process.

If a person acting as a Secure Systems Coordinator leaves the company, all access will be removed on the last day of employment. If the person leaves unexpectedly, the coordinator access will be removed

EIV Reporting & Resident Monitoring Policy

as soon as end of employment is communicated to the appropriate party but no more than seven (7) calendar days after the end of employment.

The EIV file will be documented to indicate when user access was terminated by the EIV Coordinator. Documentation of termination will be maintained in the property EIV Master file. This information will be maintained for a minimum of three years.

EIV Users

Before requesting EIV User access, appropriate staff will:

- Complete the required online Security Awareness Training (Cyber Awareness Challenge)
- Read the EIV Use Policy

Upon completion of these tasks, the EIV User will submit to the EIV Coordinator, the appropriate User Access Authorization Form. The EIV Coordinator will confirm that the steps listed above have been completed.

Once the tasks are satisfactorily completed, the EIV Coordinator will complete the appropriate steps to provide EIV access to the user. In accordance with HUD requirements, the user's need for access will be reviewed on a semiannual basis.

If a person acting as a Secure Systems User leaves the company, all access will be removed on the last day of employment. If the person leaves unexpectedly, the coordinator access will be removed as soon as end of employment is communicated to the appropriate party but no more than seven (7) calendar days after the end of employment.

The EIV file will be documented to indicate when user access was terminated by the EIV Coordinator. Documentation of termination will be maintained in the property EIV Master file. This information will be maintained for a minimum of three years.

Re-Certification

At least once a year, all staff with EIV access will be required to Participate in Security Awareness Training (Cyber Awareness Challenge) annually as mandated by the Federal Information Security Management Act (FISMA) and Office of Management and Budget (OMB) Circular A-130. and

The owner/agent will restrict access to EIV data only to persons whose duties or responsibilities require access.

EIV Coordinators will be required to request re-certification on an annual basis. This is done electronically, through EIV. Copies (electronic or paper) of the CAAF and the most recent, electronic Authorization Form must be available for review during the Management & Occupancy Review. HUD certifies and re-certifies EIV Coordinators.

Users will be required to request re-certification every six months. This is done electronically, through EIV. Copies (electronic or paper) of the CAAF and the most recent, electronic Authorization Form must be available for review during the Management & Occupancy Review. EIV Coordinators certify and re-certify EIV Users.

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EIV Coordinators are authorized to provide access only to those individuals directly involved in the resident certification process and/or compliance monitoring.

EIV Coordinators will carefully review requests for access and certify only those users who will need access within the next six months.

Staff with Access to EIV Reports

There are cases when some staff may assist with reviewing, processing or filing the paperwork required for certification. This may include EIV reports. Staff with these responsibilities will be required to:

- Sign the EIV Rules of Behavior
- Complete the required online Security Awareness Training (Cyber Awareness Challenge) annually
- Read and comply with the property EIV Use Policy

Upon completion of these tasks, the staff person will submit to the EIV Coordinator, the appropriate executed EIV Rules of Behavior. The EIV Coordinator will confirm that the steps listed above have been completed.

HUD Occupancy Audits – HUD, Contract Administrators or HUD’s Agents

In some cases, EIV information may be provided to auditors charged with ensuring the owner/agent’s compliance with HUD requirements. This is referred to as the Management & Occupancy Review (MOR).

All auditors will be required to sign the HUD Rules of Behavior document. The Rules of Behavior will be maintained in the property’s EIV File.

Auditors are required to review the hard copy of the resident files at the site or at the owner/agent’s office. Under no circumstances will copies of resident files be mailed or emailed to auditors.

Auditors may review resident’s files at the site or at the owner/agent’s office. Alternatively, auditors may be given access to electronic resident files. If that is the case, the auditor will establish a unique user name and password. The rights associated with the user role will ensure that the auditor has access to only the information necessary for the audit.

The auditor will be advised that sharing this user name and password, and allowing unauthorized individuals access to resident data may result in civil and criminal penalties as outlined in the EIV Rules of Behavior. Auditors must agree to notify the owner/agent if their unique user name or password has been compromised.

The owner/agent will maintain a record of users who have approved access to EIV data. Further, the owner/agent will revoke (Terminate) the access rights of those users who no longer require such access.

HUD Financial Audits - Independent Public Auditors

In some cases, EIV information may be provided to auditors charged with ensuring the owner/agent’s compliance with HUD requirements. All auditors will be required to sign the HUD Rules of Behavior document. The Rules of Behavior will be maintained in the property’s EIV File.

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Auditors are required to review resident files at the site or at the owner/agent's office. Under no circumstances will copies of resident files be mailed to auditors.

Auditors may review residents' files at the site or at the owner/agent's office. Alternatively, auditors may be given access to electronic resident files. If that is the case, the auditor will establish a unique user name and password. The rights associated with the user role will ensure that the auditor has access to only the information necessary for the audit.

The auditor will be advised that sharing this user name and password, and allowing unauthorized individuals access to resident data may result in civil and criminal penalties as outlined in the EIV Rules of Behavior. Auditors must agree to notify the owner/agent if their unique user name or password has been compromised.

The owner/agent will maintain a record of users who have approved access to EIV data. Further, the owner/agent will revoke (Terminate) the access rights of those users who no longer require such access.

Audits for Other Agencies (Tax Credit, Rural Development, etc.)

If any property is subject to audit by other agencies, it is important to note that Master Files and EIV information maintained in the resident file will only be provided to HUD and/or HUD's agents as provided in the current HUD Housing Notice.

Agencies conducting audits for other programs such as Tax Credit or Rural Development 515 will never have access to the Master File or to information retained in the resident file to document how Master File discrepancies were addressed.

EIV information that is maintained in individual applicant/resident files will be maintained in such a way as to prevent disclosures to representatives from other agencies.

The owner/agent will maintain one resident file. All EIV information will kept separate from other information in the resident file.

When a HUD audit is performed, the appropriate information will be provided to the auditor.

When the Tax Credit/515/HOME audit is performed, the EIV information will not be provided.

Residents and People Assisting Residents with Certification

The HUD 9886/9887 Fact Sheet will be provided to all adult household members required to sign the form.

By signing this HUD Form 9886, HUD Form 9887 and HUD Form 9887-A, the applicant/resident authorizes HUD and/or the owner/agent to obtain and verify income and unemployment compensation information from various sources including, but not limited to, the IRS, the Department of Health and Human Services and the Social Security Administration and state agencies.

At the final eligibility interview and at each Annual Recertification, the owner/agent will provide a copy of the EIV and You Brochure so that the household is adequately informed about the EIV verification

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process and so that the residents understand the penalty for failing to fully and accurately disclose income information.

The owner/agent will assure that a copy of Form 9886, Form 9887 and Form 9887-A has been signed by each member of the household age 18 years or older. The 9886/9887 will be presented at the final eligibility determination, at move-in and/or initial certification and at each Annual Recertification.

If a household consists of more than one adult, each household member will be asked if they would like to give the owner/agent permission to share EIV information with other household members for certification purposes. The owner/agent will obtain written authorization from the resident before any EIV information may be shared with other adult household members.

In addition, if the resident has requested certification assistance from a person who does not live in the unit, the owner/agent will obtain written authorization from the resident before EIV information may be shared with that person.

In either of the cases above, the owner/agent will accept permission in an equally effective format, as a reasonable accommodation, if there is the presence of a disability.

COMPUTER SYSTEM SECURITY REQUIREMENTS

All computer systems and computers will have password-restricted access. Passwords must be no fewer than eight characters and must include:

- At least one lower case letter
- At least one upper case letter
- At least one number or character such as a dash or exclamation point

The owner/agent will also use Antivirus software to limit data destruction or unintended transmission via virus, worms, Trojan horses or other malicious means. Remote access by other computers other than those specifically authorized is prohibited. Authorized users of EIV data are directed to avoid leaving EIV data displayed on their computer screens where unauthorized users may view it. A computer will not be left unattended while the user is "logged in" to Secure Systems.

If an authorized user is viewing EIV data and an unauthorized user approaches the work area, the authorized user will lessen the chance of inadvertent disclosure of EIV data by logging out of Secure Systems, minimizing, or closing out the screen on which the EIV data is being displayed.

User Names, Passwords and Password Changes

Many systems require frequent changes to passwords. Secure Systems / EIV passwords will be changed in accordance with HUD Secure Systems requirements. Users will not share passwords with any other employee or with anyone outside the organization.

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EIV PRINTOUTS

Reports available through EIV will not be printed to a shared printer unless the EIV user plans to immediately retrieve the data. It is preferred that all EIV printouts are sent to the user's personal printer.

In addition to use by the owner/agent (and the owner/agent staff or service bureaus), EIV reports may also be used by Contract Administrators (CAs) (Performance Based Contract Administrators (PBCAs), Traditional Contract Administrators (TCAs) and HUD staff) for monitoring compliance with the recertification process; independent public auditors (IPAs) auditing an owner's compliance with HUD's verifying income and the accuracy of rent/subsidy determinations; and, the Office of Inspector General (IG) for auditing purposes.

Providing EIV Printouts to Residents

Residents may request a copy of their EIV Reports. The staff person providing the EIV reports will note the resident file with the following information:

- Resident Name
- Reports provided
- Date the copy was provided
- Who provided the copy

The appropriate staff will make a note in the file any time a copy of the EIV data is obtained by authorized persons. This includes copies provided to the applicant/resident, staff responsible for compliance monitoring, other internal staff, HUD, CA or OIG staff. Under no circumstances will the EIV information be provided to **anyone** other than those noted in this Security Policy.

STORING EIV INFORMATION ELECTRONICALLY

EIV information may be stored electronically when state and local laws permit. The owner/agent may:

- Maintain paper files, electronic files or a combination of both; or
- Convert paper files to electronic format.

EIV data stored electronically will be in a restricted access directory or, if placed on portable media, labeled appropriately and encrypted using an NIST compliant cryptographic module.

No PII will be placed on shared drives, multi-access calendars, on Intranet, or the Internet unless they are compliant with the terms provided by HUD.

Security of Electronic EIV Records

Data security management is a way to maintain the integrity of electronic data and to make sure that the electronic data are not:

- Accessible by unauthorized parties or
- Susceptible to corruption.

The owner/agent will comply with data security requirements of specific HUD programs, such as, but not limited to the following:

- Encryption both at transmission and at rest;
- Use and disclosure of data;

EIV Reporting & Resident Monitoring Policy

- Passwords for all employees or agents/contractors;
- Using and accessing electronic data and systems, backing up data, and data protection;
- Use of emails, message content, encryption, and file retention;
- Mobile devices - ensure they are secure, used appropriately, and protected from theft;
- Unauthorized access;
- Reporting malicious malware in the event it is inadvertently imported;
- Audit and access logs; and
- Data Destruction.

Access to Electronic EIV Records

Only people involved in certification, compliance, oversight or HUD required audits will have access to EIV.

Access to electronic information will comply with the same HUD program requirements that apply to paper files. The owner/agent ensure the security of important electronic records and documents.

The owner/agent will not share any electronic or paper files for purposes other than those strictly related to an appropriate request.

The owner/agent will utilize a method to track electronic activity associated with any resident information. Such access tracking methods will be designed in such a way as to allow security audits of the electronic data when requested by HUD or HUD's agents.

Note: Such audits must be permissible and conducted within the protections of the Privacy Act and other privacy and confidentiality laws and regulations.

In the event of a data breach, the owner/agent will use the method described in this policy to facilitate disclosure to those affected by the breach.

RETENTION

The owner/agent will comply with established program-specific document retention requirements. Retention requirements are the same for both paper and electronic documents and records.

DATA AND FILE DESTRUCTION

Data destruction is the process of destroying electronic data stored on tapes, hard disks, and other forms of electronic media, so that it is completely unreadable and cannot be accessed or used for unauthorized purposes.

EIV data will be destroyed in a timely manner based on the information provided in HUD's published EIV training materials, HUD Handbook: HUD Information Technology Security Policy, HUD notices or as prescribed by the owner/agent's policy and procedures.

Paper File Destruction

The owner/agent will dispose of paper files in a manner that will prevent any unauthorized access to personal information, e.g., burn, pulverize, shred, etc.

EIV Reporting & Resident Monitoring Policy

When converting paper files/documents to electronic format and prior to destroying the paper format, the owner/agent will check local and state laws and practices to determine if hard-copy documents must be retained or whether a printout of an electronic document is acceptable.

Electronic File Destruction

If EIV information is copied to portable media (CD, DVD, tape, etc.) that portable media will be destroyed appropriately upon completion of the intended use.

Electronic tenant files will be “archived” and destroyed as required by HUD. Such data destruction will ensure that information cannot be retrieved using the most comprehensive data destruction methods available. Because this technology changes frequently, such methods are not described in this document but can be provided upon request.

Documentation of destruction will be maintained in the EIV File.

REPORTING IMPROPER DISCLOSURES

Recognition, reporting, and disciplinary action in response to security violations are crucial to successfully maintaining the security and privacy of the EIV system. These security violations may include the disclosure of private data as well as attempts to access unauthorized data and sharing of passwords.

Upon the discovery of a possible improper disclosure of EIV information or other security violation by an employee or any other person, the individual making the observation or receiving the information will contact the EIV Coordinator and *Executive Director* who will document all improper disclosures in writing providing details including who was involved, what was disclosed, how the disclosure occurred, and where and when it occurred. The EIV Coordinator will immediately review the report of improper disclosure and, if appropriate, the EIV Coordinator will remove EIV access.

Improper disclosure of any information is grounds for immediate termination.

All employees must carefully review the EIV Access Authorization Form or the Rules of Behavior to understand the penalties for improper disclosure of EIV data.

QUESTIONS ABOUT THIS POLICY

This policy has been developed to assist compliance professionals in understanding how to use reports provided by HUD’s Enterprise Income Verification System. Adherence to the policy ensures consistent and fair treatment of all of our residents.

If you have any comments about the plan or if you have suggestions to make use of EIV more effective, please contact your regional manager or contact a compliance/management team member as appropriate.

If your applicants or residents have questions about this policy that you cannot address, please refer the applicant/resident to your regional manager. He/she will be able to assist with any inquiries.

If your applicant or resident wishes to contact the Section 504 Coordinator, please provide the 504 Coordinator information in an effective manner.

APPENDIX A: TEMPORARY PRACTICE – COVID 19 PANDEMIC OF 2020

During the COVID-19 Pandemic of 2020, EIV procedures were temporarily modified in response to federal and local recommendations to self-quarantine and shelter in place. In addition, many localities implemented moratoriums on notices to terminate tenancy or increase rent.

Temporary changes to the EIV process started on March 1, 2020 and will continue through December 31, 2020, or if earlier, 90 calendar days after termination of the COVID-19 national emergency after all recommendations to shelter-in-place have been lifted. This timeframe may be extended.

NOTICES TO TERMINATE TENANCY OR ISSUE NOTICES OF TERMINATION OF TENANCY

On March 2020, local government implemented a moratorium prohibiting owner/agents from terminating tenancy or providing notice of termination of tenancy. In light of that moratorium, the owner/agent will issue lease violation notices, but will not initiate termination of tenancy. Such notices will be provided at the end of the moratorium, which is October 12, 2021.

SOCIAL SECURITY NUMBER DISCLOSURE

Disclosure of a Social Security Number and providing adequate documentation to verify that the Social Security Number is correct is a condition of eligibility for all non-exempt applicants. If a resident appears on the Failed Verification Report, the owner/agent is required to contact the resident to discuss the error.

Since Social Security offices were closed starting Tuesday, March 17, 2020, the owner/agent will not terminate tenancy in cases described above.

The family should contact the owner/agent and provide adequate documentation as soon as such documentation is received.



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WWW.REDWINGHRA.ORG

April 9, 2024

To: Red Wing HRA Board of Commissioners

From: Kurt Keena, Executive Director

Re: Executive Director's Report

Federal, State & Local Funding

We know have some certainty about our 2024 federal funding levels with the passage of a budget.

We continue to monitor opportunities at the State level for additional funding for our properties and will be applying as soon as they are announced.

State Legislative Session

There are a couple of bills we are watching at the legislature this session that deal with the provision of shelter for the homeless and tenant protections. We will know more about what makes it through as the session gets closer to wrapping up in May.

HRA Workshop Summary

Attached is a summary of what I believe was the consensus of the Board coming out of our workshop discussions last month. I would appreciate any feedback you may have on it to insure I captured it correctly.

AHTF Annual Report

Attached is the 2023 AHTF Annual Report as required by State statute. I plan to share this report with the City Council at one of their April meetings if possible.

Attachments

HRA Workshop – AHTF Summary of Feedback

2023 AHTF Annual Report

I have attached a copy of MHP's 2024 State of the State's Housing Profile for your information. It contains high level data regarding the state of rental and ownership housing and costs for the State. This information can be useful in framing a discussion about why affordable housing matters to every community.



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2023 Annual Report Red Wing Affordable Housing Trust Fund

For the year ended 12/31/2023 the Red Wing AHTF had cumulative revenue of \$76,872. Sources of the revenue were the HRA Levy, a loan payoff and interest income. Expenditures during the period totaled \$27,000 in the form of a homebuyer assistance loan and a homeowner rehab loan.

Revenue was less than budgeted due to the timing of the arrival of the second half of the HRA Levy and the subsequent transfer to the AHTF. Additional revenue will be reflected in 2024 as a result of this timing delay.

AHTF expenditures were lower than the previous year due largely in part to a rise in mortgage interest rates that had a dampening effect on home sales and subsequently on the number of homebuyer assistance loans that were issued. Additionally, several larger projects involving the creation of new rental units in the downtown area were begun and applied for in 2023 but not actually closed and funded until early 2024.



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April 9, 2024

To: Red Wing HRA Board of Commissioners

From: Kurt Keena, Executive Director

Re: AHTF Workshop – Summary of Board Feedback

History of the AHTF and Controlling Documents

The Red Wing AHTF was created in 2015 by City Ordinance pursuant to State Statute 462C.16 and the HRA and City entered into an MOU that outlined the roles and responsibilities of each entity. The AHTF is administered by the HRA with the City Council having approval authority over disbursements from it. A copy of the State Statute and the HRA/City MOU are attached for your reference.

No feedback – information only.

Advisory Committee

The HRA created an Advisory Committee during the exploration and formation stages of the AHTF to help inform the HRA and City about administration and utilization of the AHTF. Members of this committee met with the HRA Executive Director and provided recommendations to the HRA Board and City Council.

The Advisory Committee has met infrequently in the past several years and its ongoing role is ambiguous. I would like the Board to consider winding down this committee as it has achieved its original intent. With an established AHTF now in place this committee seems unnecessary as the HRA Board functions in the role of making decisions related to the AHTF.

Good discussion on this topic. Consensus was that the Advisory Committee had served its intended purpose and that going forward the HRA Board was in a good position to provide direction to staff regarding the AHTF. Advisory Committee will be discontinued.

Current Uses of the AHTF

There are currently three HRA approved uses of the AHTF. They are:

1. Homebuyer Down Payment Assistance
2. Owner Occupied Repair/Rehab
3. Creation of New Affordable Rental Units

The homebuyer down payment assistance program operates well and is administered in conjunction with local lenders. It provides \$9,000 in assistance to eligible borrowers in the form of a 30 year, 0% deferred and repayable loan. Since the start of the AHTF we have provided 23 loans with a total amount of \$206,000.

The owner-occupied repair/rehab program does not currently work very well and is very administratively burdensome. The program is modeled after the Small Cities Development Program owner occupied rehab program and provides a maximum of \$24,000 to eligible borrowers in the form of a 0% deferred and forgivable loan with a 10-year term. Current issues that make this program challenging to administer are the relatively low loan amount, the lack of

contractors willing to take on small projects, and the lack of capacity of the owner to procure bids and oversee the contractor and project. If this use is to continue we should consider substantial revisions to make it more impactful and efficient.

Creation of new affordable rental units has had moderate success to date and is gaining awareness with local building owners. A total of 11 units have been approved with three of those actually constructed to date. The other eight units should be completed in 2024 or 2025. Developers are eligible to borrow up to \$25,000 per unit in the form of a 15 year, 0% deferred and forgivable loan. The developer pledges to keep 50% of the new units created affordable to renters at or below 60% AMI for a period of 15 years. We have targeted this program to properties in the Downtown or in the West End District in an attempt to incentivize building owners to activate the vacant second or third stories of their properties. The age of the buildings and bringing them up to current codes means that these projects can take time to achieve and require a motivated owner.

Keep the current uses of the fund. No need to change either the homebuyer down payment assistance component or the creation of new affordable rental units component at this time as they are working as intended. The repair/rehab component will need consideration of modifications if it is to be effective and efficient to administer.

Potential Additional Uses

The State Statute lists a number of eligible uses for AHTF dollars that cover a broad spectrum of housing related needs. The HRA/City MOU outlines that the expenditures from the AHTF should be targeted toward serving moderate, low, and very low-income residents. Some examples of additional uses in Red Wing include:

- Fund new affordable homeownership units – Goodhue County Habitat for Humanity - Hope Heights development on the former St. John’s hospital site.
- Fund new affordable rental units outside the downtown and West End District – Three Rivers Tax Credit Development.
- Match or leverage for federal and state funds to rehab existing affordable housing – Jordan Towers I & II and Public Housing Scattered Sites.
- Rehab of Naturally Occurring Affordable Housing (NOAH) – Bluffview Townhomes, Hillstreet Apartments.

These were all seen as good potential uses should a situation arise where use of the AHTF could be a catalyst to make something happen in the community. Additional uses as outlined in the state statute and the MOU with the City were also generally seen as appropriate uses if circumstances warranted. Communication and coordination with the City Council would be important regarding any potential uses as they have final approval authority over the funds.

Method of Solicitation – RFP vs. Pipeline

We are currently offering all three programs funded by the AHTF on a pipeline basis. This works well for the homebuyer down payment assistance program. The other two programs are offered on a pipeline basis as we have funds available and relatively few requests. If we expand the eligible areas or increase the funding amounts we may have to consider using a more formal RFP process to insure we are utilizing the funds in the most impactful manner.

The pipeline method seems to be working fine at this time. Should demand for funds increase to a point where the pipeline method isn’t appropriate, the RFP method can be used instead for any portion of the funds the Board wishes. This can be discussed at least annually during the



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HRA budget setting process to determine if a change is warranted based on potential upcoming projects in the community.

Funding Sources – Current and Future

The AHTF is currently funded by an annual allocation of the HRA Levy in the amount of \$125,000. Additional funds will start to flow into the AHTF from TIF District 8 in 2024 and over several years' time is projected to increase to approximately \$100K per year. The exact amount may vary by year and depend on how long the district remains certified. In 2024 we will also be eligible to compete for a one-time match from the State in the amount of \$100,000 to \$150,000. As you can see in the authorizing statute, there are also many other potential funding sources that can be directed to the AHTF.

Continue to use HRA levy and TIF proceeds for the fund as well as take advantage of other opportunities to augment these sources.

Allocation of AHTF Funds

There are not currently specific allocations of AHTF funds for any of the three uses. Resources have been adequate fund all the activities on a pipeline basis. In the past, the fund balance at the beginning of the year was allocated to each of the uses with adjustments made throughout the year as needed based on activity and demand. If we expand the uses or eligible activities we may want to once again allocate a portion of the funds to certain activities to insure we are using the limited resources in the highest and best manner.

No specific allocations at this time. Discuss this at least annually during the HRA budgeting process and make allocations at that time if needed. Allocations can be changed at any time by the Board should the need arise. May wish to "save up" some funds if a larger project is proposed that the HRA wants to assist with the AHTF.

Annual Report

The statute calls for an annual report to the authorizing entity. We haven't done a formal report to the City Council during my tenure. Instead, I have been updating them on AHTF activities during my regular HRA update reports periodically throughout the year. We will prepare a formal report for 2023 activities as required.

Staff will prepare and present to HRA and City Council in April.

Other

Are there other considerations or questions related to the AHTF by members of the Board?

Make information regarding the AHTF available to developers and others on the HRA website as well as possibly on the Community Development portion of the City website.



2024 State of the State's Housing Profile with Key Minnesota Findings and Trends

When hard-working Minnesotans—from teachers and nurses to firefighters and waitresses—are struggling to keep up with rising housing costs in our community, you know there's a problem. MHP's statewide housing research shows that more than a quarter of Minnesota families, including half of all households who rent, pay more than they can afford for housing—and that number is growing.

First produced in 2017, MHP's *State of the State's Housing* bi-yearly report contains statewide housing data that provides an important baseline of the housing climate and its impacts on everyday Minnesotans. This release includes the *2024 State of the State's Housing Profile with Key Minnesota Findings and Trends*, which will be followed by profiles of the state's legislative districts and regions, along with narratives from Minnesota communities collaborating to tackle local housing needs.

MHP's *State of the State's Housing* has been used by members of the media and housing advocates to tell a more complete story of Minnesota's housing challenges. For communities around the state, the report has been key to advancing new housing projects, programs, and policies.

When advocates and lawmakers are armed with such data-based information, we can work to solve Minnesota's housing challenges head-on. Please view MHP's [2024 State Housing Agenda](#) for our recommended housing solutions. Now is the time to come together and raise our voices for housing! Together, we can make sure our families and future generations of Minnesotans can live and thrive here by making stable housing affordable.

CONTACT US

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MHP'S 2024 STATE OF THE STATE'S HOUSING KEY MINNESOTA FINDINGS AND TRENDS

Housing is unaffordable to *half* of all renters.



More Minnesota renter households are cost burdened than at any other point in the last decade.

And, rents are climbing.



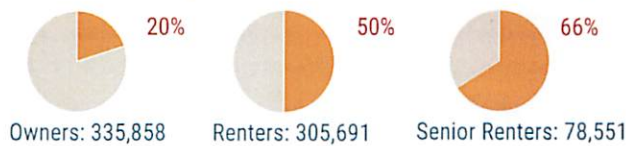
Median rent increased by 8% in just one year—the largest year-to-year increase in the past decade.

Housing instability continues to rise.



Evictions increased 44% relative to the pre-COVID filing rate in Minnesota. From just 2022 to 2023, eviction filings jumped 8% to 24,211 evictions filed in 2023.

An increasing number of households pay more than they can afford for housing.



The number of cost-burdened households rose from 590,538 to 641,549, an increase of 9% in just one year.

More children live in households that can't afford their rent or mortgage.



In one year's time, 2,000 more households with children became cost burdened.

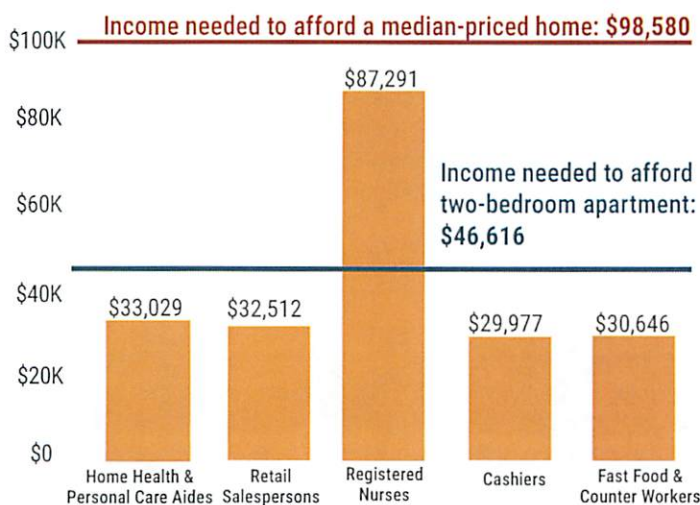
The racial homeownership gap continues to be significant.



The disparity between Black and white Minnesotans who own a home is substantial.

*white non-Hispanic

More than ever, Minnesota workers can't afford a roof over their heads.



None of the top five in-demand jobs pay enough for workers to own a home, and four of the five jobs' wages aren't enough for quality rental housing. This trend will be compounded, as the relatively low-earning positions central to the healthcare industry are expected to see some of the largest increases in demand for workers over the next decade.

Unless otherwise indicated, data reflects the years 2021-2022, and is the most recent ACS data available. See the 2024 State Profile for data sources.

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2024 STATE HOUSING PROFILE

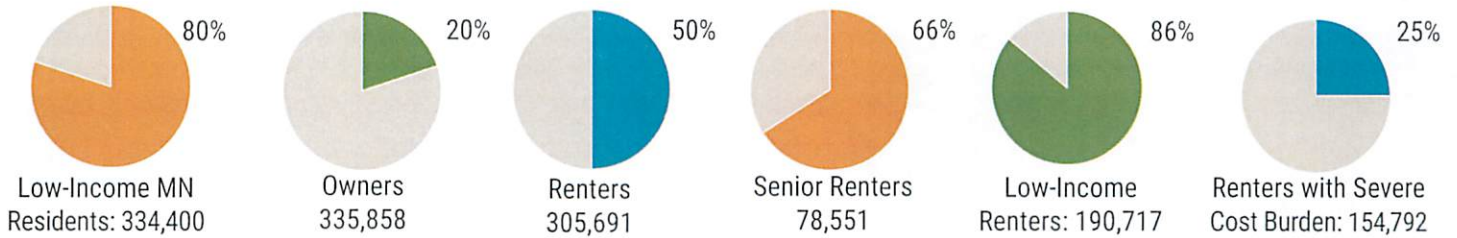
Minnesota

2,322,190 Households

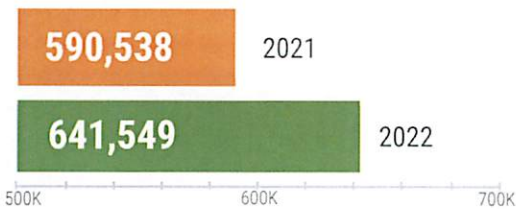
Housing is a basic need that everyone should have access to. We must invest in stable housing Minnesotans can afford—so our families and future generations can live and thrive here.

Too many Minnesotans pay more than they can afford for their housing.

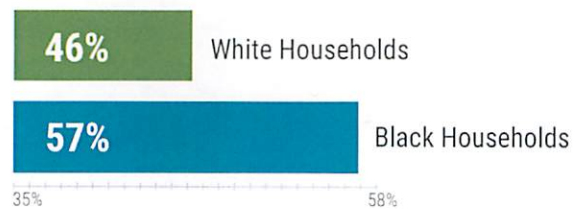
COST-BURDENED FAMILIES FACE THE TOUGH CHOICE OF PAYING FOR HOUSING OR OTHER BASIC NEEDS.



RISE IN COST-BURDENED HOUSEHOLDS: 9%



RACIAL DISPARITIES IN RENTER COST BURDEN



Cost burden=when a household spends more than 30% of income on housing costs. | Severe CB=spending more than 50%. | Low-income=households earning under \$35,000/yr.

More Minnesota children are experiencing housing instability.

CHILDREN LIVING IN COST-BURDENED HOMES

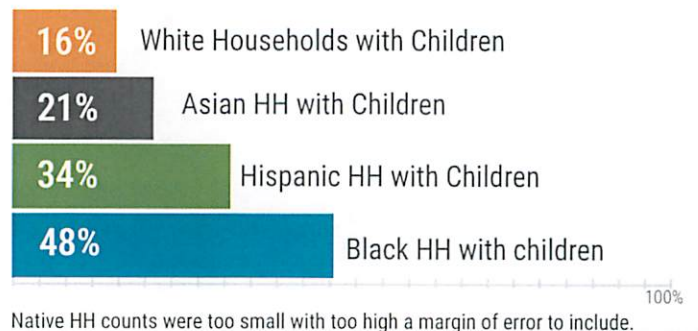


ON A GIVEN NIGHT IN MINNESOTA, THERE ARE:

7,232 children and their families struggling with homelessness,
1,659 children experiencing homelessness on their own.

2022 estimation. Children = under 18.

RACIAL DISPARITIES IN COST-BURDENED HOUSEHOLDS with CHILDREN



Cost burden increases a family's likelihood of eviction and homelessness.

EVICIONS CONTINUE TO INCREASE



Filings rose **44%** relative to the pre-COVID average, jumping **8%** in one year alone to **24,211** evictions filed.

MANY EXPERIENCE HOMELESSNESS



On any given night, **19,600** Minnesotans struggled with homelessness. An estimated **66%** of those experiencing homelessness are Black, Indigenous, or people of color.

Data for 2022 - 2023.

Pre-COVID defined as historical average from 2012-2019

2022 estimation

For Minnesota households with extremely low incomes, there are few homes to rent.

There are significant racial disparities in who owns a home in our state.

LACK OF ELI RENTAL HOUSING

Minnesota ELI renter households: **173,025**
 Households without affordable/available homes **114,131**



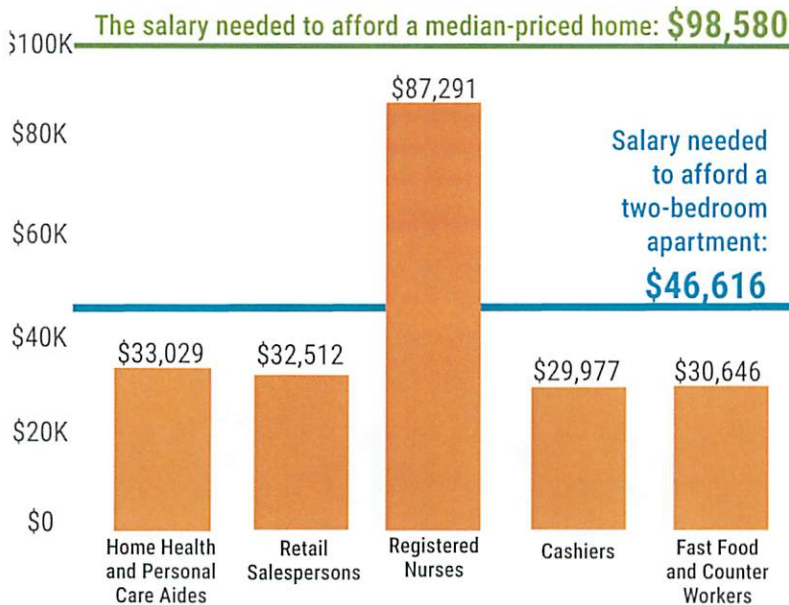
ELI stands for "Extremely Low-Income," or households earning under \$30,190 annually.

INEQUITABLE HOMEOWNERSHIP RATE



Across the state, the cost of housing is out of reach for many hard-working Minnesotans.

HIGH-DEMAND JOBS' WAGES FALLING SHORT



From left: Minnesota's ranked 1-5 most in-demand jobs.

RISING HOUSING COSTS OUTPACING WAGES



OWNER HOUSEHOLDS
 1,674,434 | 72% of all households

Owner incomes rose **2%** to \$100,366 over five years.
 Home values rose **19%** to \$328,600 over the same time.



RENTER HOUSEHOLDS
 647,756 | 28% of all households

Renter incomes rose **3%** to \$47,318 over five years.
 Rent rose **7%** to \$1,200 per month over the same time.

Figures denote the median. Rent / home value increases are adjusted for inflation.

Sources

*Affordable housing is defined as housing that costs an owner or renter no more than 30% of household income. A unit is affordable and available if that unit is both affordable and vacant or is currently occupied by a household at the defined income threshold or below.

Cost burden: U.S. Census Bureau, American Community Survey 2022, 1-year estimates | Evictions: Eviction Lab, Eviction Tracking System 2023 | Homelessness: Wilder Research Center, 2018 Minnesota Homeless Study | ELI Units and Renters: National Low Income Housing Coalition (NLIHC), *The Gap 2024* | Homeownership: U.S. Census Bureau, American Community Survey 2022, 1-year estimates | In-demand jobs: Minnesota Department of Employment and Economic Development (MN DEED), Occupations in Demand, 2023

CONTACT US

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April 9, 2024

To: **Red Wing HRA Board of Commissioners**

From: Corrine Stockwell, Finance Director

Re: Finance Report

Reserves Adjusted

Program	January 2024	February 2024
Public Housing	\$512,768	\$409,343
Housing Choice Vouchers (FSS and restricted included)	\$6,031	\$3,455
Redevelopment	\$955,840	\$941,182
AHTF	\$411,916	\$380,325
Bridges	\$0	\$0
Small Cities Program	\$360,602	\$360,786
Jordan Tower II	\$1,190,783	\$1,209,892
Total	\$3,437,940	\$3,304,983

Operating Budget Update

Category	YTD (February)	Budgeted	Variance
Revenues	\$646,261	\$894,720	-28%
Expenses	\$582,118	\$842,450	-31%
Net Income	\$64,143		

Notes to Financial Statements

- Public Housing decrease due to receiving funds in January for POHP and payable made in February.
- HCV decrease is using HHR that was advanced
- AHTF decrease is due to expending funds for loans

Other Business

- 2023 Audit April 1-4. Will present the draft to Finance Committee and Board in May
- Premiums for medical insurance have a 12% increase over 2023. Made the decision to switch carriers, which saves both staff and the HRA. The HRA will save \$12,000 for the year by making this switch and not accepting the 12% increase.
- Open Enrollment is April 24
- PD Committee April 19
- Spring Conference for MN NAHRO May 19-22

Committee Reports

No Finance Committee meeting was held for March.

For Informational Purposes Only

Report 1.16.2024 - 11.30.2024 (Applies to Start Up Program Loans Only)

	Allocation Amount	Committed Loans	Committed Amount	*Usage Test	% of Usage	**Additional Start Up Loans		Step Up Loans		Total Loan Activity		Downpayment and Closing Cost Loans	
						Committed Loans	Committed Amount	Committed Loans	Committed Amount	Committed Loans	Committed Amount	% of First Mortgage	Total Amount of Downpayment
	\$ 300,526	1	\$157,712	MET	52%	0	\$ -	2	\$ 334,925	3	\$492,637	100%	\$ 52,400
	\$ 276,088	2	\$333,650	MET	121%	1	\$ 190,500	0	\$ -	3	\$524,150	100%	\$ 51,000
	\$ 6,661,718	58	\$15,396,026	MET	231%	13	\$ 4,230,792	16	\$ 5,212,852	87	\$24,839,670	99%	\$ 1,397,400
	\$ 646,455	2	\$342,179	MET	53%	1	\$ 285,237	1	\$ 171,830	4	\$799,246	100%	\$ 56,030
	\$ 275,075	0	\$0	NOT MET	0%	0	\$ -	0	\$ -	0	\$0	0%	\$ -
	\$ 100,000	0	\$0	NOT MET	0%	0	\$ -	0	\$ -	0	\$0	0%	\$ -
	\$ 1,285,114	5	\$803,700	MET	63%	0	\$ -	3	\$ 612,646	8	\$ 1,416,346	100%	\$ 126,500
	\$ 739,069	3	\$722,525	MET	98%	1	\$ 130,150	1	\$ 216,015	5	\$1,068,690	100%	\$ 75,182
	\$ 100,000	1	\$172,400	MET	172%	0	\$ -	0	\$ -	1	\$172,400	100%	\$ 16,500
	\$ 1,992,221	2	\$411,770	NOT MET	21%	1	\$ 266,585	5	\$ 1,769,333	8	\$ 2,447,688	100%	\$ 128,000
	\$ 230,649	2	\$267,600	MET	116%	1	\$ 178,703	0	\$ -	3	\$446,303	100%	\$ 46,500
	\$ 1,068,230	9	\$2,193,043	MET	205%	4	\$ 1,270,844	2	\$ 593,599	15	\$4,057,486	100%	\$ 230,000
	\$ 1,226,669	7	\$1,346,865	MET	110%	0	\$ -	0	\$ -	7	\$ 1,346,865	100%	\$ 102,850
	\$ 232,693	1	\$204,488	MET	88%	1	\$ 285,000	1	\$ 199,500	3	\$688,988	100%	\$ 50,500
	\$ 1,253,115	11	\$2,354,890	MET	188%	4	\$ 958,931	1	\$ 209,000	16	\$3,522,821	100%	\$ 244,100
	\$ 319,990	3	\$430,518	MET	135%	0	\$ -	0	\$ -	3	\$430,518	100%	\$ 39,000
	\$ 100,000	1	\$175,750	MET	176%	0	\$ -	0	\$ -	1	\$175,750	100%	\$ 16,500
ea admin	\$ 559,014	10	\$1,209,022	MET	216%	2	\$ 198,635	0	\$ -	12	\$1,407,657	100%	\$ 163,750
	\$ 111,662	0	\$0	NOT MET	0%	0	\$ -	0	\$ -	0	\$0	0%	\$ -
Commiss	\$ 1,591,356	3	\$457,597	NOT MET	29%	0	\$ -	1	\$ 246,750	4	\$704,347	100%	\$ 58,400
	\$ 15,496,924	75	\$18,195,614	MET	117%	24	\$ 7,443,070	31	\$ 9,075,917	130	\$34,714,601	98%	\$ 2,042,689
	\$ 774,324	14	\$3,555,503	MET	459%	1	\$ 169,600	1	\$ 365,690	16	\$4,090,793	100%	\$ 255,000
	\$ 818,189	6	\$797,885	MET	98%	0	\$ -	1	\$ 275,000	7	\$1,072,885	86%	\$ 86,150
	\$ 680,263	8	\$1,596,586	MET	235%	3	\$ 708,935	0	\$ -	11	\$2,305,521	100%	\$ 184,849
	\$ 432,502	6	\$1,008,680	MET	233%	0	\$ -	2	\$ 333,400	8	\$1,342,080	100%	\$ 118,650
	\$ 734,493	17	\$2,729,692	MET	372%	1	\$ 210,917	1	\$ 129,270	19	\$3,069,879	100%	\$ 292,700
	\$ 150,860	1	\$283,150	MET	188%	0	\$ -	2	\$ 666,900	3	\$950,050	100%	\$ 54,000
	\$ 255,322	0	\$0	NOT MET	0%	0	\$ -	0	\$ -	0	\$0	0%	\$ -
	\$ 269,269	3	\$618,500	MET	230%	0	\$ -	0	\$ -	3	\$618,500	100%	\$ 49,500
	\$ 1,541,124	6	\$807,858	MET	52%	0	\$ -	1	\$ 103,588	7	\$911,446	100%	\$ 79,800
	\$ 503,916	6	\$1,516,238	MET	301%	2	\$ 697,929	1	\$ 378,026	9	\$2,592,193	100%	\$ 151,500
	\$ 3,039,902	8	\$1,739,865	MET	57%	1	\$ 392,755	5	\$ 1,393,982	14	\$3,526,602	100%	\$ 233,200
	\$ 100,000	1	\$136,990	MET	137%	0	\$ -	0	\$ -	1	\$136,990	100%	\$ 13,650
	\$ 775,373	2	\$226,187	NOT MET	29%	0	\$ -	0	\$ -	2	\$226,187	100%	\$ 14,900
	\$ 500,841	2	\$385,984	MET	77%	1	\$ 198,158	2	\$ 621,735	5	\$1,205,877	100%	\$ 87,000
	\$ 4,344,968	32	\$7,074,904	MET	163%	5	\$ 1,509,218	4	\$ 1,191,736	41	\$9,775,858	100%	\$ 676,000
	\$ 305,211	1	\$175,750	MET	58%	1	\$ 190,600	2	\$ 495,670	4	\$862,020	100%	\$ 58,000
	\$ 1,239,530	9	\$1,899,185	MET	153%	3	\$ 760,539	3	\$ 650,870	15	\$3,310,594	100%	\$ 224,900
	\$ 100,000	0	\$0	NOT MET	0%	0	\$ -	0	\$ -	0	\$0	0%	\$ -
	\$ 354,648	2	\$452,945	MET	128%	0	\$ -	1	\$ 245,373	3	\$698,318	100%	\$ 51,000
	\$ 245,265	1	\$203,741	MET	83%	1	\$ 216,015	2	\$ 505,842	4	\$925,598	100%	\$ 62,100
	\$ 2,707,485	10	\$2,885,656	MET	107%	4	\$ 1,237,570	3	\$ 891,005	17	\$5,014,231	94%	\$ 253,250
	\$ 1,405,513	9	\$1,661,904	MET	118%	2	\$ 538,050	4	\$ 1,161,097	15	\$3,361,051	100%	\$ 247,500
	\$ 1,713,527	10	\$2,594,698	MET	151%	2	\$ 605,204	3	\$ 893,219	15	\$4,093,121	100%	\$ 228,950
	\$ 1,286,507	19	\$3,733,989	MET	290%	2	\$ 318,184	3	\$ 551,001	24	\$4,603,174	100%	\$ 380,999
	\$ 100,000	1	\$124,650	MET	125%	0	\$ -	0	\$ -	1	\$124,650	100%	\$ 16,500
	\$ 128,738	0	\$0	NOT MET	0%	0	\$ -	2	\$ 548,360	2	\$548,360	100%	\$ 36,000
	\$ 3,634,316	37	\$5,592,048	MET	154%	6	\$ 1,165,654	9	\$ 1,688,977	52	\$8,446,679	100%	\$ 747,964
	\$ 701,391	4	\$901,033	MET	128%	1	\$ 274,928	3	\$ 905,397	8	\$2,081,358	100%	\$ 131,900
	\$ 170,052	1	\$215,340	MET	127%	0	\$ -	1	\$ 275,405	2	\$490,745	100%	\$ 34,500
sion	\$ 2,134,615	10	\$1,335,266	MET	63%	4	\$ 830,021	0	\$ -	14	\$2,165,287	93%	\$ 162,562
	\$ 181,864	0	\$0	NOT MET	0%	0	\$ -	0	\$ -	0	\$0	0%	\$ -
	\$ 4,463,051	18	\$4,420,198	MET	99%	3	\$ 966,593	4	\$ 1,285,621	25	\$6,672,412	100%	\$ 398,500
	\$ 470,217	2	\$389,000	MET	83%	1	\$ 193,563	1	\$ 194,000	4	\$776,563	100%	\$ 62,750
	\$ 2,726,460	12	\$3,416,134	MET	125%	4	\$ 1,327,293	5	\$ 1,566,217	21	\$6,309,644	100%	\$ 346,140
	\$ 73,556,303	454	\$97,654,908	MET	133%	101	\$ 27,950,173	130	\$ 35,959,748	685	\$161,564,829	99%	\$ 10,637,715

east 50% of their allocation by the end of the program year in order to participate next year.

over income is above 80% of Area Median Income.

RED WING HRA RESERVE ACCOUNTS
February 29, 2024 Month End

Program	Fund Account	31-Jan-2024	29-Feb-2024	28-Feb-2023
Jordan Tower I & Family Units	Unrestricted - CDs	\$ 44,573	44,573	42,925
	Unrestricted	\$ 419,123	315,699	166,792
	Restricted - Sec Dep	\$ 49,980	49,980	48,773
	Total	\$ 513,676	410,251	258,490
	Due to/from Redevelopment	907.85	907.85	9,694.46
Sec 8 Voucher	Unrestricted Cash	\$ 12,077	13,172	5,815
	FSS Escrow	\$ 0	0	16,866
	HAP Reserve Acct	\$ 3,366	3,426	17,251
	Total	\$ 15,443	16,598	39,932
	Due to/from Redevelopment	9,411.53	13,143.27	6,564.11
Redevelopment	MURL Investments	\$ 116,551	116,680	110,107
	Transitional Housing	\$ 0	0	0
	Bluff View	\$ 72,143	73,543	61,293
	Twin Homes	\$ 13,984	13,984	12,569
	Hill Street	\$ 9,964	11,585	3,487
	Restricted - Sec Dep	\$ 14,062	14,062	12,800
	Restricted - CDG	\$ 36,000	36,000	36,000
	ILSP	\$ 25	-556	-1,680
	Unrestricted	\$ 675,655	651,620	389,652
	Total	\$ 938,384	916,919	624,229
Bridges	Unrestricted	6,916	9,992	11,678
	Front Funded HAP	\$ 0	0	0
	Total	\$ 6,916	9,992	11,678
	Due to/from Redevelopment	6,916.39	9,992.39	11,678.39
AHTF	Unrestricted AHTF	\$ 411,916	380,325	333,888
	Program Income	0	0	0
	Total	\$ 411,916	380,325	333,888
	Due to/from Redevelopment	0.00	0.00	0.00
Small Cities	Small Cities Program	\$ 360,602	360,786	338,701
	Program Income	0	0	0
	Total	\$ 360,602	360,786	338,701
	Due to/from Redevelopment	0.00	0.00	0.00
Jordan II Tower	Unrestricted	\$ 1,150,541	1,169,209	1,180,891
	Restricted - Sec Dep	\$ 40,462	40,903	39,536
	City Bond Debt Escrow	\$ 0	0	0
	Total	\$ 1,191,003	1,210,112	1,220,427
	Due to/from Redevelopment	219.53	219.53	-51,418.87
Total Cash Reserves		3,437,940	3,304,983	2,827,345

Financial Institution	Funds	Funds	Funds
Associated Bank	2,640,090	2,610,558	2,290,294
Edward D Jones	107,569	107,569	106,520
First Minnesota	151,997	151,997	147,844
Merchant's Bank	538,284	434,859	282,687
	\$3,437,940	\$3,304,983	\$2,827,345

Housing Board Report

Month Ending March 2024

Waiting List Numbers

	Jordan Tower I	Jordan Tower II	Family Public Housing	Housing Choice Voucher
February 2024	211	59	56	378
March 2024	213	49	60	384

HRA Owned Properties

	Jordan Tower I	Jordan Tower II	Family Public Housing Units	Market Rate Rentals (13)
Move-outs	2	1	0	0
Move-ins	2	0	0	0
Lease Terminations or Evictions this month	0	0	0	0
Occupancy Rate	98%	98%	100%	100%

Voucher Programs

Housing Choice Voucher		Monthly HAP Received	\$86,063
Allocated Vouchers	169	Monthly HAP Paid	\$89,357
Funded Vouchers	145	HAP Reserves	\$48,608
Leased Vouchers	141	Per Unit Cost	\$620
Utilization Rate for Vouchers	97%	Utilization Rate for Monthly Funding	103%
Move-ins	2	Shopping (includes PO)	31
Move-outs	0	Processing Applications	9

Bridges Rental Assistance	GY 2023-2025	Total Grant Awarded	\$225,792
Vouchers Leased	9	Available Balance	\$169,052
Awarded Vouchers	12	Grant Months remaining	15
Utilization of Vouchers	75%	Grant Funds Utilization	25%
Move-ins	0	Shopping	3
Move-outs	0	Processing Applications	3

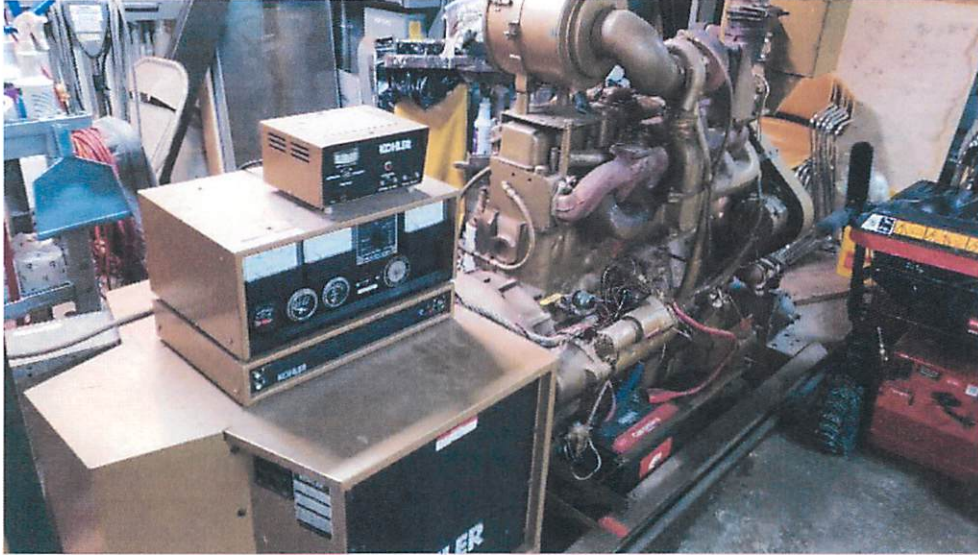
Program/Project Updates

- Jordan Tower I Electrical Project
 - This project is substantially completed. The contractor is finishing a few items and we are now onto the close out paperwork. We would like to thank all residents, families, and staff for the patience and understanding during construction!
 - See attached pictures
- Bring It Home- State Voucher Program
 - Minnesota Housing is still working on the program guide and the other paperwork for this program. Jennifer is part of the MN NAHRO work group.
- Family Unit Concrete Project
 - Advertisement for bids was published in the local newspaper. A mandatory pre-bid walk thru was held on April 4, 2024 at 10am. The sealed bids are due by 2:00pm on April 23, 2024. Staff will bring the bids to May 2024 board meeting.
- Red Wing's Rental License Program Meeting
 - The City of Red Wing is hosting two meetings to go over topics helpful for renters and landlords. Jennifer will be at both meetings representing the HRA.
 - See attached flyer
- NSPIRE (National Standards for Physical Inspection of Real Estate) Inspections
 - NSPIRE replaces REAC inspections
 - NSPIRE-V replaces Housing Quality Standards (HQS) inspections
 - Staff have been to training and received certification.
 - HRA will be having our first NSPIRE inspection next month.
- HOTMA (Housing Opportunity through Modernization Act of 2016)
 - On July 29, 2016, HOTMA was signed into law. HUD finalized HOTMA rulemaking in 2023. There have been numerous notices issued by HUD to PHA's on implementation deadlines and guidance on implementation. All policies will need to be updated and brought to board for approval.

Homeless & Supportive Housing Updates

- Hope & Harbor Shelter
 - <http://www.rwhopeandharbor.com/>
 - 651-764-4294
- Monthly meetings staff attend to review and update on local resources
 - Homeless Response Team
 - Continuum of Care

Jordan Tower I Electrical Project
Completed Spring 2024



Old Generator

New Generator





Old Electrical Panels

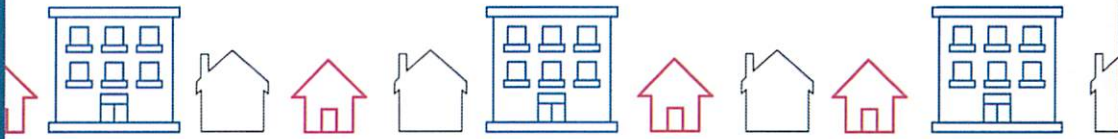




New Electrical Panels



MEETINGS FOR RENTERS AND LANDLORDS



RENTERS: TUESDAY, APRIL 9

LANDLORDS: THURSDAY, APRIL 11

**Both 6:00 to 7:30 p.m.
at the Red Wing Public Library
Presentation at 6:00, followed by Q&A**

Topics Include

- Getting Ready for a Rental License Inspection
- Renter's Insurance
- Housing Choice Vouchers
- Fire Safety Information
- Details on Free Classes and Additional Resources
- Your Feedback on the Rental License Program
- Q&A with City Staff

Questions or topic requests? Call 651.385.3618

Rental License Program info: red-wing.org/RentalLicense



**RED WING'S
RENTAL
LICENSE
PROGRAM**

City of
RED WING



RED WING HOUSING & REDEVELOPMENT AUTHORITY

428 WEST FIFTH STREET, RED WING, MN 55066

TELEPHONE (651) 388-7571

FAX (651) 385-0551

TDD/TTY 711

WWW.REDWINGHRA.ORG

April 9, 2024

To: Red Wing HRA Board of Commissioners

From: Kurt Keena, Executive Director
Corrine Stockwell, Finance Director

Re: Community Redevelopment Report

Small Cities Program Income Notes Receivable and Cash Reserves

Category	February 2024
Notes Receivable	\$1,525,455
Forgivable	\$747,936
Reserves	\$360,786

Small Cities Loan Servicing and Activities

There are two pending applications at this time. Both are in conjunction with AHTF applications that would rehab two properties in the downtown area as well as add new rental apartments to the buildings.

One past loan has defaulted. The property is for sale and the HRA will recover as much of our funds as we can from the sale proceeds.

Affordable Housing Trust Fund Activities and Reserves

There are two pending applications at this time as mentioned above. The owner has submitted the applications and they are under review at this time. We anticipate that they will be ready for consideration by the Finance Committee, HRA Board and City Council in May.

February reserves for AHTF are \$380,325.

TIF (Housing) District No. 8

We are working with the developer to certify the last phase of this project and their expenses on this last building. This will then complete all four phases of this district and transition us into ongoing administration of the district.

Housing & Redevelopment Related Update

The City Council approved TIF and other public assistance for the developers of the former Associated Bank building downtown which will add approximately 27 units of market rate rental housing to the community. This public assistance will now allow the developer to re-start work on the project and hopefully bring it to completion.

Kurt participated in a meeting with Goodhue County Habitat for Humanity and Habitat Minnesota regarding the opportunity to apply for State funds to assist with the cost of installing infrastructure for their Hope Heights development. The City (or HRA on behalf of the City) will need to be the applicant



RED WING HOUSING & REDEVELOPMENT AUTHORITY

428 WEST FIFTH STREET, RED WING, MN 55066

TELEPHONE (651) 388-7571

FAX (651) 385-0551

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for the funds once they are announced. Kurt will coordinate with both the City and GC Habitat as more details are announced.

GC Habitat has also approached the City about access to the Statewide Affordable Housing Assistance (SAHA) funds they received. This has triggered some internal staff discussions about the funds and how to proceed. There may be a role for the HRA depending on direction from the Council.

Attachments

None