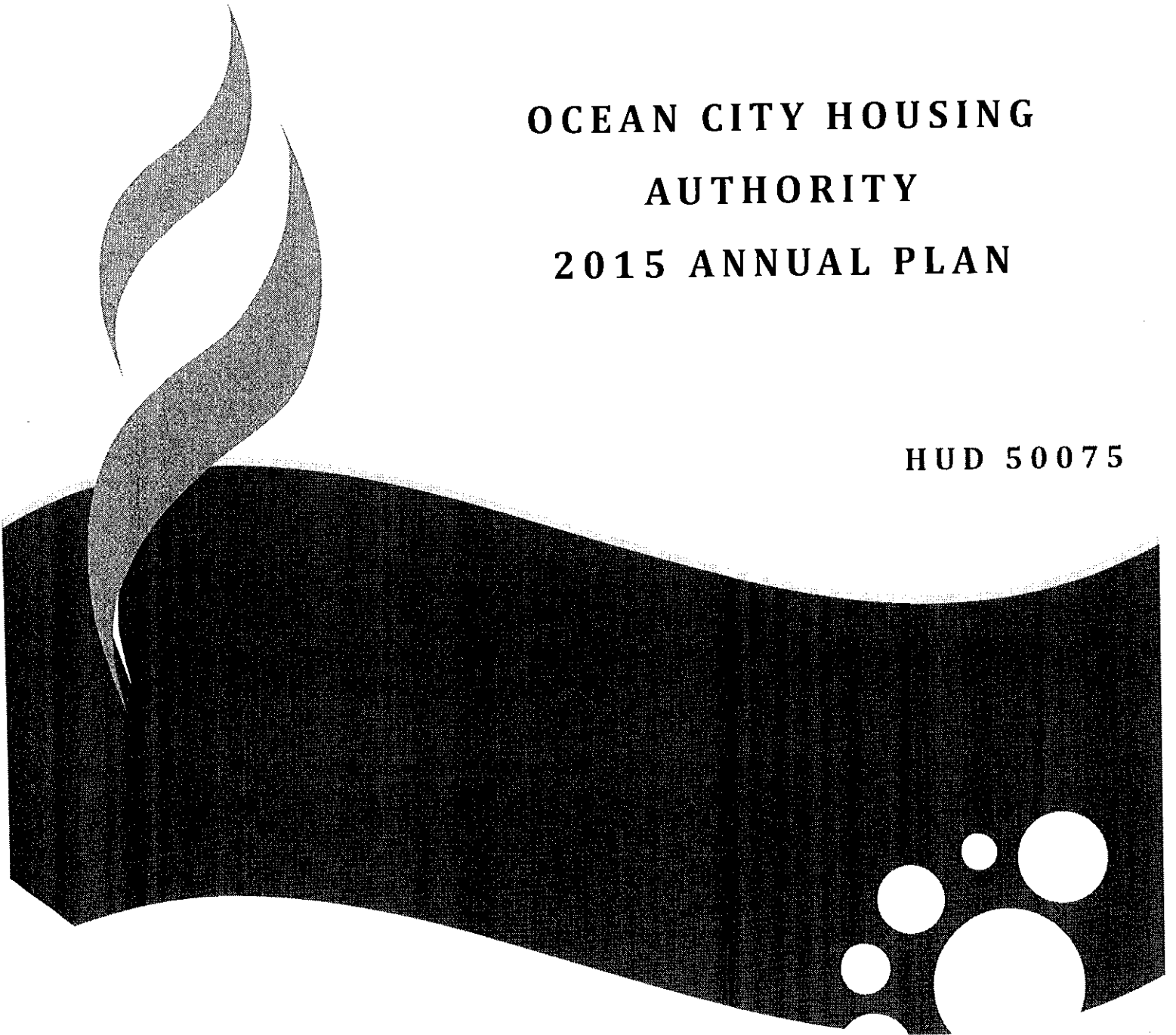




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**OCEAN CITY HOUSING
AUTHORITY
2015 ANNUAL PLAN**

HUD 50075



OCHA HOUSING AUTHORITY 2015 ANNUAL PLAN

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PHA 5-Year and Annual Plan

**U.S. Department of Housing and Urban Development
Office of Public and Indian Housing**

**OMB No. 2577-0226
Expires 4/30/2011**

1.0	PHA Information PHA Name: Ocean City Housing Authority PHA Code: NJ 053 PHA Type: <input checked="" type="checkbox"/> Small <input type="checkbox"/> High Performing <input type="checkbox"/> Standard <input type="checkbox"/> HCV (Section 8) PHA Fiscal Year Beginning: (MM/YYYY): _____				
2.0	Inventory (based on ACC units at time of FY beginning in 1.0 above) Number of PH units: 121 Number of HCV units: _____				
3.0	Submission Type <input type="checkbox"/> 5-Year and Annual Plan <input type="checkbox"/> Annual Plan Only <input type="checkbox"/> 5-Year Plan Only				
4.0	PHA Consortia <input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below.)				
	Participating PHAs	PHA Code	Program(s) Included in the Consortia	Programs Not in the Consortia	No. of Units in Each Program
					PH HCV
	PHA 1:				
	PHA 2:				
	PHA 3:				
5.0	5-Year Plan. Complete items 5.1 and 5.2 only at 5-Year Plan update.				
5.1	Mission. State the PHA's Mission for serving the needs of low-income, very low-income, and extremely low income families in the PHA's jurisdiction for the next five years:				
5.2	Goals and Objectives. Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan. ATTACHMENT A				
6.0	PHA Plan Update (a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission: (b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions.				
7.0	Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. <i>Include statements related to these programs as applicable.</i>				
8.0	Capital Improvements. Please complete Parts 8.1 through 8.3, as applicable.				
8.1	Capital Fund Program Annual Statement/Performance and Evaluation Report. As part of the PHA 5-Year and Annual Plan, annually complete and submit the <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> , form HUD-50075.1, for each current and open CFP grant and CFFP financing. See CFP Attachment				
8.2	Capital Fund Program Five-Year Action Plan. As part of the submission of the Annual Plan, PHAs must complete and submit the <i>Capital Fund Program Five-Year Action Plan</i> , form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan.				
8.3	Capital Fund Financing Program (CFFP). <input type="checkbox"/> Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements.				
9.0	Housing Needs. Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. SEE ATTACHMENT C				

9.1	<p>Strategy for Addressing Housing Needs. Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan. SEE ATTACHMENT C</p>
10.0	<p>Additional Information. Describe the following, as well as any additional information HUD has requested.</p> <p>(a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year Plan.</p> <p>(b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA's definition of "significant amendment" and "substantial deviation/modification"</p>
11.0	<p>Required Submission for HUD Field Office Review. In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. Note: Faxed copies of these documents will not be accepted by the Field Office.</p> <p>(a) Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i> (which includes all certifications relating to Civil Rights)</p> <p>(b) Form HUD-50070, <i>Certification for a Drug-Free Workplace</i> (PHAs receiving CFP grants only)</p> <p>(c) Form HUD-50071, <i>Certification of Payments to Influence Federal Transactions</i> (PHAs receiving CFP grants only)</p> <p>(d) Form SF-LLL, <i>Disclosure of Lobbying Activities</i> (PHAs receiving CFP grants only)</p> <p>(e) Form SF-LLL-A, <i>Disclosure of Lobbying Activities Continuation Sheet</i> (PHAs receiving CFP grants only)</p> <p>(f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations.</p> <p>(g) Challenged Elements</p> <p>(h) Form HUD-50075.1, <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> (PHAs receiving CFP grants only)</p> <p>(i) Form HUD-50075.2, <i>Capital Fund Program Five-Year Action Plan</i> (PHAs receiving CFP grants only)</p>

OCEAN CITY HOUSING AUTHORITY

2015 ANNUAL PLAN

ATTACHMENT A

Goals and Objectives (Update)

(5.2 of HUD Form 50075)

**OCEAN CITY HOUSING AUTHORITY
2015 ANNUAL PLAN**

5.2 GOALS AND OBJECTIVES

IDENTIFY THE PHA'S QUANTIFIABLE GOALS AND OBJECTIVES THAT WILL ENABLE THE PHA TO SERVE THE NEEDS OF LOW-INCOME AND VERY LOW INCOME, AND EXTREMELY LOW-INCOME FAMILIES FOR THE NEXT FIVE YEARS. INCLUDE A REPORT ON THE PROGRESS THE PHA HAS MADE IN MEETING THE GOALS AND OBJECTIVES DESCRIBED IN THE PREVIOUS 5-YEAR PLAN.

1. **GOAL:** Build, maintain and renovate housing communities to the highest standards. Specifically within the 5 years, the OCHA will strive to become a high performer with REAC. We will continue to increase the physical scores on REAC assessments in viable properties. Our goal is to build/purchase over 250 units of affordable housing in the next five years.

UPDATE: OCHA is on target to reach the goal of building or purchasing 250 units. Since the beginning of 2014. OCHA has procured Pennrose as the developer to apply for tax credits for Pecks Beach Village. OCHA has partnered with the City of Ocean City, who will provide funding through the COAH dollars in the amount of 3,000,000.00 (Three million dollars) as well as provide financing through a Municipal Bond in the amount of \$5,000,000.00. This method of funding will be for a new midrise senior building which will consist of (40) forty units. The new building will be part of the City of Ocean City Redevelopment Plan and the OCHA will be managing the additional (20) twenty units which are not part of the OCHA current portfolio.

2. **GOAL:** Apply for the Rental Assistance Demonstration Program (RAD).

OBJECTIVE: Submit a Request for Proposal and obtain from a firm or consultant to assist in processing the RAD application.

3. **GOAL:** Link with our employees, our residents and community partners to support our mission. The OCHA will seek to sign (7) seven additional new memoranda of agreement with new partners in the next five years to more effectively serve our residents.

UPDATE: OCHA has executed a Memoranda of Understanding and Letters of Collaboration with community partners to improve services to residents and families, as detailed in chart below:

Name of Partner	Term of Agreement	Location	Type of Services
Ocean City Community Service Center	06/22/15-08/14/15	17 th Street, Ocean City NJ	Daily Camp for OCHA Enrolled 10 Families http://www.ocnj.us/Recreation/ In Kind Services
Rite Aid Pharmacy	Annual	Rt.9, Somers Point NJ	Flu shot clinics and lobby event wellness fairs
Gateway Action Community Partnership	Annual	204 4 th Street, Ocean City NJ	Child Day Care Services for Families
Work Force Investment Board (WIB)	Annual	2 South Main Street Pleasantville NJ	Assist residents of Atlantic and Cape May counties secure meaningful, and sustainable employment.
Shiloh Baptist Church	Quarterly	635 West Avenue & 204 4 th Street	4 week bible study session quarterly. Movie nights and barbecues for families
Light House Community Church	Quarterly	South Main Street Pleasantville NJ	4 week bible study session
Macedonia United Methodist Church	Annual	204 4 th Street, Ocean City NJ	Provide Vacation Bible School for Families and Youth. Back to School book bags and supplies giveaways. Target: 30 families 4 week bible study session
Golden Heart Adult Day Care Center	Daily	Shore Road, Somers Point NJ	Provide social services and transportation for services
Integrity/Fox Rehab	Daily	100 West Avenue Ocean City NJ	Out-Patient Rehab, In-Kind Services and workshops
Rutgers New Jersey Snap-Ed Program	3 x times Annually	88 Lipman Drive, New Brunswick NJ 08901	6 week sessions, fitness and nutritional program



HOUSING AUTHORITY OF THE CITY OF OCEAN CITY

ADMISSIONS, OCCUPANCY AND RENTAL POLICY

**ADOPTED BY THE BOARD OF COMMISSIONERS
MAY 19, 2015**

RESOLUTION NO. 2015-10

Resolution of the Housing Authority of the City of Ocean City (OCHA), New Jersey authorizing changes to the Lease and Admissions Occupancy and Rental Policy (ACOP)

WHEREAS, the Authority deems it necessary to changed its lease due to unauthorized tenants residing on property; and

WHEREAS, according to the OCHA lease Page 7-11. B, "Not give accommodation to boarders or lodgers; and not to give accommodation to long term guests (in excess of 14 days) without the advance written consent of the authority.

WHEREAS, The OCHA lease shall be amended to reflect the following: " Pg. 7-11 B " Tenant's shall not permit boarders or lodgers and shall not provide accommodations to long term guests in excess of 14 cumulative days within a one (year) period, visitors remaining beyond this period shall be considered trespassers and the tenant shall be guilt of a breach of lease" .

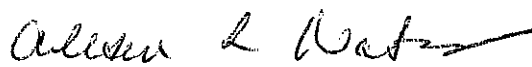
WHEREAS, these changes are only applicable after the OCHA has processed the required thirty (30) day comment period, which must be publicly advertised and the HUD 4350.3, Admissions, Occupancy and Rental Policy changes must have board approval;

WHEREAS, all changes must be reflected in the lease and the ACOP

NOW THEREFORE BE IT RESOLVED ON THIS 19TH day of May 2015 that Executive Director is hereby authorize to amend the suggested changes to the OCHA lease and the ACOP.

ARW

Board Member	Yes	No	Abstain	Absent	Motion	Second
Commissioner Barr	X					
Commissioner Halliday	X				X	
Commissioner Jackson	X					X
Commissioner Speitel	X					
Commissioner Thompson				X		
Vice-Chairman Sirott				X		
Chairman Woods	X					



Alesia R. Watson, Board Secretary

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ADMISSION, OCCUPANCY AND RENTAL POLICY

1.0 INTRODUCTION/PURPOSE

1.1 Purpose of Policy

.The purpose of this document is to explain the policies, rules and procedures of the Housing Authority of the City of Ocean City, as they relate to the admission of and continued occupancy of residents in public housing. It will also state the rules and procedures employed to calculate rent. This policy complies with the principles in Section 206 of the Housing and Community Development Amendments of 1979, Section 203 of the Housing and Urban Rural Recovery Act of 1983 and the Quality Housing and Work Responsibility Act of 1998.

Whereas it is the policy of the Housing Authority of the City of Ocean City to fulfill the stipulations expressed in the U.S. Housing Act of 1937 and all subsequent amendments thereto as enacted by the Housing and Community Development Acts in the operation of all low-income public housing under its administration, and whereas it is the commitment of the City of Ocean City, the Housing Authority of the City of Ocean City finds it necessary to delineate the admission, continued occupancy and rental policies and practices, and set priorities so as to accomplish its commitment to provide decent, safe and sanitary housing to eligible applicants, and residents in occupancy. It is pursuant to this goal that the Authority establishes the following criteria pertinent to eligibility for admission to its low-income housing developments under its jurisdiction, as well as rules and regulations to determine the calculation of rents. Notwithstanding the above, changes in applicable federal law or regulations as per 24 CFR Part 900 shall supercede provisions in conflict with this policy.

1.2 Fair Housing Policy

In establishing these criteria, the Authority has complied with all regulations of Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, the HTJD regulations of May 21, 1984, requirements as outlined in the Public Housing Occupancy Handbook, 7465.1 Rev, dated 10/78 and HUD regulations of May 12, 1988 as outlined in notice PIH 88-16, 7465.1 Rev-2. In an effort to provide a decent home and a suitable living environment which fosters economic and social mobility in the tenant body as a whole, the Authority hereby adopts policies and procedures which embody standards and criteria for tenant selection that takes into consideration the needs of individual families, for low-income housing, as well as the statutory purpose in developing and operating

socially and financially sound low-income housing developments.

These policies and procedures have been so designed as to avoid concentration of the most economically deprived families in any one of the OCHA's low-income housing sites, and preclude admission of applicants whose habits and practices may have a detrimental effect on the health, safety and welfare of the residents. It is the goal of the Authority to attain a stable tenant body comprised of families with a broad range of incomes.

These policies and procedures have been designed in such a way as not to deny admission to any particular group or category or otherwise eligible applicants. They assure the objective and reasonable selection among eligible applicants and are consistent with the Authority's responsibilities as a public body. Finally, they comply with state, local and federal laws and regulations as well as the provisions of the Annual Contributions Contract governing the flow of funds between HUD and the Housing Authority.

1.3 Affirmative Marketing

In the hopes of reaching a broad spectrum of potential applicants, the OCHA will affirmatively market its public and assisted housing to the widest audience practicable. Information concerning the public and assisted housing programs shall be disseminated through the local media on a regular basis. This dissemination of information may take the form of press releases or advertisements. The OCHA shall assure minority participation by disseminating information in local and area-wide minority publications. The OCHA may meet with minority organizations to discuss their programs. In all instances the OCHA shall take steps to provide opportunities to households which due to other factors such as race, religion, ethnicity, sex of head of household, age, disability or source of income would be less likely to apply for public and/or assisted housing. The OCHA shall be in compliance with the Local Housing Plan of any local, county or state Comprehensive Housing Affordability Strategy (CHAS) pursuant to Section 24 CFR, Part 91, and the CHAS shall have the housing authorities plans incorporated within.

2.0 ADMISSIONS POLICY

2.1 Criteria for Admission

In compliance with its statement of purpose and objectives, and in adherence to its policy of achieving a socially and economically viable tenant body, this Authority, through its tenant selection process, has determined that it will accept for admission to its public housing developments only applicants who at the time of application meet all of the following requirements: (note that procedures for the implementation of these criteria are

discussed in Section 2.4 and criteria for denial of admission are discussed in Section 3.0 below).

- 2.1.1 Have demonstrated satisfactorily by past performance the ability to pay such monthly rent as would be determined according to the Authority's rent policy.
- 2.1.2 Have demonstrated through acceptable references the ability to conduct themselves in a manner that will not impair the environment and/or security' of other tenants residing in the development.
- 2.1.3 Have demonstrated by past performance and behavior that family members are likely to obey all rules and regulations as embodied in the tenant's lease, as well as the rules and regulations embodied herein.
- 2.1.4 Have demonstrated by past behavior that family members will take affirmative action to maintain both the apartment they are seeking to lease as well as the common area of the development in which the apartment is located in a safe, healthy and sanitary condition.
- 2.1.5 In the event, however, that in the course of soliciting relevant information that will help determine the suitability and eligibility of any individual applicant as a potential public housing resident, any unfavorable information is received with respect to the applicant, the Authority shall consider such factors as might indicate a reasonable probability of favorable future conduct or financial prospects such as 1) evidence of rehabilitation or 2) evidence of participation in or willingness to participate in social service or other appropriate counseling service programs offered by the community at large.

However, the above criteria will not be employed to deny admission to potential residents on the basis of race, creed, color, national origin, marital status, and other factors enumerated in Title VI of the Civil Rights Act of 1968.

While the Housing Authority envisions itself as being responsive to the community's needs for low-income housing, it cannot accommodate all emergency cases because of limited resources and its obligation to adhere to the standards set forth herein. However, its tenant selection process will aim at achieving these objectives by adhering to the criteria established herein.

- 2.1.6 Verification Requirements. The following items of information are subject to verification by the Authority to determine eligibility and rent:

a) **Income**. The Authority will use the following to verify income:

- (1) Third party' verification through an employer or public agency.
- (2) Review documentation provided by the family such as benefit checks, income tax returns, etc.
- (3) Verification of public assistance from the governmental entity supplying it.

All copies of such information shall be kept in the applicant's file.

b) **Assets**. The Authority will review all savings and checking accounts, newspaper stock quotations; local government assessed property values, tax returns, etc. The applicant will also be responsible for completing an "Asset Disposition" Form.

c) **Family Size and Composition**. The Authority will rely on the declaration of the applicants related to family size, composition and the relationship among the family members.

d) **Age of Family Members**. The Authority will request that birth certificates be provided to verify age.

e) **Marriage Certificate**. If a marriage certificate is not available the following information is acceptable:

- (1) Drivers license that displays the same address and last names.
- (2) Federal tax forms that indicate that the family filed taxes as a married couple during the last tax reporting period.
- (3) Other acceptable forms of documentation of marriage would include any document that has been issued by a federal, state, or local government and indicates that the individuals are living as a married couple. Couples that are living under common law can provide the same information as listed above to document that they are living together.
- (4) The couple must also certify on their application for admissions that they are married.

f) **Separation or Divorce**. If an applicant is divorced or separated and has a child or

k) **Social Security Numbers.** The Authority will require Social Security numbers for each family member. If the Applicant cannot provide his/her social security number, other documents listed below showing the social security number may be used for verification. They may be used only until a valid social security card can be provided, these additional documents are as follows:

- (1) Driver's license that shows the social security number.
- (2) Identification card issues by a federal, state or local agency.
- (3) Identification card issued by an employer or trade union.
- (4) Identification card issued by a medical insurance company.
- (5) Earnings statements or payroll stubs.
- (6) Bank statements
- (7) IRS Form 1099 or W-2 form.
- (8) Benefit award letters from government agencies.
- (9) Medicaid Cards
- (10) Unemployment benefit letter.
- (11) Retirement benefit letter.
- (12) Life insurance policies.
- (13) Court records such as real estate, tax notices, marriage and divorce judgment or bankruptcy records.
- (14) Verification of social security benefits with the Social Security Administration.

If the OCHA verifies social security benefits with the Social Security Administration, the acceptance of the SSN by the Social Security Administration may be considered documentation of its validity.

- 1) **Eligible Citizenship Status.** The Authority' requires verification of eligible citizenship status in the form of birth certificates, passports, permanent residency cards, etc.

All information obtained from the applicant concerning eligibility will be verified when a suitable dwelling is expected to be available.

2.1.7 Confidentiality. All records concerning an applicant or Tenant are strictly confidential.

a) All applicants applying for public and/or assisted housing shall complete and execute a Federal Privacy statement that states under what conditions 1-TUD will release Tenant information. Requests for information concerning a specific Tenant must be in writing and accompanied by a signed release request before the OCHA will release any information.

b) All applicants applying for public and/or assisted housing shall complete and execute release for information form. This form will enable the OCHA to obtain information regarding the applicant. Such information will be used solely in determining eligibility and suitability for admission.

2.2 Specific Standards of Eligibility

2.2.1 Eligibility for Admission. Applicants to be admitted into the Authority's low-income housing must satisfy all of the following additional requirements:

- a) Qualify as a family as defined in Section 10.0.
- b) Have a total family income, less enumerated deductions, which cannot exceed the maximum income limits for admission as set forth in Exhibit A.
- c) Agree to complete an orientation program prior to occupancy. This program will be arranged pending the Authority's financial capability to do so, and its ability to provide the necessary staff for such a program.

2.2.2 Preference in Selection of Tenants. In selecting applicants for assistance in public housing, Ocean City residents will be given preference at all times. In addition a preference will be given to working families. A resident is defined as follows:

- a) An applicant who resides in Ocean City at the time they submit their

application.

- b) An applicant who is working in Ocean City.
- c) A senior citizen who is the parent of an Ocean City resident who has lived in the municipality for at least two years.

No requirement or preference may be based upon the identity or location of the housing that is occupied by the applicant, nor upon the length of time the applicant has resided in Ocean City.

When an applicant who was a non-resident becomes a resident, the previous application will be placed at the end of the resident waiting list as of the date they present verification of residency.

Any Ocean City resident who is on the waiting list and subsequently moves out of the City will not maintain their position on the waiting list.

2.3 Continued Occupancy Limits

The Housing and Community Development Act of 1974 completely eliminated the concept of continued occupancy income limits for public housing residents.

In addition, the Authority as per Exhibit H has adopted ceiling rental limits. However, if it is determined that a family's income is in excess of the income limits set for new admissions, the Authority will determine whether the family is a family of low-income in accordance with its standards and criteria for continued occupancy. If the Authority determines that the family is not a low-income family, the Authority, as provided in 24CFR Section 860.6, will not commence eviction proceedings or refuse to renew a lease based upon the income of the tenant family unless it has identified for possible rental by the family a unit of decent, safe and sanitary housing of suitable size available at a rent not exceeding 30% of adjusted income as defined by this policy.

2.4 Related Procedures - Process of Applying for Admission

In order to insure that very low-income families are not discriminated against, it shall be the policy of this Authority to admit not less than 40% of all families with incomes at or below 30% of the area median income in accordance with the Income Targeting provisions of the Quality Housing and Work Responsibility Act of 1998.

The Authority shall obtain a written application signed by a responsible adult member of

the family. This application shall set forth all data and information necessary to enable the Authority to determine whether or not the family meets the conditions for admission or continued occupancy.

All applications received shall be dated and maintained in the central office by the tenant selection staff. Each application shall be assigned an appropriate place on a community-wide basis in sequence based upon date the application is received, suitable type and size of unit and factors affecting preference or priority established by the Authority, not inconsistent with the objectives of Title III of the Civil Rights Act of 1964 and the HUD regulations and requirements pursuant thereof.

Eligible families on the waiting list must contact the Authority immediately if any change in family composition, income or factors affecting preference should occur.

Suitable vacancies arising at a given time at any location shall be offered to the eligible applicant first in sequence at such time. If the applicant offered the available apartment refuses, they will be given another choice if one exists. If another unit is not available, then the applicant will be given a second offer as soon as one becomes available. If the applicant rejects the second offer, they will be moved to the bottom of the eligible applicant list.

However, if an applicant presents to the satisfaction of the Authority clear evidence that acceptance of a given offer of a suitable vacancy will result in undue hardship or handicap not related to considerations of race, color, or national origin, such as inaccessibility to source of employment, children's day care and the like, refusal of such an offer shall not be counted as one of the two allowable refusals permitted an applicant before placing their name at the bottom of the eligible list.

In addition, any and all forms requiring signature of applicants or tenants that involve contract of stipulations regarding admission and occupancy shall be read and explained to the tenant or applicant prior to signing. If economically feasible, all above listed documents shall be available in Spanish on request and/or self-evident need. In any event, the Authority shall supply an applicant who does not read or write the English language with a translator if this is economically feasible.

Management shall develop reasonable procedures for the screening and acceptance of applicants referred from external social service agencies. If tenants are involved in such screening procedures, they shall not receive rent reductions in return for their participation.

Community Service Requirement. Effective October 1, 1999, all adult residents of Ocean City Housing Authority units, except those who are employed, elderly, disabled, participants in an economic self-sufficiency program, excluded from New Jersey work requirements or enrolled in a qualifying New Jersey state program must contribute eight (8) hours of service per month to the Ocean City Community.

The Housing Authority will monitor each family's compliance. Failure to comply will mean MANDATORY NON-RENEWAL of the family lease.

OCCUPANCY BY POLICE OFFICERS. Subject to inclusion in the Housing Authority's Annual Plan, police officers shall be permitted to occupy public housing units.

The applicant will be required to sign a release allowing the authority to request a copy of a police report from the New Jersey State Police and the Federal Bureau of Investigation if required. In addition, the applicant, if required, will provide fingerprints to the police department for submission to the FBI for check through the National Crime Information Center.

The Authority shall promptly' notify any applicant (as per Section 2.6) determined to be ineligible for admission (as per Section 3.0), the basis for such determination and shall provide the applicant, upon request, within a reasonable time after the determination is made, with an opportunity for an informal hearing on said determination.

When a determination has been made as to the eligibility and satisfaction of all requirements for admission including the tenant selection criteria, the applicant will be notified of the approximate date of occupancy.

The Housing Authority', working in conjunction with social service organizations, the Ocean City government and its various departments, shall commit itself to the development/provision of quality residences in public housing that will attract qualified new tenants, retaining tenants who adhere to standards embodied herein.

Individuals who have a physical impairment, which would prevent them from completing an application in person, may call the Authority to make special arrangement to complete their application. A telecommunications device for the deaf (TDD) is available for the deaf. If the applicant is visually impaired all notices must be in a format understandable by the applicant.

The Authority may' from time to time close its waiting list by suspending the acceptance of any new applications for assistance. The Authority will make it known to the general public through the publication in the media of the fact that applications are being suspended. When the Authority determines it is in their best interest to open the waiting list and begin accepting applications again they will publish in the news media an advertisement stating that applications are available.

The advertisement shall contain the following:

The HA will publish the date applications will be accepted and the location where applications can be completed. If the HA anticipates suspending the taking of

applications after a period of time, the date of acceptance and closing of applications must be published.

Advise families that applications will be taken at the designated office;

Briefly describe the Public Housing program; and state that applicants for Public Housing must specifically apply for the Public Housing Units and those applicants for Public Housing may also apply for to the Section 8 Program, if applicable, and they will not lose their place on the Public Housing waiting list if they also apply for Section 8 assistance. For this to be applicable the HA must have a Section 8 Program and be accepting applications for Section 8 assistance.

To reach persons who cannot read the newspapers, the HA will distribute fact sheets to the broadcasting media. Personal contacts with the news media and with community service personnel, as well as public service announcements, will be made.

2.5 Non Compliance with Housing Authority Schedule of Appointments and Submission of Documents

An applicant must adhere to all schedules established by the housing authority to review eligibility'. An applicant who fails to keep an appointment without notifying the HA and without re-scheduling the appointment shall be sent a notice of termination of the process for failure to supply such certification, release of information or documentation as the HA or HTJD determines to be necessary (or failure to allow the HA to inspect the dwelling unit at reasonable times and after reasonable notice, if applicable) in the following situations:

- . Complete Application
- . Bringing in Verification Information
- . Briefing prior to Occupancy
- . Leasing Signature
- . Inspections
- . Recertification
- . Interim Adjustment
- . Other Appointments or Requirements to Bring in Documentation as Listed in this Plan
- . Scheduled Counseling Sessions
- . Move-In appointments

Process When Appointment(s) are Missed: For most of the functions above, the family may be given two appointments.

If the family does not appear or call to reschedule the appointment(s) required, the HA may begin termination procedures. The applicant or tenant will be given an opportunity for an

informal meeting or hearing, as appropriate pursuant to the grievance process. Only Tenants are afforded a grievance. The grievance procedures do not apply to applicants.

If the representative of the HA and/or Hearing Officer makes a determination in favor of the applicant/tenant, the HA will comply with decision unless the applicable provisions of the Grievance Procedure is applicable to the hearing officers decision.

Letters Mailed to Applicants by the HA: If an applicant claims they did not receive a letter sent by the Authority which requested information from the applicant or to have them attend an interview, the HA will determine whether the letter was returned to the HA. If the letter was not returned to the HA, the applicant will be assumed to have received the letter.

If the letter was returned to the HA and the applicant can provide evidence that they were living at the address to which the letter was sent, the applicant will be reinstated with the date and time of the application in effect at the time the letter was sent.

Applicants must notify the HA, in writing, if their address changes during the application process.

2.6 Notification of Applicants

The Authority' will promptly' notify' all applicants as to their eligibility or ineligibility' as follows:

- 2.6.1** An eligible applicant will be notified of the approximate date of occupancy insofar as that 'date can be reasonably determined. If an approximate date cannot be determined, the Authority will inform the applicant of their status on the waiting list and its length.
- 2.6.2** An ineligible applicant will be notified of the basis for the determination and will be provided upon a written request within ten (10) days after the determination with an opportunity for an informal meeting. The authority will hold this informal meeting within ten (10) days of the request. The person designated by the authority to conduct the informal meeting shall be an impartial person appointed by the authority other than the person who made the initial determination under review. The meeting shall be conducted in accordance with applicable HLTD and housing authority rules. The hearing officer shall return a decision within ten (10) days of the meeting. The housing authority's grievance procedure applies only' to residents. It does not apply to applicants.
- 2.6.3** The Authority will maintain all applicants' records indicating the final

action taken, including applications that have been determined inactive.

2.7 De-concentration

Section 513 of the Quality Housing and Work Responsibility Act of 1998 makes several amendments to Section 16 with respect to de-concentration of poverty and income targeting. The housing authority will make every effort to provide for de-concentration of poverty and income-mixing by bringing higher income tenants into lower income projects and lower income tenants into higher income projects whenever possible. The housing authority may offer incentives to eligible families that would help accomplish this goal. In addition, skipping of a family' on the waiting list specifically to reach another family with a lower or higher income will be done as required to meet this goal.

The housing authority will try to maintain a balanced income mix on all of its scattered sites. Replacing vacancies from the same or similar income levels will maintain this mix. The housing authority will establish a working family' preference, will continue to affirmatively market units and provide rent incentives as permitted by the QHWRA.

2.8 Misrepresentation by the Applicant or Tenant

If an applicant or tenant is found to have made willful misrepresentations at any time which resulted in the applicant or tenant being classified as eligible, when, in fact, they were ineligible, applicant will be declared ineligible and the lease and/or application will be terminated because of the misrepresentation by the applicant/tenant. If such misrepresentation resulted in tenant paying a lower rent than was appropriate, tenant shall be required to pay the difference between the actual payments and the amount, which should have been paid. In justifiable instances, the HA may take such other actions as it deems appropriate, including refer-ring the tenant to the proper authorities for possible criminal prosecution.

3.0 Criteria for Denial of Admission

Public housing residency is a privilege and not a right. In order to preserve the housing authority's interests and the integrity of the program, the OCHA may deny admission to an applicant for the following:

- 3.1** Have demonstrated unsatisfactorily by past performance the ability to pay such monthly' rent as would be determined according to the Authority's rent policy.
- 3.2** Have demonstrated through unacceptable references the ability to conduct themselves in a manner that will not impair the environment and/or security of other tenants residing in the development.

- 3.3 Have demonstrated by' past performance and behavior that family' members are unlikely to obey all rules and regulations as embodied in the tenant's lease, as well as the rules and regulations embodied herein.
- 3.4 Have demonstrated by' past behavior that family' members will not maintain both the apartment they are seeking to lease as well as the common area of the development in which the apartment is located in a safe, healthy and sanitary condition.
- 3.5 The housing authority will not assist a family' if they owe rent; other amounts or have judgments to any housing authority or any other federal subsidized housing program.
- 3.6 The housing authority will not assist a family if they have previously vacated a public or assisted housing unit in violation of the terms of their lease.
- 3.7 Have been previously evicted from public housing.
- 3.8 Have committed acts that would constitute fraud in connection with any federal housing program.
- 3.9 Did not provide information required within the specified timeframe as outline in Section 2.5 above.
- 3.10 Has been convicted of a drug-related criminal offense or violent criminal activity. The OCHA shall deny' admission to a family that contains a member of the household who is subject to the lifetime registration for sex offenders.
- 3.11 If the authority determines that a person is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of the premises by other Tenants. The authority may waive this requirement if:
 - 3.11.1 The person demonstrates to the authority's satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;
 - 3.11.2 Has successfully completed a supervised drug or alcohol rehabilitation program;
 - 3.11.3 Has otherwise been rehabilitated successfully; or
 - 3.11.4 Is participating in a supervised drug or alcohol rehabilitation program.

- 3.12 Has a history' of criminal activity involving crimes of physical violence to persons or property and other criminal activities that may adversely affect the health, safety' and welfare of other Tenant.
- 3.13 Intentional misrepresentation of verification information as outlined in Section 2.8 above.
- 3.14 Section 2.4. If this information is used to deny admission the authority will provide a copy of the information used in its determination in accordance with the Criminal Records Management Policy.

This list is not to be construed as totally inclusive, and there may be circumstances not listed which may be used for denial of admission if the authority determines that to admit the household or member thereof would have a detrimental affect on the health, safety or right to peaceful enjoyment of the premises by other Tenants.

3.15 Limited Periods of Denial of Admissions

If an applicant is denied admission, it may be determined by the authority to only be a limited denial. These timeframes are only a guideline, and may be extended if the authority deems it is in the best interest of the authority and or the Tenants. The timeframe for these denials is as follows:

3.15.1 One Year Limited Denial:

- . Bad credit history
- . Bad housekeeping habits
- . Bad landlord references
- . Bad rent payment history
- . Minor violation of lease
- . Failure to provide adequate verifiable documentation
- . Failure to provide documentation in the specified timeframe

3.15.2 Three Year Limited Denial:

. Eviction from public and or assisted housing because of drug-related criminal activity.

. Past behavior which may be a considered a threat to other Tenants.

3.15.3 Five Year Limited Denial:

. Drug use without any evidence of rehabilitation.

- 4.1.4 Ascertain the average rent which would be achieved based upon the incomes of low-income families in accordance with the distribution of incomes of all low-income families in the communities area of operation;
- 4.1.5 Ascertain the average rent which can be achieved based upon the incomes of the families on the waiting list;
- 4.1.6 Utilizing the above information develops criteria, by preference or otherwise, that will be reasonably calculated to attain the basic objective. The criteria developed will be sufficiently flexible to assure administrative feasibility.

4.2 Rent Collection

Rents are due and owing in advance by the first of each month, payable at the Housing Authority offices. A late charge of \$20.00 will be imposed upon any tenant who fails to pay rent in full by the 5th-day of the month. No partial payments will be accepted.

4.3 Security Deposits

All residents of low-income public housing units will be responsible for maintaining with the Housing Authority a security deposit equal to one month's rent or a \$100 minimum-security deposit. Security' deposits will be held in an interest bearing account on behalf of the tenant. In accordance with New Jersey State law, interest generated on behalf of the tenant in their security deposit account shall be rolled over from year to year. The total security deposit, including all interest, shall be distributed to the resident upon vacating their Unit. The security deposit and interest shall have deducted from it any costs for damages, utilities or other outstanding balances.

4.4 Minimum Rent Hardship Exemptions As per Lease Section 4 (1)

Minimum Rent Hardship Exemptions: The OCHA shall grant an exemption from the minimum rent provision to any' family' making a request in accordance with HA policy in writing that is unable to pay that minimum payment because of financial hardship, which shall include:

- 4.4.1 The family has lost eligibility for, or is awaiting an edibility determination for a federal, state or local assistance program, including a family that includes a member who is an alien lawful admitted for permanent residence under the immigration and naturalization act who would be entitled to public health benefits but for Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of

1996.

- 4.4.2 The family would be evicted as a result of the implementation of the minimum rent.
- 4.4.3 The income of the family has decreased because of changed circumstances, including loss of employment.
- 4.4.4 A death in the family has occurred which affect the family circumstances.
- 4.4.5 Other circumstances which may be decided by the OCHA on a case-by-case basis.

All of the above must be proven by the Tenant providing verifiable information in wanting to the OCHA prior to the rent being delinquent and before the lease is terminated by the OCHA. If Tenant requests a hardship exemption under this section, and the OCHA reasonably determines the hardship to be of a temporary nature, exemption shall not be granted during a ninety-day period beginning upon the making of the formal request for the exemption. A Tenant may not be evicted during the ninety-day period for nonpayment of rent. In such a case, the Tenant thereafter demonstrates that the alleged hardship is of a long-term nature and not temporary, the OCHA shall retroactively exempt the Tenant from the minimum rent requirement for the ninety-day' period past. This paragraph does not restrict nor prohibit the OCHA from taking legal action to evict the Tenant for other violations of the lease.

5.0 Occupancy Standards

The following standards will determine the number of bedrooms required to accommodate a family of a given size and will be adhered to in every instance where availability of units permits.

<u># Bedrooms</u>	<u>Minimum # Persons</u>	<u>Maximum # Persons</u>
0	1	1
1	1	2
2	2	4
3	3	6

In the assignment of dwelling units, only persons of the opposite sex who are husband and wife, or where the Authority determines that a "stable relationship" exists, will be allowed to occupy the same bedroom. An exception to this policy will be any case

where there are infants and children up to five years of age. In extraordinary cases these standards may be waived (e.g. intergenerational families). Reassignment or transfers to other dwelling units shall be made without regard to race, color, creed or national origin as follows:

- 5.1 Tenants shall not be transferred to a dwelling unit of equal size, whether within a complex or between sites, except for alleviating hardships as determined by the Board and the Executive Director.
- 5.2 If, per the occupancy standards, the size of the dwelling unit is no longer appropriate to tenant's needs, that tenant will be required to move to another available unit of appropriate size of tenant's choice within the project site where the tenant presently resides. The tenant will be required to move to an available unit of appropriate size in another site if such units are not required for tenants already residing at this site. If, however, the tenant refuses such appropriate accommodations, their lease may be terminated. In addition, the tenant may be required to vacate the apartment if a Housing Certificate or Voucher is available. The Authority shall employ provisions contained in the lease with respect to moving expenses.

6.0 Leasing of Dwelling Units

A legal head of a family accepted to live in public housing who is over 17 years of age, i.e., 18 or over, will be required to sign a lease agreement prior to actual admission. The Executive Director or Housing Manager will also sign the lease with one copy given to the tenant and one copy kept in the Authority's office. Where a husband and wife are living in a leased apartment together, both are required to sign the lease.

Only those persons listed on the most recent certification form shall be permitted to occupy a dwelling unit unless there is a birth to a family member or an authorized addition by the Authority in writing.

6.1 Visitors

Visitors may be permitted to sleep overnight in a dwelling unit, provided they are reported to the Authority within 48 hours of their arrival or prior thereto. Tenants shall not permit boarders or lodgers and shall not provide an accommodation long term guest in excess of 14 cumulative days within a one year period, visitors remaining beyond this period shall be considered trespassers and the tenant shall be guilty of a breach of the lease.

Tenants will not be given permission to allow: (1) a former tenant of the Authority' who has been evicted to sleep overnight in the unit for any period of time whatsoever, or (2) any person who is on the OCHA posted trespass list.

6.2 Senior Tenants

Each elderly tenant over the age of 62 will be required to have a co-signer whose responsibility' will be limited to contact with management in the event of serious illness or death and who will be required to take custody of the tenant's belongings in the event of death and promptly remove them from the apartment so that it may be rented to a new occupant without delay'. The Authority will consider evidence of hardship requiring reasonable additional time within which to remove the tenant's belongs following their death. The co-signer shall not be liable for rentals or other charges owed by the elderly tenant to the Authority.

In the event the Authority shall determine a tenant is unfit and unable to govern their affairs and meet their responsibilities under the lease or in the event of the death of a tenant, the personal property must be removed from the unit within 15 days of the date of the Authority's determination of incapacity' of the date of death. If the property is not removed, the Authority shall have the right to enter the premises, remove the personal property of said incapacitated or deceased tenant and cause such property to be transported and stored at the sole cost of the estate of said tenant.

6.3 Transfers

Transfers of families from one unit to another shall occur only as follows:

- Increase or decrease in family size that creates overcrowding or under-utilizing of the unit.
- Family whose member becomes disabled, or when a disabled member no longer lives in the unit.
- To avoid vacancy' loss and other expense due to unnecessary transfers.

If a tenant's family transfers from one dwelling unit to another, a new lease shall be executed.

In the event the Authority' requires a tenant to move other than when an additional person moves into the apartment and an appropriate size apartment is available, the Authority will provide a mover at the Authority's expense.

6.3.1 Types of Transfers:

Housing Authority initiated:

The HA may at its discretion transfer residents because of an uninhabitable unit, major repairs, or other actions initiated by management. For these types of transfers the HA will cover the cost of the transfer pursuant to cost allowed by HUD.

Transfers for Reasons of Health:

Tenant may be transferred when the HA determines that there is a medical need for such transfers, such as inability to negotiate stairs or steps. The tenant will be required to provide a statement from a medical doctor which indicates the condition of the tenant and the HA reserves the right to make its own evaluation of the situation and documentation. If the HA determines that there is not a substantial and necessary medical need for such transfer, the request for transfer shall be treated as a convenience transfer. Normally such transfers will be within the tenant's original neighborhood unless the appropriate size and type of unit does not exist on the site. The tenant must pay for all of their moving expenses and a transfer fee.

Convenience Transfers:

The Executive Director or his/her designee may at his/her discretion permit a transfer to another housing community or public housing facility for the convenience of the tenant for good cause. However, the cost of the transfer shall be borne by the tenant. A "Transfer Charge" list is posted in the HA offices and is based on our contract price for maintenance and an administrative charge of \$ for processing the transfer. The transfer charge list is updated annually by the HA. The HA will charge the actual cost of the transfer, which includes the administrative cost, the cost of preparing the unit for re-rental and, if applicable, a penalty for not turning in the keys to the old unit within day's of the transfer. The tenant is allowed a period of _____ days to move and turn in the keys to the old unit without being charged a penalty. If the move takes more than _____ days and the key's are not turned in the tenant will be charged a penalty of _____ per day for each day the keys are not turned in to the HA. Prior to the transfer the Landlord will perform an inspection on the current unit to determine the amount of charges the tenant will be required to pay as a result of tenant caused damages, if any. All transfer charges must be paid at the time the tenant signs his/her lease and receives the keys for the new unit. The Landlord will perform a final inspection, with the tenant, on the unit that the tenant transferred from.

After the key's are turned in, and a final determination will be made by the HA staff as to additional charges that may be due the HA. For example, the tenant may not have cleaned the Unit properly and/or damaged the unit during the moving process. If there are any charges that are due the HA, as a result of this inspection,

the tenant must pay' for these damages within fourteen (14) day's of written notice from the HA. The tenant must sign a transfer agreement after the HA has authorized the transfer and prior to the transfer.

Request for transfers for convenience must be made, in writing, to the HA at the tenant's residential office stating the reason for the requested transfer. The HA will issue a decision within thirty' (30) calendar days of receipt of the request, and if approved, provide the tenant with a list of the charges that will be the tenants responsibility to pay prior to the transfer.

Transfers for Over/Under-housed Families to the Appropriate Unit.

The HA may transfer residents to the appropriate sized unit and that tenants are obligated to accept such transfers. Transfers will be made in accordance with the following principles:

- (1) Determination of the correct sized apartment shall be in accordance with the HA's occupancy guidelines, as outlined in Occupancy' Guidelines.
- (2) Transfers into the appropriate sized unit will be made within the same neighborhood unless that size does not exist on the site.
- (3) The tenant must pay' for their moving expenses.

Priorities for transfers

All transfers must be either for health reasons, for relocation to an appropriate sized unit, approved convenience transfers, or initiated by the HA due to modernization work and/or other good cause as determined by the HA. Priority transfers are listed below:

- (1) HA initiated transfers,
- (2) Transfers for health reasons,
- (3) Tenants who are under-housed by two or more bedrooms,
- (4) Tenants who are over-housed by two or more bedrooms,
- (5) Tenants who are under-housed by one bedroom,
- (6) Tenants who are over-housed by' one bedroom; and,
- (7) Convenience transfers.

Within each priority type, transfers will be ranked by date. In processing transfers requested by' tenants for approved health reasons or to move to a larger apartment, the date shall be that on which the changed family circumstances are verified by the Manager. The HA reserves the right to immediately transfer any family who has misrepresented family circumstances or composition and the family' charged the posted rate for convenience transfers. Failure to pay' for these charges will result in termination of the dwelling lease.

6.3.2 Transfer Procedures: The HA shall:

Prepare a prioritized transfer list, as needed, at re-examination.

Notify residents by letter of their pending transfer.

Participate in evaluation of request for transfer based on approved medical reasons.

Issue final offer of vacant apartment as soon as vacant apartment is identified.

Issue notice to transfer as soon as vacant apartment is available for occupancy.

Participate in planning and implementation of special transfer systems for modernization and other similar programs.

Inspect both apartments involved in the transfer, charging for any resident damages that are not considered normal wear and tear.

When the tenant is transferred for modernization, the cost of the transfer shall be paid by the HA, pursuant to cost that is allowed by HUD.

Only two offers of a unit will be made to each tenant being transferred within his/her own neighborhood. A resident being transferred outside his own neighborhood will be allowed to refuse two offers. In the case of a family being transferred from a unit which is uninhabitable, incorrectly sized or scheduled for major repairs, failure to accept the unit offered, or the second unit offered in the case of a transfer outside the neighborhood, will be grounds for eviction. When a tenant declines an offer of a transfer to a single level apartment and the tenant requested the transfer the HA will notify the tenant, at that time, that the HA is not obligated to make any subsequent offers. The HA will notify the tenant that the HA has discharged its obligations to the tenant and he/she will remain in the unit at his/her own risk, and that the HA assumes no liability for the tenants condition.

Right of HA in transfer policy. The provisions listed above are to be used

As a guide to insure fair and impartial means of assigning Units for transfers. It is not intended that this policy shall create a property right or any other type of right for a tenant to transfer or refuse transfer.

6.4 Moving/Storage Expenses

The Authority shall not provide a mover at its expense for any tenant moving out of public housing. In addition, the Authority will not reimburse any tenant for any miscellaneous expenses involved with moving from one apartment to another.

When a tenant vacates the apartment, a move-out inspection will be performed. If, during

this inspection, it is found that furnishings have been left by the tenant, the costs to remove, store or dispose of these furnishings will be charged to the tenant. The costs will be deducted from any' security deposit of that tenant. All charges will be based on an hourly' rate for removal and actual rate for storage and/or disposal.

6.5 Interim Re-examinations

During the lease agreement, changes in rent or family composition shall be processed as follows:

- 6.5.1** Changes in rent shall be made by submitting a Recertification Application, verifying new income and/or family members and executing a rider to the lease. This rider must be dated and signed by both the Authority and the Tenant. A copy will be given to the tenant and the original shall be kept in the Authority's office.
- 6.5.2** Changes in the primary lessee shall cause a new lease to be made for the apartment.
- 6.5.3** If, through any cause, the signer of the lease ceases to be a resident member of the family, the lease will be voided and a new lease executed. A remaining member of the family who can qualify as a lessee will sign this new lease. If, nevertheless, no member is qualified to sign a new lease, the existing lease will be voided and the family' will be required to vacate.
- 6.5.4** Cancellation of a tenant's lease will be made in accordance with the provisions of the lease attached hereto.

If, during the tenure of a lease agreement, a tenant requests the addition of a family member to the lease, the Authority' will follow the same procedure when reviewing this individual's suitability for the public housing as it follows when reviewing the initial applicant. The review of this individual will include all of the items as outlined in Section 2.0 of the Admissions and Occupancy Policy.

If it is determined that this individual will not be a suitable resident of the public housing, the Authority' will notify the family that this individual will not be allowed to reside in the public housing nor be added to the lease. At this point the resident may accept the Authority's decision or terminate their tenancy.

7.0 Smoking Policy

Smoking in any of the common areas of the OCHA's premises will be strictly prohibited. Individuals who are found smoking in any' of these areas will be in breach of their lease and subject to the Authority's action. Public areas are as follows:

- . entrance vestibule
- . entrance lobby
- . community room
- . arts and crafts room
- . laundry room
- . hallways
- . elevators

8.0 Parking Policy

It is the policy of the Authority to regulate all on-site parking. It is the position of the Authority that all on-site parking is a privilege and is, therefore, granted in accordance with the policy as per Exhibit J. Parking is reserved only for tenants who are listed on the lease. Stickers will be given only to those tenants who present a valid driver's license, registration of the car in their name along with a valid insurance card.

9.0 Pet Policy

It is the purpose of this policy to insure that those residents who desire pets are responsible pet owners; that those residents who do not desire pets are not inconvenienced by pets on the premises; to assure that pets on premises are properly cared for; and that Housing Authority properties remain decent, safe and sanitary.

10.0 Annual Recertification

At least once each year, or as requested by the Authority, tenant households must furnish such accurate information regarding family composition, employment and household income as may be necessary to make a determination with respect to rent, eligibility and the appropriateness of the unit size. Required verification may include, but is not limited to, earning reports from employers, copies of state and federal income tax returns of all household members, W-2 forms, bank statements, etc.

Approximately three months prior to a lease renewal date, the Authority will send a notice informing the tenant of the requirements necessary to recertify and renew the lease. An interview must be scheduled and all documentation requested by the Authority must be submitted or before the first of the month before the lease expires. If, by that date, the tenant has not scheduled an interview nor provided the necessary documents, a notice will be sent to the tenant giving them 10 days to provide the required information in accordance with the lease. The notice will also inform the tenant that failure to provide the required information will result in termination of the lease. If the tenant fails to respond within 10 days, a 30-day Notice to Quit will be sent to the tenant.

The length of time from the date of admission to the date of first recertification may not

exceed 12 months according to current federal regulations. Therefore, in order to fit a new tenant into the established schedule, the first regularly scheduled recertification may be conducted in a period of less than 12 months.

The tenant is to be notified in writing of any changes required in rent or unit occupied and of any misrepresentations or lease violations revealed by the recertification and the corrective action that must be taken.

11.0 Inspections

11.1 Initial Inspection at Move-In

Prior to initial occupancy, the housing authority and the Tenant shall perform a walk-through of the unit to determine its condition at time of move-in. A written inspection report shall be prepared by the housing authority and signed by the Tenant. This inspection report shall document any and all conditions within the unit prior to occupancy.

11.2 Inspection at Move-Out

Prior to move-out, the housing authority and the Tenant shall perform a walk-through of the unit to determine its condition at time of move-out. A written inspection report shall be prepared by the housing authority and signed by the Tenant. This inspection report shall document any and all conditions within the unit prior to move-out. Any security deposit shall be used to offset any damages recorded. It is the Tenant's responsibility to pay for any repairs to the unit due to their actions.

11.3 Annual Inspections

At least once a year the housing authority will perform an inspection of the dwelling unit. This inspection will be in accordance with the Housing Quality Standards (HQS), and a copy of the report will be forwarded to the Tenant. Any deficiencies found at the time of the inspection will result in the development of a work order for the repair. If Tenant's negligence or abuse instigated the required repair, the Tenant will be responsible for paying for the repair. A) is of all maintenance charges will be provided the Tenant at Lease signing. Tenant will be given at least 48 hours noticing of inspection.

If the inspection indicates that the Tenant has poor housekeeping habits that need to be improved upon, the inspector will file a report and a subsequent meeting will be scheduled with the Tenant to counsel the Tenant on their poor housekeeping habits. A follow-up inspection as outlined in Section 11.5 may be scheduled within 30 days to see that the deficiencies are corrected. If the Tenant fails to correct the deficiencies,

provisions of the lease may be enforced and the tenant evicted.

11.4 Emergency Inspections

If an employee and or contract agent of the authority has reason to believe that an emergency exists within the unit, the unit can be entered without notice. The person(s) that enters the unit must leave a written notice to the Tenant that indicates the date and time the unit was entered and the reason why it was necessary to enter the unit.

11.5 Random Inspections

The housing authority retains the right to perform random inspections to determine whether or not the Tenant is keeping the unit in a decent, safe and sanitary' condition in accordance with the guidelines established by the authority. A copy of the report will be forwarded to the Tenant. Tenant will be given at least 48 hours noticing of inspection.

12.0 Intrim ReCertifications

If it is not possible, through no fault of the tenant at the time of regular recertification, to determine annual family income with any reasonable degree of accuracy, a temporary determination of income and rent will be made and an interim recertification scheduled for within 30 day's. The tenant will be notified in writing of the date of the special recertification.

If a family has income which is not verified and rent cannot be established due to the tenant's failure to submit the required information, the tenant is subject to eviction. Where there is no family income at the time of recertification (e.g. due to unemployment), a temporary minimum rent of 50.00 will be established. Recertification will be scheduled every 30 day's until such time the family' establishes that some form of income and the continued occupancy is resolved consistent with the lease.

Any change in family' income or family' composition must be reported to the Authority within 10 days of its occurrence. Failure to do so will be grounds to terminate the lease.

Rent will remain in effect for the period between regular rent recertifications unless during such period:

Tenant can show a change in their circumstances (such as a decline in income) which would justify a reduction in rent pursuant to the Schedule of Rents or such other circumstances as would create a hardship situation.

Tenant commences to receive public assistance or assistance is terminated.

It is found that a tenant has misrepresented the facts upon which rent is based so that the rent owed is less than it should be. The increase in rent will be retroactive.

If the required documents are submitted by the 15th of the month, the rent will be adjusted retroactive to the first of the month. If the required documents are submitted after the first of the month, the rent will be adjusted on the first of the month following the recertification.

13.0 Termination of the Lease

See Lease, Section 12. In the event the Authority is forced to institute legal action for eviction, the tenant will be responsible for any legal costs incurred by the Authority. In the event the Authority is forced to institute legal action for eviction and the tenant is evicted, the tenant shall be responsible for any reasonable legal and court costs incurred by the Authority.

14.0 Definitions of Terms

Child Custody: An applicant or Tenant who does not have full custody of a minor child(ren) may only claim a child as a dependent as follows:

- a) The applicant or Tenant must have primary custody of the child(ren) or be the parent of primary residence.
- b) The applicant or Tenant must provide sufficient evidence that if the applicant were admitted the child would reside with the applicant. The same child cannot be claimed by more than one applicant(i.e. counted more than once in order to make two (2) eligible families).

Citizen. An individual born in the United States or naturalized.

Dependent. A member of the household (excluding foster children) other than the head or spouse, who is under 18 years of age, is a disabled or handicapped person, or is a full-time student. An unborn child shall be considered for purposes or income eligibility and unit size.

Disabled Person. An individual who is under a disability as defined in Section 223 of the Social Security' Act or in Section 102(b)(5) of the Developmental Disabilities Services and Facilities Construction Amendments of 1970 Section 223 of the Social Security Act defines disability as:

Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months, or

In the case of an individual who has attained the age of 55 and is blind (within the meaning of “blindness” as defined in Section 416(I)(1) of this title: the inability by reason of such blindness to engage in substantial gainful activity requiring skills or abilities comparable to those of any gainful activity in which they have previously engaged with some regularity’ and over a substantial period of time.”

Section 102(b)(5) of the Developmental Disabilities Services and Facilities Construction amendments of 1970 defines disability as:

“A disability attributable to mental retardation, cerebral palsy, epilepsy, or another neurological condition of an individual found by the Secretary to be closely’ related to mental retardation or to require treatment similar to that required for mentally retarded individuals, which disability’ originates before such individual attains age eighteen, which has continued or can be expected to continue indefinitely, and which constitutes a substantial handicap to such individual.”

No individual shall be considered to be a person with a disability’ for purposes of eligibility’ for low income housing solely on the basis of any drug or alcohol dependency.

Elderly Family. A family whose head or spouse or whose sole member is at least 62 years of age, or disabled as defined below, or handicapped as defined below, and may include two or more elderly, disabled or handicapped persons living together, or one or more such persons living with another person who is determined to be essential to their care and well being.

Family Status. A single pregnant woman and individuals in the process of obtaining custody of an individual who has not attained the age of 18 years are considered for occupancy as a family. Therefore, these families may be eligible for a larger unit and their income eligibility” will be based on the larger household size.

Family. Two or more persons related by blood, marriage, adoption or who give evidence of a “stable relationship” which has existed over a period of years. With respect to single persons, such definition shall include an elderly family’ as defined above, or a displaced family as defined above, the remaining member of a tenant family, or single person family as defined below. By definition a family must contain a competent adult of at least

18 years of age to enter into a contract and capable of functioning as the head of household.

There must be some concept of family living together beyond the mere sharing or intention to share housing accommodations by two or more persons to constitute them as a family within the meaning of this policy.

Foster Child ren With the prior consent of the OCHA a foster child may reside in the dwelling unit. This determination will be based on the following:

- a) whether the addition of the child will require a larger unit for the family and subsequently' lead to a transfer to another unit.
- b) The ability' to make reasonable accommodations for the handicapped person.

Full-time Student. A person who is carrying a subject load which is considered full-time for day' students under the standards and practices of the educational institution.

Grievance Procedure. All Tenants are afforded the rights under the grievance policy' of the OCHA. The grievance policy' and procedures are incorporated into this document by reference and is a guideline to be used for grievances and appeals.

Handicapped Person. A person having a physical or mental impairment which 1) is expected to be of longstanding and indefinite duration, 2) substantially impedes their ability to live independently, and 3) is of such nature that such ability could be improved by more suitable housing conditions.

Hazardous Duty Pay. Pay to a family member in the Armed Services that is away from his primary residence and in a hostile situation. The pay' received for this duty is not included in the total family income.

Head of Household. The adult family member who is held responsible and accountable for the family.

Homelessness An individual or household is considered to be homeless as follows:

- a) They lack a fixed, regular and adequate residence.
- b) They have a primary' residence that is
 - (1) A supervised shelter designed to provide temporary living arrangements (including welfare hotel, congregate shelters and transitional housing or housing for the mentally ill.);

- (2) An institution that provides a temporary residence for individuals intended to be institutionalized; or
 - (3) A place not designated for, or ordinarily used as, a regular sleeping accommodation for human beings.
- c) A homeless family' does not include:
- (1) Any individual imprisoned or other-wise detained pursuant to an Act of the Congress or a State Law; or
 - (2) Any individual who is a Single Room Occupant (SRO) that is not considered substandard housing.

Live-In Aide. A person who resides with an elderly, disabled or handicapped person(s) and who:

- a) Is determined by the OCHA to be essential to the care and well being of the person(s).
- b) Would not be allowed to live in the unit except to provide support for the person(s). The income of the live-in aide is not included in the family income.
- c) Is not obligated for support of the person(s).

Lower Income Family. A family' whose annual income does not exceed 80% of the median income for the area as determined by KUD with adjustments for family size. HTJD may establish income limits higher or lower than 80% of median income for the areas on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually' high or low family incomes.

Minimum Rent. Families assisted under the public housing program shall pay a monthly' minimum rent of not more that \$50.00 per month. The OCHA has the desecration to establish the minimum rent from -O- up to \$50.00. The minimum rent established by this housing authority is \$50.00.

Minor. A person, other than the head of household, or spouse, under 18 years of age.

Mixed Family. A household whose members comprise of those with United States Citizenship or eligible immigration status and those without citizenship or eligible immigration status. The OCHA cannot support or financially assist those individuals without citizenship of eligible immigration status.

Non-Citizen. A person who is neither a United States Citizen nor a national of the United State.

Recertification. Recertification is to reexamine documentation that indicates that Tenants meet continued occupancy' standards and to determine their income for the purposes of calculating rent.

Re-examination Date. The date on which any rent change is effective or would be effective if required as a result of the annual re-examination of eligibility and rent.

Remaining Member of Tenant Family. The person(s) of legal age remaining in the public housing unit after the person(s) who signed the lease has (have) left the premises, other than by' eviction, who may or may not normally qualify for assistance on their own circumstances. An individual must occupy the unit to which he! she claims head of household status for one year before becoming eligible for subsidized housing as a remaining family' member. This person must complete the required forms of the OCHA within ten (10) day's from the departure of the leaseholder and may remain in the unit for a reasonable amount of time pending verification and processing of their request. This person must upon satisfactory completion of the verification process then execute a new lease and cure any defects and obligations in order to remain in the unit.

Any person who claims to be a remaining member of the family unit shall in the event that the OCHA declares them to be ineligible for remaining member status, be entitled to a grievance hearing upon notice that they' will not be considered a remaining member of the household. The grievance procedure will meet all of the guidelines as outlined in the lease and lease attachments. During the interim between the time of the determination that there will be a grievance hearing and the determination of the grievance hearing officer, all rent that was due pursuant to the lease shall be deposited into an escrow account with the OCHA. The OCHA does not recognize the person as a Tenant by giving him or her the opportunity for a grievance hearing. A remaining member shall not be considered to be a Tenant until such time as the Authority executes a new lease and the person granted Tenant status after verification of all income and other related information.

Serviceman. A person currently' in the active military service of the United States.

Single Person. A person living alone or intending to live alone and who does not qualify as an elderly family, displaced person, or the remaining member of a tenant family. (No PHA may' admit single persons to any housing assisted under the Act without an authorization by I-RID as provided in 24CFR Section 812.3.)

Spouse. The husband or wife of the head of household.

Veteran. A person who has served in the active military or naval service of the United States at any time as the President of the United States shall determine, and who has been discharged or released under conditions other than dishonorable.

15.0 INCOME DEFINITIONS

For the purpose of calculating and determining rent, the following definitions are provided:

Adjusted Income. Annual income less: a) \$450 for each dependent, b) \$400 for any elderly family, c) medical expenses in excess of 3% of annual income for elderly family and d) child care expenses while a head of household or spouse is employed or attending school.

Ceiling Rent. A maximum rent to be charged on a dwelling unit irrespective of the income of the family residing within the unit. This shall be established in accordance with HUD regulations and approved by the Board of Commissioners. This shall encourage mixed income developments and working families to reside in public housing.

Childcare Expenses. Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which the annual income is computed, but only where such care is necessary to enable a family member to be gainfully employed, to further their education, or actively seek employment. The amount deducted shall reflect reasonable charges for childcare, and in the case of childcare necessary to permit employment, the amount deducted may not exceed the amount of income received from such employment. The OCHA will not normally allow childcare deductions when the family has an additional unemployed adult member who is physically capable of caring for the child(ren).

If the total annual income less the above noted deductions results in a rent payment that is less than the established minimum rent standard, the Tenant's rent shall be the approved housing authority's minimum rent.

Contract Rent. The rent charged a tenant for the use of the dwelling unit and equipment such as range and refrigerator, but not including furniture, and reasonable amounts for utilities determined in accordance with the Authority's schedule of utility allowances deducted from Gross Rent. If the allowances exceed the Gross Rent the Authority will give the tenant a credit equal to the amount by which the allowance exceeds the Gross Rent.

Exclusions from Total Family Income. Temporary, nonrecurring or sporadic income defined as follows:

- a) Casual, sporadic and irregular gifts and amounts which are specifically received for, or are a reimbursement of, the cost of illness or medical care.
- b) Lump-sum additions to family assets such as, but not necessarily limited to, inheritances, insurance payments, worker's compensation, capital gains, and settlements for personal or property losses.
- c) Amounts of education scholarships paid directly to the student or the educational institution and amounts paid by the United States Government to a veteran for use in meeting the cost of tuition, fees, books, to the extent that such amounts are so used. Any amounts of such scholarships or payments to veterans not used for the above purpose that are available for subsistence are to be included in income, as well as the hazardous duty pay to a family member in the Armed Forces away from home and exposed to hostile fire.
- d) Relocation payments made pursuant to Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.
- e) The value of the coupon allotments for the purchase of food in excess of the amount actually charged an eligible household pursuant to the Food Stamp Act of 1977.
- f) Payments received by participants or volunteers in programs pursuant to the Domestic Volunteer Service Act of 1973.
- g) Payments received by participants in other publicly assisted programs as reimbursement for out-of-pocket expenses incurred, e.g. special equipment, clothing, transportation, reimbursement for child care, etc. which are solely to allow participation in a specific program and cannot be used for other purposes.
- h) Income of a live-in aide as defined above.
- i) Income from employment of children (including foster children) under the age of 18 years.
- j) Payments received for the care of foster children.
- k) Amount specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the 1937 Act.

- l) Payments received from the Job Training Partnership Act.
- m) Payments from Programs under Title V of the Older Americans Act of 1965.
- n) Payments received under the Alaska Native Claims Settlement Act.
- o) Income derived from certain sub marginal land of the United States that is held in trust for certain Indian tribes.
- p) Income derived from the disposition of funds of the Grand River band of Ottawa Indians.
- q) The first \$2,000 of per capita shares received from judgment funds awarded by the Indians Claims Commission or the Court of Claims or from funds held in trust for an Indian tribe by the Secretary of the Interior.
- r) Payments or allowances made under the Department of Health and Human Services for Low Income Home Energy Assistance Program.
- s) Reparation payments made by foreign governments in connection with the Holocaust.
- t) Amounts received under training programs funded by I-ILJD.
- u) Amounts received by a disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).
- v) Amounts received by participants in other publicly assisted programs which are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program.
- w) For taxable years after December 31, 1990, the earned income tax credit refund. Effective Date: July 25, 1994.
- x) The earnings and benefits to any' resident resulting from the participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988, section 22 of the U.S. Housing Act of 1937, or any comparable Federal, State, or local law during the exclusion period. For

purposes of this paragraph, the following definitions apply:

Comparable Federal, State or Local Law means a program providing employment training and supportive services that:

Are authorized by a federal, state or local law; Are funded by' federal, state or local government; Are operated or administered by a public agency; has as its objective to assist participants in acquiring job skills.

Exclusion period means the period during which the resident participates in a program described in this section, plus 18 months from the date the resident begins the first job acquired by the resident after completion of such program that is not funded by public housing assistance under the U.S. Housing Act of 1937. If the resident is terminated from employment without good cause, the exclusion period shall end. Earnings and benefits mean the incremental earnings and benefits resulting from a qualifying employment training program or subsequent job. This provision does not apply to residents participating in the Family Self-Sufficiency' Program who are utilizing the escrow account. Also, residents are required to pay the appropriate minimum rent.

- y) A resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a public housing resident for performing a service for the HA, on a part-time basis, that enhances the quality of life in public housing. Such services may include, but are not limited to, fire patrol, hail monitoring, lawn maintenance, and resident initiatives coordination. No Resident may receive more than one such stipend during the same period of time.
- z) Compensation from State or local employment training programs and training of a family member as resident Management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only' for a limited period as determined in advance by the HA.
 - a) For all initial determinations and reexaminations of income carried out on or after April 23, 1993, reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.
 - b) Earning in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse).
 - c) Adoption assistance payments in excess. of \$480. per adopted child.

- d) Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment received on or after October 28, 1992.
- e) Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.
- f) Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.

Gross Income. Total income as defined in "Total Family Income" above.

Gross Rent. Contract rent plus the amount of any applicable allowance for tenant-supplied utilities.

Monthly Adjusted Income. Adjusted income divided by 12.

Monthly Income. Annual Gross income divided by 12.

Net Family Assets. Value of equity in real property, savings, stocks, bonds and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD home ownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded. (In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income.) In determining net family assets, the Authority' shall include the value of any assets *disposed of* by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a

foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or recertification, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

Public Housing Agency. Any' state, county', municipality or other governmental entity or public body (or agency' or instrumentality thereof) that is authorized to engage in or assist in the development or operation of housing for lower income families.

Rent Burden. May be used for the purpose of determining a preference. Applicants must be paying more than 50% of their monthly income for rent for at least 90 days.

Substandard Housing. The HUD definition now specifically includes as homeless, participants in transitional housing programs.

Tenant Rent. The amount payable monthly by the household as rent to the Authority. Where the Authority supplies all utilities (except telephone) and other essential housing services, Tenant Rent equals Total Tenant Payment. Where some or all utilities (except telephone) and other essential housing services are not supplied by the Authority and the cost thereof is not included in the amount paid as rent, Tenant Rent equals Total Tenant Payment less Utility' Allowances.

Total Family Income. Income anticipated to be received during the 12 months following admission or recertification. Income from all sources from 1) the head of household and/or spouse and 2) each additional household member who is at least 18 years of age, excluding full-time student income, income which is temporary, non-recurring or sporadic as defined below. Total family income should include that portion of the income of the head of household or spouse temporarily absent which, in the determination of the Authority, is available to meet the family's needs. Total family income includes, but is not limited to the following:

- a) The full amount, before any' payroll deductions, of wages and salaries, including compensation for personal services such as commissions, fees, tips, bonuses, and cash payments.
- b) Net income from operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be deducted to determine net income from a business.
- c) Interest, dividends, and net income of any kind of real or personal property. Where the family has net assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net assets or a percentage of the value of such assets based on the current rate as determined by HTJD.
- d) The full amount received from annuities, periodic payments from insurance policies, retirement income, pensions, periodic benefits for disability or death and other similar types of periodic receipts.
- e) Payments in lieu of earnings, such as unemployment and disability compensation, social security benefits, worker's compensation and termination wages.
- f) Welfare assistance payments.
- g) Periodic and determinable allowances, such as alimony', child support and regular

contributions or gifts, including amounts received from any persons not residing in the dwelling unit.

- h) All regular pay, special payments and allowances, such as longevity, overseas duty, rental allowances, allowances for dependents, etc. received by a member of the Armed Forces, with the exception of hazardous duty' pay.
- i) Payments to head of household for the support of a minor, or payments nominally to a minor for their support, but control for their benefit by the head of household or a resident family member other than the head, 'who is responsible for their support.
- j) Veterans Administration compensation (Service connected disability or death benefits)
- k) Any earned income tax credit to the extent it exceeds income tax liability.

All income is to be annualized if information received is for less than a 12-month basis. It is important to note that changes in family composition and or income must be reported to the Authority within ten (10) days. Failure to do so may result in eviction proceedings. In the case on income adjustments all back rent due and owing will be due within fourteen (14) days from the date the Authority' formally notifies the Tenant of the amount due.

Total Tenant Payment (TTP). This amount is the family' must pay per month. It may be either the minimum rent of \$50.00 or:

- a) For the public housing program, the TTP must be the greater of
 - (1) 30 percent of family monthly adjusted income;
 - (2) 10 percent of family' monthly income;
 - (3) \$50.00 which is the minimum rent set by the OCHA, or
- b) The ceiling rent. The resident may elect the ceiling rent in lieu of the rent calculated in paragraph "a" above.

It is possible for the Tenant to qualify' for a utility' reimbursement despite the requirement of a minimum rent. If the utility allowance were greater than the minimum rent, the Tenant would receive a reimbursement for tenant purchased utilities.

Unreported Income. If a tenant fails to report income the tenancy will be terminated under the terms of the lease and in accordance with the New Jersey' State Statutes. If the act is determined by the Authority' to be intentional, the Tenant will be obligated to pay the applicable portion of the rent for any and all unreported income, and may be prosecuted. If the unreported income was unintentional the Authority may approve a repayment agreement which stipulates the schedule of repayments, the amount of the payment, and the consequences if a payment is missed.

Utility Allowance. The cost of utilities (except telephone) and other housing services for an assisted unit is not included in the Tenant Rent, but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by the Authority or HIJD, monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

Utility Reimbursement. The amount, if any, by which the Utility Allowance for a unit, if applicable, exceeds the Total Tenant Payment for the household occupying the unit.

Very Low Income Family. A Lower Income Family' who's Annual Income does not exceed 50% of the median income for the area, as determined by KUD, with adjustments for family size. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually' high or low family incomes.

Welfare Assistance. Welfare or other payments to families or individuals, based on need, that are made under programs funded separately or jointly, by federal, state or local governments.

16.0 ATTACHMENTS

- Exhibit A: Income Limits for Admission
- Exhibit B: Rental Calculation
- Exhibit C: Broad Range of Income Objectives
- Exhibit D: Utility Allowances
- Exhibit F: Lease
- Exhibit F: Schedule of Move-Out Charges
- Exhibit G: One Strike and You're Out Policy
- Exhibit H: Ceiling Rent Limits
- Exhibit I: Parking Policy'
- Exhibit J: Use of Housing Authority Public Spaces
- Exhibit K: Pet Policy
- Exhibit L: Trespass Policy

Ocean City Housing Authority Lease

THIS LEASE AGREEMENT, called the "Lease" is between the Ocean City Housing Authority, ("OCHA" or "Authority"), and the Tenant named below in this lease. This Agreement is effective as of the date: July 12, 2015

1. Parties to Lease and Description of Premises.

The OCHA leases to:

the dwelling unit located at:

The Tenant agrees that the persons identified on the lease are the only member(s) that will reside at the premises.

This lease is subject to the terms and conditions set forth in this agreement.

- A. The OCHA, using data provided by Tenant about income, household composition, and needs, leases to Tenant, the property (called "premises" or "dwelling unit") described above in this Lease Agreement, subject to the terms and conditions contained in this lease.
- B. Premises must be used only as a private residence, solely for Tenant and the household members named in this Lease. The OCHA may, by prior written approval, consent to Tenant's use of the unit for legal profit-making activities subject to the OCHA's policy on such activities. Such activities must be legal businesses that do not require traffic to and from unit. Telephone solicitation is permitted; babysitting is permitted only in the family units of the development.
- C. **Household composition:** The Tenant's household is composed of the individuals listed below. (Other than the Head or Spouse each household member should be listed by age, oldest to youngest).

All adult members of the household shall execute the lease.

	<u>Name</u>	<u>Related</u>	<u>Age</u>	<u>Birth Date</u>
1.				

- D. Any additions to the household members name on the lease, including live-in aides (who must be either certified or a single adult relative), and foster children, **except for natural births**, require the advance written approval of the Authority. Such approval will be granted only if the new household members pass the Authority's screening criteria and a unit of the appropriate size is available.

Permission to add live-in aides and the foster children shall not be unreasonably refused. Tenant agrees to wait for the Authority's approval before allowing additional persons to move into the premises. Failure on the part of the Tenant to comply with this provision is a serious violation of the material terms of lease, for which the Authority may terminate the lease in accordance with Section 16.

- E. If any household member ceased to occupy the unit, the Tenant will give prompt written notice of the change to the OCHA. Deletions (for any reason) from the household members named on the lease shall be reported by Tenant to the OCHA in writing, within 10 days of the occurrence.

2. Term of Lease and Amount of Rent:

- A. The initial term of this lease shall begin on: **07/12/2015** and shall end on midnight on the last day of the same calendar month. This lease shall be automatically renewed for successive terms of one month each, unless otherwise terminated. The regulations imposed on OCHA by the Department of Housing and Urban Development require that rent be re-adjusted annually, and this will be done with your lease.
- B. The OCHA shall determine the amount to the Tenant Rent in accordance with HUD regulations and requirements, and OCHA's admission and occupancy policy. The monthly rent for _____ Is \$_____ thereafter the monthly rent will be: \$_____
- C. The amount of the Tenant Rent is subject to change, as determined by the OCHA. The Tenant shall pay the initial Tenant Rent and any rent changes determined by the OCHA. This rent will remain in effect unless and until it is changed by the OCHA in accordance with Section 8 of the lease.
- D. The OCHA shall notify the Tenant of any change in rent and such notice shall specify the date the change becomes effective.
- E. The Tenant Rent is payable in advance on the 1st day of each month at the main OCHA office, 204 Fourth Street, Ocean City, New Jersey, upon presentation of the authority rent statement; or such other location as the OCHA may designate. Rent includes all maintenance services due to normal wear and tear.
- F. Rent is DUE and Payable in advance on the first day of each month and shall be considered delinquent after **the eighth (8th) calendar day of the month.**
- G. The Tenant shall pay a late charge in accordance to the Late Charges established by OCHA. If the rent is not paid on or before the **8th day of the month**, OCHA shall notify the tenant of any such charges which are due. **The late charge shall be \$20.00.**
- H. When the OCHA makes any changes in the amount of Total Tenant Payment or Tenant Rent, the OCHA shall give written notice to Tenant. The notice shall state the new amount, and the date from which the new amount is applicable. Rent redetermination is subject to the Administrative Grievance Procedure. The notice shall also state the Tenant may ask for an explanation of how the amount is computed by the OCHA. If Tenant asks for an explanation, the OCHA shall respond within a reasonable time.

3. Security Deposit

- A. The Tenant shall pay the higher sum of one month's rent, or \$. as a Security Deposit, upon signing this Lease. Security deposit will be maintained in an interest bearing account at PNC Bank.
The security deposit is: \$.
- B. The OCHA will use the Security Deposit at the termination of this lease:
 - (1) To pay the cost of any rent, or any other charges owed by the tenant at the termination of this lease.
 - (2) To reimburse the cost of repairing any intentional or negligent damages to the dwelling unit caused by tenant household members or guests.
- C. The Security Deposit may not be used to pay rent or other charges while Tenant occupies the dwelling unit. No refund of the Security Deposit will be made until after Tenant has vacated, and the dwelling unit has been inspected by the Manager or designee on behalf of the OCHA.

The return of a security deposit shall occur within 30 days after Tenant moves out. The OCHA agrees to return the Security Deposit, if any, to Tenant when he/she vacates, less any deductions for any costs indicated above, so long as tenant furnishes the OCHA with a forwarding address. If any deductions are made, the OCHA will furnish Tenant with a written statement of any such costs for damages and/or other deductions from the Security Deposit.

**OCEAN CITY HOUSING AUTHORITY
LEASE ATTACHMENTS AND/OR
ADDITIONAL TENANT DOCUMENTS**

LEASE ATTACHMENTS

1. ____ Admissions, Occupancy and Rental Policy
2. ____ Final Inspection & Check-Out Report
3. ____ Grievance Procedure
4. ____ No Smoking Policy (for Bay View Manor Residents)
5. ____ Parking Policy
6. ____ Pet Policy and Permit
7. ____ Prohibition of Placement of any Objects, Buildings, Materials on HA Premises
8. ____ Protect your family from Lead Base Paint booklet
9. ____ Safety for Tenants booklet
10. ____ Violence Against Women Act, (VAWA), Policy

ADDITIONAL DOCUMENTS

1. ____ Declaration of Eligible Citizenship (Section 214 Status)
2. ____ Enterprise Income Verification (EIV) System
3. ____ For Your Information
4. ____ Privacy Act Notice
5. ____ Request for Taxpayer ID Number and Certification
6. ____ Resident Information Record
7. ____ Tenant Sales and Service Charges

I have received the above documents.

Date: _____

Head of Household Signature

Spouse Signature

4. Utilities

A. Pecks Beach Village

- (1) The OCHA agrees to furnish gas, sewage and water utilities at no charge to the Tenant. All other utilities are the direct responsibility of the Tenant. The OCHA will not be responsible for failure to furnish these utilities by reason of any cause beyond its control. Tenant agrees to pay all charges for electric utilities, including security deposits for meter turn-on. Tenant's rent will include an "Electric Utility Allowance for Tenant-Purchased Utilities," which is a pre-determined estimate of electrical consumption for each dwelling unit prepared in accordance with HUD regulations-in computations which are periodically revised. These charges and any included charges for excess utilities where applicable will be the responsibility of the tenant and shall be considered additional rent.
- (2) Tenant agrees to furnish and maintain sufficient heat in the dwelling unit to prevent freezing of the piped water. If for some reason tenant is unable to maintain sufficient heat, light, etc., he shall immediately notify the Authority or face eviction procedures. Tenant will be charged as additional rent for any damages resulting from his/her failure to maintain sufficient heat or to notify the Authority unless for cause beyond his/her control. Tenants without utilities are subjects to eviction procedures for health and safety reasons.
- (3) Tenant agrees to pay cable television and telephone hook-up and maintenance fees directly to the utility company. Pre-wired outlets have been provided in each unit to facilitate commencement of these services. No antennas of any type will be permitted on the exterior of the building, fence, or common areas. Individual backyards maintained by the tenant can have a dish erected on a pole no higher than six (6) feet. Advance notice is required to ensure no utilities will be damaged.

B. Bay View Manor Senior Citizens High-rise

- (1) In Bay View Manor, the OCHA agrees to furnish sewage and water utilities at no charge to the tenant. It also agrees to supply electricity at no extra charge to the tenant, which includes electrical heat, at least to the extent required by local custom, usage and local and state law. Electricity is that utilized by standard electrical appliances. An excess utility charge will be imposed on the tenant for electricity used by any major tenant supplied appliances such as a freezer, air conditioning, etc and shall be considered additional rent. These excess utility charges are posted in the office of the OCHA. The OCHA will not be responsible for failure to furnish these utilities by reason of any cause beyond its control.
- (2) Tenant agrees to pay cable television and telephone hook-up and maintenance fees directly to the utility company. Pre-wired outlets have been provided in each unit to facilitate commencement of these services. No antennas of any type will be permitted on building exteriors.

- C. There shall be no temporary heaters used or stored in any of these units, be the temporary heaters electrical, kerosene, propane or other heater fuel source.

5. Additional Charges:

The Tenant will also be required to pay reasonable charges for the following:

- A. Tenant will pay reasonable charges for damages beyond ordinary wear and tear caused by the tenant, members of the household, or guests. A Schedule of Additional Charges for excess utilities, repairs, or any special services will be posted in a conspicuous manner in the development office, and will show the basis for determining the additional charges. These charges shall become due and collectable on the first day of the second month following the month in which the charges are incurred.
- B. **Late Rent Charges** - Tenant will pay reasonable charges for late rent payments of rent **beyond the eighth (8th) day of the month** in accordance with the Late Charges in effect at the time.

- C. Insufficient or Fraudulent Checks - A **Twenty (25.00) Dollar assessment** will be made against any Tenant who issues an **insufficient/fraudulent check**. This assessment is to offset the cost of any inconvenience or charges assessed against OCHA by the bank, as well as any processing fees with the local police department. Bank charges and other expenses in connection with returned checks shall be due from the tenant to OCHA as rent.
- D. **Court Costs** - Court Costs will be assessed in any instance that the OCHA is required to use legal assistance for eviction purposed in accordance with established STATE LAW for same.
- E. If it becomes necessary for the OCHA to employ an attorney and bring court proceedings against the Tenant to terminate this lease and evict the Tenant from the premises, and if judgment is rendered against the Tenant and in favor of the OCHA in such proceedings, the Tenant shall be obliged to pay all of the OCHA's court costs and reasonable attorney's fees. The court costs are fixed by the court. Reasonable attorney's fees are agreed to be One Hundred-Fifty (150.00) Dollars for the preparation of the notices and summons and complaint, and One Hundred Seventy-Five (175.00) Dollars per hour for all court appearances and other services reasonably necessary for the prosecution of the eviction proceedings by the landlord.

6. Tenant's Right to Occupy and Use

- A. The Tenant shall have the right to exclusive use of the dwelling unit, and shall occupy it as the tenant's sole residence. The Tenant shall not assign this Lease, nor sublet the dwelling unit, nor take in any boarders or lodgers. A boarder or lodger need not make payments to the Tenant for the Tenant to violate the lease in this way.
- B. The Tenant shall not use or permit the use of the dwelling unit for any purpose other than as a private dwelling solely for the Tenant's Household, as identified above.
- C. The Tenant may provide reasonable accommodations to guests and visitors up to **14 days per calendar year**. "Guest" means a person in the leased unit with the consent of a household member. The Tenant must notify the OCHA in writing utilizing the **OCHA Guest Form** of all overnight guests staying on the premises for more than two nights. The written notice must be given no later than the third day after the guest begins staying at the premises. The notice must indicate the period of time the guest will be staying at the leased premises.
- D. The Tenant or members of the household may engage in such profit-making activities in the dwelling as baby sitting (family units only, telephone solicitation and tutoring, if such activities are incidental to the household's primary use of the dwelling unit for residential purposes, and provided that the WHA in its sole discretion first consents to such activities in writing.

7. Ability to comply with Lease terms

- A. If during the term of this Lease, Tenant, by no reason of physical or mental impairment is no longer able to comply with the material provisions of this lease, and cannot make arrangements for someone to aide him/her in complying with the lease, and the OCHA cannot make any reasonable accommodation that would enable Tenant to comply with lease, and if there are no family members who can or will take responsibility for moving Tenant, the OCHA will work with appropriate agencies to secure audible housing and will terminate the Lease.
- B. At the time of admission, all Tenants must identify the family member(s) to be contacted if they become unable to comply with lease terms.

8. Redetermination of Rent, Dwelling Size, and Eligibility

The rent amount as fixed in Section 2 of the Lease Agreement is due each month until changed as described below.

- A. The status of each household is to be re-examined at least once a year.
- B. Tenant promises to supply the Authority, when requested with accurate information about: household composition, age of household members, income and source of income of all household members, assets, and related information necessary to determine eligibility, annual income, adjusted income, and rent.
 - (1) Failure to supply such information when requested is a serious violation of the terms of the lease and the OCHA may terminate the lease.
 - (2) All information must be verified. Tenant agrees to comply with Authority requests for verification by signing releases for third-party sources, presenting documents for review, or providing other suitable forms of verification.
 - (3) The OCHA shall give Tenant reasonable notification of what actions Tenant must take, and of the date by which any such action must be taken for compliance under this section. This information will be used by the Authority to decide whether the amount of the rent should be changed, and whether the dwelling size is still appropriate for Tenant's needs.

This determination will be made in accordance with the Admissions and Occupancy Policy, which is publicly posted in the Development Office. A copy of the policies can be furnished on request at the expense of the person making the request, and at a cost of .50 cents per page.

- C. Rent will not change during the period between regular re-examinations, UNLESS during such period:
 - (1) A person with income joins the household.
 - (2) Tenant can verify a change in his/her circumstances (such as decline in or loss of income) that would justify a reduction in rent.
 - (3) If a reduction is granted, Tenant must report subsequent increases in income within 10 days of the occurrence, until the next scheduled re-examination. (Failure to report within the 10 days may result in a retroactive rent charge.
 - (4) It is found that Tenant has misrepresented the facts upon which the rent is based so that the rent Tenant is paying is less than the rent that he/she should have been charged. The Authority then may apply an increase in rent retroactive to the first of the month following the month in which the misrepresentation occurred.
 - (5) Rent formulas or procedures are changed by Federal law or regulation.
- D. **All changes in household composition must be reported to the OCHA Office within 10 days of the occurrence. Failure to report within 10 days may result in a retroactive rent charge.**
This Lease will NOT be revised to permit a change of household composition resulting from a request to allow adult children to move back into the unit unless it is determined that the move is essential for the mental or physical health of Tenant AND it does not disqualify the household for size unit it is currently occupying.

- E. Rent Adjustments: Tenant will be notified in writing of any rent adjustment due to the situations described above; all notices will state the effective date of the rent adjustment.
- (1) In the case of rent decrease, the adjustment will become effective on the first day of the month following the reported change in circumstances, provided Tenant reported the change in a timely manner, as specified above.
 - (2) In case of a rent increase, when an increase in income occurs after a prior rent reduction and is reported within 10 days of the occurrence, the increase will become effective the first day of the 2nd month following the month in which the change was reported.
 - (3) In the case of a rent increase due to misrepresentation, failure to report a change in household composition, or failure to report an increase in income (after a reduction in rent per fixed rent policy), the Authority shall apply the increase in rent retroactive to the first of the month following the month in which the misrepresentation occurred.

9. Transfers

- A. Tenant agrees that if the OCHA determines that the size or design of the dwelling unit is no longer appropriate to Tenant's needs, the OCHA shall send Tenant written notice. Tenant further agrees to accept a new lease for a different dwelling unit of the appropriate size or design.
- B. The OCHA may move a Tenant into another unit if it is determined necessary to rehabilitate Tenant's unit. The OCHA will be responsible for moving fees and disconnection/reconnection fees.
- C. If a Tenant makes a written request for special unit features in support of a documented disability or handicap, the OCHA shall have the choice to modify Tenant's existing unit or transfer Tenant to another unit with the features requested.
- D. A Tenant without disabilities or handicaps who is housed in a unit with special features must transfer to a unit without such features should a Tenant with disabilities need the unit.
- E. In the cases of involuntary transfers, Tenant shall be required to move into the dwelling unit made available by the OCHA. Tenant shall be given 15 days time in which to move following delivery of a transfer notice. If Tenant refuses to move, the Authority may terminate Lease.
- F. Involuntary transfers are subject to the Grievance Procedure, and no such transfers may be made until either the time to request a Grievance has expired or the procedure has been completed.
- G. The OCHA will consider any Tenant requests for transfers in accordance with the transfer priorities established in the Admissions and Occupancy Policies.

10. OCHA Obligations

The OCHA shall be obligated:

- A. To maintain the dwelling unit and the development in decent, safe and sanitary conditions;
- B. To comply with the requirements of applicable building codes, housing codes, and HUD regulations materially affecting health and safety.
- C. To make necessary repairs to the dwelling unit.

- D. To keep development building, facilities, and common areas, not otherwise assigned to Tenant for maintenance and upkeep, in a clean and safe condition.
- E. To maintain in good and safe working order and condition electrical, plumbing, sanitary, heating, ventilating, and other facilities and appliances, including elevators supplied or required to be supplied with the OCHA;
- F. To provide and maintain appropriate receptacles and facilities (except container for the exclusive use of an individual tenant household) for the deposit of garbage, rubbish, and other waste removal from the premises by Tenant as required by this Lease. Trash separation for municipal/county recycling programs is the tenant's responsibility and any fines for non-compliance are the sole responsibility of tenant.
- G. To supply running water and reasonable amounts of hot water and reasonable amount of heat at appropriate times of the year according to local custom and usage; EXCEPT where the building that includes the dwelling unit is not required to be equipped for that purpose, or where heat or hot water is generated by an installation within the exclusive control of Tenant and supplied by a direct utility connection;
- H. To notify Tenant of the specific grounds for any proposed adverse action by the OCHA. (Such adverse action includes, but is not limited to, a proposed lease termination, transfer of Tenant to another unit, or imposition of charges for maintenance and repair, or for excess consumption of utilities.) When the OCHA is required to afford Tenant the opportunity for a hearing under the OCHA grievance procedure for a grievance concerning a proposed adverse action:
 - (1) The Notice of the proposed adverse action shall inform Tenant of the right to request such hearing. In the case of lease termination, a notice lease termination that complies with 24 CFR 966.4(1) (3) shall constitute adequate notice of proposed adverse action.
 - (2) In the case of a proposed adverse action other than a proposed lease termination, the OCHA shall not take the proposed action until time to request such a hearing has expired or (if hearing was timely requested) the grievance process has been completed.
 - (3) To post schedules of special charges for services, repairs and utilities and rules and regulations which are incorporated by reference into the lease in the OCHA's office and to furnish such documents to Tenants and applicants upon request. Such schedules, rules and regulations of the OCHA may be modified from time to time provided that the OCHA gives 30 day notice to each affected family setting for the proposed amendment or change, the reason(s) therefore, and provide the Tenant an opportunity to respond in writing to the amendment or change prior to its becoming effective. This notice will be delivered to the affected family by mail.

11. Tenant's Obligation

Tenant shall be obligated to:

- A. Not assign the Lease, or sublease the dwelling unit, or transfer possession of the premises.
- B. Not give accommodation to boarders or lodgers; and not to give accommodation to long term quests (in excess of 14 days) without the advance written consent of the Authority.
- C. Use the dwelling unit solely as a private dwelling for Tenant and Tenant's household, and not to use or permit its use for any other reasons.

This provision does not exclude the care of foster children or live-in care of a member of Tenant's household, provided the accommodation of such persons conforms to the Authority's Occupancy standards, and so long as the OCHA has granted prior written approval for the foster child(ren), or live-in aide to reside in the unit.

- D. Abide by necessary and reasonable regulations promulgated by the OCHA for the benefit and well-being of the housing development and Tenants. These regulations are posted in a conspicuous manner in the development office and incorporated by reference in this Lease. Violation of such regulations constitutes a violation of Tenant of the Lease.
- E. Comply with the requirements of applicable state and local building or housing codes, materially affecting health and/or safety of Tenant and household.
- F. Keep the dwelling unit and other such areas as may be assigned to Tenant for exclusive use in a clean and safe condition. This includes keeping front and rear entrances and walkways for the exclusive use of Tenant free from snow, ice, and trash and keeping the yard free of debris and litter. Exceptions to this requirement may be made for Tenants who have no household members able to perform such tasks because of age or disability. If authorized in writing by the OCHA the Tenant may paint or make minor repairs to the premises at his /her expense.
- G. Dispose of all garbage, rubbish, and other waste from the dwelling unit in a sanitary and safe manner only in containers approved or provided by the Authority. To refrain from, and cause members of Tenant's household or guest to refrain from, littering or leaving trash and debris in common areas or galleries.
- H. Use only in reasonable manner all electrical, sanitary, heating, ventilating, air-conditioning, and other facilities and appurtenances including elevators. The Tenant shall use all electric, plumbing and other facilities safely, and use no more electricity than the wiring to the premises or feeders to the Building can safely carry. The Tenant shall obey any written instructions of the OCHA for the care and the use of the appliances, equipment, and other personal property on, or in the premises.
- I. Refrain from, and to cause household and guests to refrain from destroying, defacing, damaging, or removing any part of dwelling unit or development.
- J. Pay reasonable charges (other than for wear and tear) for the repair of damages to the dwelling unit, development building, facilities, or common areas caused by Tenant, household members or guests.
- K. Act, and cause household members or guests to act in a manner that will:
 - (1) Legal, orderly and not disturb other residents' peaceful enjoyment of their accommodations; and
 - (2) Be conducive to maintaining all Authority developments in a decent, safe, and sanitary condition.
- L. Assure that Tenant, his or her children, any member of the household, a guest, or another person under Tenant's control, shall not engage in:
 - (1) Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the OCHA's public housing premises by other residents or employees of the OCHA, or;
 - (2) Any drug-related criminal activity on or near such premises. Any criminal activity in violation of the preceding sentences shall be cause for termination of tenancy, and for eviction from unit. (For the purposes of this lease, the term drug-related criminal activity means the illegal manufacture, sale, distribution, use or possession with intent to manufacture sell, distribute, or use, of a controlled substance as defined in Section 102 of the Controlled Substances Act) and pursuant to the Federal "One Strike and You're Out" drug activity regulations and OCHA Policy attached to this Lease.

from parking any vehicles in any right-of-way or fire lane designated and marked by the Authority. Any inoperable, defective, or unlicensed vehicle as described above will be removed from the Authority property at Tenant's expense. Washing or automobile repairs are not permitted on development site.

- W. To leave the dwelling unit upon vacating the premises in a clean and safe condition, normal wear and tear excepted, and to return all keys to the OCHA. The Tenant shall remove all of the Tenant's personal property on the termination of the lease. Any property left by the Tenant in, or about the premises after he/she vacates will be considered abandoned and may be disposed with reasonable and actual disposal costs. The costs may be charged to the Tenant.
- X. Use reasonable care to keep his dwelling unit in such condition as to ensure proper health and sanitation standards for Tenant, household members and neighbors. TENANT SHALL NOTIFY THE AUTHORITY PROMPTLY OF KNOWN NEED FOR REPAIRS TO HIS DWELLING UNIT, and of known unsafe or unsanitary condition in the dwelling unit or in common areas and grounds of the Development. Tenant's failure to report the need for repairs in a timely manner shall be considered to contribute to any damage that occurs.
- Y. Not commit any fraud in connection with any Federal housing assistance program, and not to receive assistance for occupancy of any other unit assisted under any Federal housing assistance program during the term of the lease.
- Z. Participate in Community Service and Self-Sufficiency requirement as mandated by Congress as part of the Public Housing Reform Act of 1998. Under this provision of law, residents 18 years of age and older, living in public housing, are required to contribute or participate for 8 hours a month in a community service or a self-sufficiency activity or a combination of both, as a condition of housing.
- AA. Tenants are to abide by Trespass List which prohibits individuals on the list from entering into or onto the premises owned and maintained by the OCHA.

12. Defects Hazards to Life, Health, or Safety

In the event that the dwelling unit is damaged to the extent that conditions are created which are hazardous to the life, health, or safety of the occupants

- A. OCHA Responsibilities:
 - (1) The Authority shall be responsible for repair of the unit within a reasonable period of time after receiving notice from Tenant, provided, if the damage was caused by Tenant, household members, or guests, the reasonable cost of the repairs shall be charged to Tenant.
 - (2) The OCHA shall offer Tenant a replacement dwelling unit, if available, if necessary repairs cannot be made within a reasonable time.
 - (3) Tenant shall accept any replacement unit offered by the OCHA.
 - (4) In the event repairs cannot be made by the Authority, as described above, and alternative accommodations are unavailable, then rent shall abate in proportion to the seriousness of the damage and loss in value as a dwelling. No abatement of rent shall occur if Tenant rejects alternative accommodations or if the damage was caused by Tenant, household members, or guests.
 - (5) If the Authority determines that the dwelling unit is unlivable because of imminent danger to the life of, health, and safety of Tenant, and alternative accommodations are refused by Tenant, this Lease shall be terminated, and any rent paid will be refunded to Tenant, upon his vacating the unit.

B. Tenant Responsibilities:

- (1) Tenant shall immediately notify the Development Manager of the damage and intent to abate rent, when the damage is or becomes sufficiently severe that Tenant believes he/she is justified in abating rent.
- (2) Tenant agrees to continue to pay full rent, less the abated portion agreed upon by the Authority, during the time in which the defect remains uncorrected.

13. Move-ins and Move-out Inspections

- A. **Move-in Inspection:** The Authority and Tenant or representative shall inspect the dwelling unit prior to occupancy by Tenant. The Authority will give Tenant a written statement of the condition of the dwelling unit, both inside and outside, and note any equipment provided with the unit. The statement shall be signed by the Authority and Tenant and a copy of the statement retained in Tenant's folder. Any deficiencies noted on the inspection report will be corrected by the Authority, at no charge to Tenant.
- B. **Move-out Inspection:** The Authority will inspect the unit at the time tenant vacates and give Tenant a written statement of the charges, if any, for which Tenant is responsible. Tenant and/or representative may join in such inspection, unless Tenant vacates without notice to the OCHA.

14. Entry of Premises During Tenancy

A. Tenant Responsibilities:

- (1) Tenant agrees that the duly authorized agent, employee, or contractor of the Authority will be permitted to enter Tenant's dwelling during reasonable hours (8:00 a.m. to 4:00 p.m.) for the purpose of performing routine maintenance, making improvements or repairs, inspecting the unit, or showing the unit for releasing.
- (2) When Tenant calls to request maintenance on the unit, the Authority shall attempt to provide such maintenance at a time convenient to Tenant. If Tenant is absent from the dwelling in it when Authority comes to perform maintenance, Tenant's request for maintenance shall constitute permission to enter.

B. Authority's Responsibilities:

- (1) The OCHA shall give Tenant at least 48 hours written notice that the OCHA intends to enter the unit whenever OCHA wishes to do a dwelling unit inspection or extermination. The OCHA may enter only at reasonable times.
- (2) The Authority may enter Tenant's dwelling unit at any time without advance notification when there is reasonable cause to believe that an emergency exists.
- (3) If Tenant and all adult members of the household are absent from the dwelling unit at the time of entry, the Authority shall leave in the dwelling unit a written statement specifying the date, time and purpose of entry prior to leaving the dwelling unit.
- (4) The OCHA shall make at least one inspection of Tenant's dwelling each year. Upon notification of date and time, OCHA may conduct additional inspections as needed for occupied dwelling reports, bug inspections and apartment sanitary conditions.

15. Notice Procedures

- A. Tenant Responsibility: Any notice to the Authority must be in writing, delivered to the Administration Office or sent by prepaid first-class mail, properly addressed.

- B. Authority Responsibility: Notice to tenant must be in writing, delivered to Tenant or to any adult member of the household residing in the dwelling unit, or sent by first-class mail addressed to Tenant. In cases of inspection, maintenance, etc., when no household member is present, notice may be left in the unit or posted on the door.
- C. Return receipt for Registered or Certified mail shall be sufficient evidence that the notice was given, whether signed or unsigned.
- D. If Tenant is visually impaired, illiterate or mentally handicapped, all notices will be in an accessible format.

Termination of the Lease

In terminating the Lease, the following procedures shall be followed by the Authority and Tenant:

- A. This Lease may be terminated only for serious or repeated violations of material terms of the Lease, such as failure to make payments due under the lease or to fulfill Tenant obligations set forth in Section 11 above, or for other good cause.

Such serious or repeated violation of terms shall include but not limited to:

- (1) The failure to pay rent or other payments when due;
 - (2) Repeated late payment, which shall be defined as failure to pay the amount of rent or other charges due by the (8th) eighth day of the month.
 - (3) Misrepresentation of household income, assets, or composition;
 - (4) Failure to supply, in a timely fashion, any certification, release information, or documentation in Household income or composition needed to process annual reexaminations or interim redetermination.
 - (5) Serious or repeated damage to the dwelling unit, creation of physical hazards in the unit, common areas, grounds, or parking areas of any development site;
 - (6) Criminal activity by Tenant, household member, guest, or other person under Tenant's control, including criminal activity that threatens the health, safety or right to peaceful enjoyment of the OCHA's public housing premises by other residents, or any drug-related criminal activity on or near Authority property.
 - (7) Offensive weapons or illegal drugs seized in an OCHA unit by law enforcement officer;
 - (8) Any fire on Authority premises caused by carelessness, failure to supervise children or unattended cooking.
 - (9) Any other ground for termination under state law.
 - (10) Failure to comply with Authority housekeeping standards.
 - (11) Failure to contribute or participate for 8 hours a month in a community service or a self-sufficiency activity as required by Public Housing Reform Act of 1998.
- B. The Authority shall give written notice of the proposed termination of the Lease of:

- (1) 14 days in the cases of failure to pay rent;
- (2) A reasonable time, but not to exceed thirty days considering the seriousness of the situation (but not to exceed 30 days) when the health or safety of other tenants or Authority staff is threatened;
- (3) 30 days in any other case.

C. The notice of termination will comply with all applicable state and federal laws and regulations.

- (1) The notice of termination to Tenant shall state specific reasons for the termination, shall inform tenant of his/her right to make such reply as he/she may wish, and of Tenant's right to examine OCHA documents directly relevant to the termination or eviction.
- (2) When the OCHA is required to offer Tenant the opportunity for a grievance hearing, the notice shall also inform Tenant of the right to request such a hearing in accordance with the OCHA's grievance procedures.
- (3) Any notice to vacate (or quit) which is required by State or local law may be combined with, or run concurrently with the notice of lease termination under this section. The Notice or Vacate must be in writing, and specify that if Tenant fails to quit the premises within the applicable statutory period, appropriate action will be brought against him and he may be required to pay the costs of court and attorney's fees.
- (4) When the OCHA is required to offer Tenant the opportunity for a grievance hearing under the OCHA's grievance procedure for a grievance concerning the lease termination, the tenancy shall not terminate (even if any Notice to Vacate under State and local laws has expired) until the period to request a hearing has expired, or (if a hearing is requested) the grievance process has been completed.
- (5) When the OCHA is not required to offer Tenant the opportunity for a hearing under the grievance procedure and the OCHA has decided to exclude such grievance for the OCHA grievance procedure (which can only be done following a Due Process Determination by HUD) the notice of lease termination shall;
 - (a) State that Tenant is not entitled to a grievance hearing on the termination;
 - (b) Specify the judicial eviction procedure to be used by the OCHA for eviction and state and local that HUD has determined that this eviction procedure provides the opportunity for a hearing in a court that contains the basic elements of due process as defined in HUD regulations; and
 - (c) State whether the eviction is for a criminal activity that threatens health or safety of residents or staff or for drug-related criminal activity.
- (6) The OCHA may evict Tenant from the unit only by bringing a court action.

D. Tenant may terminate this Lease at any time by giving fifteen (15) days written notice as described in Section 15 above.

E. In deciding or evict for criminal activity, the OCHA shall have discretion to consider all of the circumstances of the case, including the seriousness of the offense, the extent of participation by or awareness of household members, and the effects that the eviction would have both on household members not involved in the proscribed activity and on the household's neighbors. In appropriate cases, the OCHA may permit continued occupancy by remaining household members and may impose a condition that household members who engage in the proscribed activity will neither reside in nor visit the unit. The

- (3) Abuse of alcohol that the OCHA determines has a reasonable cause to believe that such illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, may interfere with the health, safety, or right to peaceful enjoyment of the OCHA's public housing premises by other residents or employees of the OCHA.

Any criminal activity in violation of the proceeding shall be cause for termination of the tenancy, and for eviction from the unit. The term "drug-related criminal activity" means the illegal manufacture, sale distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance as defined in section 102 of the Controlled Substances Act, 21 U.S.C., 802.

The Tenant agrees not to engage in other criminal activity affecting the well being of other OCHA public housing residents or employees while the Tenant is a resident in public housing. Any such criminal activity may also be a cause for termination of the tenancy and for eviction from the unit.

Violations of this section (k) shall be considered to be a serious breach of the material terms of the lease. A criminal conviction or arrest is not necessary for this lease to be terminated and for eviction proceedings to be instigated. Criminal activity is cause for eviction without arrest or conviction.

- M. Make no alterations or repairs or redecoration to the interior of the dwelling unit or to the equipment, nor to install additional equipment or major appliances without written consent of the Authority. To make no changes to locks or install new locks on exterior doors without the Authority's written approval. To use no nails, tacks, screws, brackets, or fasteners on any part of the dwelling unit (a reasonable number of picture hangers accepted) without authorization by the Authority.
- N. Give prompt prior notice to the Authority, in accordance with Section 15 hereof, of Tenant's leaving dwelling unit unoccupied for any period exceeding one calendar week.
- O. Act in a cooperation manner with neighbors and Authority Staff. To refrain from and cause members of Tenant's household or guests to refrain from acting or speaking in an abusive or threatening manner toward neighbors and Authority staff.
- P. Not display, use, or possess or allow members of Tenant's household or guests to display, use or possess any firearms, (operable or inoperable) or other offensive weapons as defined by the laws and courts of the State of New Jersey anywhere on the property of the Authority.
- Q. Take reasonable precautions to prevent fires and to refrain from storing or keeping flammable materials upon the premises.
- R. Avoid obstructing sidewalks, areaways, galleries, passages, elevators, or stairs, and to avoid using these for purposes other than going in and out of the dwelling unit. Motorized chairs, shopping carts, bicycles and other obstructions should not be left in any common areas.
- S. Refrain from erecting or hanging radio or television antennas on or from any part of the dwelling unit.
- T. Refrain from placing signs of any type in or about the dwelling exception those allowed under applicable zoning ordinances and then only after having received written permission of the Authority.
- U. Abide by the OCHA's pet policy, which is consistent with applicable state and federal laws.
- V. Remove from Authority property any vehicles without valid registration and inspection stickers, or any vehicles in such state of disrepair that they pose a hazard to persons, property or the environment; to refrain

OCHA may require a household member who has engaged in the illegal use of drugs to present credible evidence of successful completion of a treatment program as a condition to being allowed to reside in the unit.

- F. When OCHA evicts a Tenant from a dwelling unit for criminal activity the OCHA shall notify the local post office serving that dwelling unit that such individual or household is no longer residing in the unit so the post office will stop mail delivery for such persons and they will have no reason to return to the unit.

17. Waiver

No delay or failure by the OCHA in exercising any right under this lease agreement, and no partial or single exercise of any such right shall constitute a waiver (post or prospective) of that or any other right, unless otherwise expressly provided herein.

18. Grievance Procedure

The Tenant acknowledges that a written description of the key features of the OCHA's Tenant Grievance Procedure, including a description of when the OCHA is required or provide the opportunity for an informal hearing, and how to request a hearing, shall be provided to the Tenant. The grievance procedure is incorporated into this lease. This procedure, which provides for administrative resolution of covered grievances, may be revised by the OCHA from time to time. A copy of the procedure is available for inspection by the Tenant in the OCHA office.

19. Independent Living Capability:

As a condition of a right to continue tenancy, and as a requirement of this lease, all tenants must be capable of independent living. To be capable of independent living, the tenant must have the ability to care for himself and his apartment so as not to endanger his own health and safety or that of other residents. The OCHA can have an independent evaluation by a nurse to determine a tenant's need. If a Tenant is evaluated with more the two ADLs (Activities of Daily Living) as determined by an independent nurse the tenant will need to find assistance. Handicapped persons will be provided reasonable accommodation to the extent necessary to provide them with an opportunity to use and occupy the dwelling unit equal to that of a non-handicapped person.

At any time during the tenancy, a tenant may request reasonable accommodations of a handicapped family member including reasonable accommodation so that the tenant can meet lease requirements or other requirements of tenancy. This paragraph is intended to and does constitute notice under 24 CFR 966.7(b).

20. Housekeeping Standards

In an effort to improve the livability and conditions of the apartments owned and managed by the Authority, uniform standards for resident housekeeping have been developed for all tenant families.

- A. Authority Responsibilities: The standards that follow will be applied fairly and uniformly to all Tenants. The Authority will inspect each unit at least annually, to determine compliance with the standards. Upon completion of an inspection the Authority will notify Tenant in writing if he/she fails to comply with the standards. The Authority will advise Tenant of the specific correction(s) required to establish compliance, and indicate that training is available. Within a reasonable period of time, the Authority will schedule a second inspection. Failure of a second inspection will constitute a violation of the lease terms. Training will be available through local human resource agencies to any Tenant requesting or needing assistance in complying with the Housekeeping Standards.

B. Tenant Responsibilities: Tenant is required to abide by the standards set forth below. Failure to abide by the Housekeeping Standards that results in the creation or maintenance of a threat to health or safety is a violation of the lease terms and can result in eviction.

C. **Housekeeping Standards: Inside the Apartment:**

(1) General:

- (a) Walls: should be clean, free of dirt, grease, holes, cobwebs, and fingerprints.
- (b) Floors: should be clean, clear, dry and free of hazards.
- (c) Ceilings: should be clean and free of cobwebs.
- (d) Windows: should be clean and not nailed shut, shades or blinds should be intact.
- (e) Woodwork: should be clean, free of dust, gouges, or scratches.
- (f) Doors: should be clean, free of grease and fingerprints. Locks should work.
- (g) Heating units: should be dusted and access uncluttered.
- (h) Trash and Recyclable: shall be disposed of properly and not left in the unit.
- (i) Entire unit should be free of rodent or insect infestation.

(2) Kitchen:

- (a) Stove: should be clean and free of food and grease.
- (b) Refrigerator: should be clean. Freezer door should close properly and freezer have no more than one half inch of ice.
- (c) Cabinets: should be clean and neat. Cabinet surfaces and countertop should be free of grease and spilled food. Cabinets would not be overloaded. Storage under the sink should be limited to small or lightweight items to permit access for repairs. Do not store heavy pots and pans under the sink.
- (d) Exhaust Fan: should be free of grease and dust.
- (e) Sink: should be clean, free of grease and garbage. Dirty dishes should be washed and put away in a timely manner.
- (f) Food storage areas: should be neat and clean without spilled food.
- (g) Trash/garbage: should be neat and clean without food spills.

(3) Bathroom:

- (a) Toilet and tank: should be clean and odor free.
- (b) Tub and shower: should be clean and free of mold

21. Execution:

By Tenant's signature below, Tenant and household agree to the Terms and Conditions of this lease and all additional documents made a part of the lease by reference.

22. Signatures and Date:

By the signature(s) below I/we also acknowledge that the Provisions of this Lease Agreement have been received, thoroughly explained and understood.

OCEAN CITY HOUSING AUTHORITY

X _____
Tenant:

By: _____
OCHA Representative

X _____
Tenant

Dated: _____

23. Tenant's Certification:

I/We, hereby certify that I, and other members of my household, have not committed any fraud in connection with any federal housing assistance program, unless such fraud was fully disclosed to the OCHA before execution of the lease, or before the OCHA approval for occupancy of the unit by the Household member. I further certify that all information or documentation submitted by myself or other Household members to the OCHA in connection with any federal housing assistance program (before and during the lease term) are true and complete to the best of my knowledge and belief.

Date: _____ X _____
Tenant's Signature

Date: _____ X _____
Tenant's Signature

Office Address: 204 Fourth Street, Ocean City, NJ 08226
Hours: 8:00am-3:00pm Telephone: (609) 399-1062

**EMERGENCY MAINTENANCE TELEPHONE NUMBER (609) 399-1062 Monday through Friday
after 3:00 p.m., weekends and holidays.**

24. SURVIVAL:

If any agreement or portion of this Lease is invalid, or contrary to law, the rest of the Lease shall remain in effect.

25. NO WAIVER BY LANDLORD:

The OCHA does not give up any rights by accepting rent, or by failing to enforce any terms of this Lease.

26. COMPLETE DOCUMENT/RECEIPT FOR ATTACHMENTS:

This lease consists of a total of **sixteen, (17), pages and eleven, (11), additional documents.** By signing this lease, tenant hereby acknowledges receipt for all attachments that are listed below.

OCEAN CITY HOUSING AUTHORITY

Date

OCHA Representative

Signature of Tenant

Signature of Tenant

Notice To: Residents of Pecks Beach Village and Bay View Manor
From: Nicholas Thompson, Executive Director
Subject: "One Strike and You're Out" Drug Activity Regulation

Dear Resident;

Please take notice that the Ocean City Housing Authority is now governed by the Federal "One Strike and You're Out" drug activity regulations, such regulations having been adopted by the Department of Housing and Urban Development (HUD) are now the law in all Federally funded Housing Authorities.

Under this policy, if any resident, member of the resident's family, or any visitor or guest of a resident engages in any drug activity in or about Housing Authority premises, **that resident is subject to immediate eviction on three (3) days notice, without any prior warnings, or "second chances".**

As it is required under federal law, the Ocean City Housing Authority will strictly enforce this program. The Authority's standard lease has been revised to reflect this change, and the new lease signed by each resident on his/her renewal date will contain this provision. OCHA is providing you with this notice to make you aware that the "One Strike and You're Out" policy is now in effect.

Residence in public housing is a privilege, not a right. The Ocean City Housing Authority is committed to providing a drug-free environment to all of its residents, and those residents may be assured that the Authority will act vigorously to achieve this lofty goal.

It is hoped that you will heed this warning and act accordingly. Please make sure that your family members and your guests understand the ramifications of their actions. Thank you in advance for your cooperation in seeing that this addition becomes an underutilized provision in our lease.

I /We, the undersigned, do hereby state that I/We, have received a copy of the above notice as evidence of my signature below.

X _____
Tenant

Date

X _____
Tenant

Date

RESIDENT

MOVE-IN INSPECTION POLICY

We/I, do hereby state that I have received a copy of the "Ocean City Housing Authority Resident Move-In Inspection Policy" and have been given an inspection form to complete.

"Resident Move-In Inspection Policy"

I understand that it is my responsibility to inspect my new unit, indicate any damages, or needed repairs and return said inspection form to the Administration Office noting any observed defects. Failure to return the inspection form means the resident is responsible for any and all damages and repairs to unit from date of lease execution.

I also understand and agree that I will be held responsible for any damages and cost for repairs that were not noted on my move-in inspection form.

X _____
Tenant

X _____
Tenant

Date

Ocean City Housing Authority
Dwelling Lease for

PECKS BEACH VILLAGE & BAY VIEW MANOR

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OCEAN CITY HOUSING AUTHORITY

2015 ANNUAL PLAN

ATTACHMENT B

FINANCIAL STATEMENTS

RESOLUTION 2015-11.1

A RESOLUTION APPROVING THE 2014 AUTHORITY AUDIT

WHEREAS, the Ocean City Housing Authority has received its annual audit of operations for the 2014 fiscal year; and

WHEREAS, the Board of Commissioners of the Ocean City Housing Authority has reviewed the audit, and in particular has specifically reviewed its findings, conclusions and recommendations; and

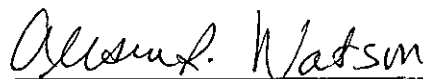
WHEREAS, The Board of Commissioners hereby approves the Housing Authority audit for the fiscal year ending September 30, 2014, and each Commissioner, by affixing his, or her vote to this resolution, hereby certifies that he, or she has reviewed the findings, recommendations and conclusions of that audit; and

WHEREAS, This resolution memorializes a determination made by the Board of Commissioners at its July 2015 Regular Meeting.

NOW THEREFORE BE IT RESOLVED ON THIS 21st day of July 2015 that the Board of Commissioners of the Housing Authority of the City of Ocean City, New Jersey hereby approves the fiscal year audit for 2013.

ARW

Board Member	Yes	No	Abstain	Absent	Motion	Second
Commissioner Jackson				X		
Commissioner Sirott	X					
Commissioner Thompson	X					X
Commissioner Barr	X				X	
Commissioner Speitel	X					
Commissioner Halliday				X		
Commissioner Woods	X					


Board Secretary



CERTIFIED PUBLIC ACCOUNTANTS

2035 HAMBURG TURNPIKE, UNIT H
WAYNE, NEW JERSEY 07470
TELEPHONE: (973) 831-6969
FAX: (973) 831-6972
E-MAIL: POLCARICO@OPTONLINE.NET

June 23, 2015

Ms. Alesia Watson, Executive Director
Housing Authority of the City of Ocean City
204 Fourth Street
Ocean City, NJ 08226

Dear Ms. Watson:

Enclosed please find ten (10) copies of the audit report for the Housing Authority of the City of Ocean City for the year ended September 30, 2014. Please provide copies of our report to the Board of Commissioners. We have also enclosed a copy of the audit synopsis for publication in a local newspaper as required by the NJ Department of Consumer Affairs.

We have distributed two (2) copies of the audit report to HUD's Management Office in Newark and one (1) copy to the NJ Department of Consumer Affairs.

We appreciate your cooperation and that of your staff in assisting with the performance of the audit. Thank you for the opportunity to be of service to you.

If you have any further questions, please do not hesitate to call.

Very truly yours,


Michael A. Maurice, CPA

SYNOPSIS OF THE HOUSING AUTHORITY OF THE CITY OF OCEAN CITY AUDIT REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014, as required by N.J.S. 40A:5A-16. The Housing Authority of the City of Ocean City owns 121 units of family and elderly low income housing.

COMBINED COMPARATIVE BALANCE SHEET
AS OF SEPTEMBER 30

	<u>9/30/2014</u>	<u>9/30/2013</u>
ASSETS		
Cash and Cash Equivalents	\$ 342,686	\$ 1,545,322
Accounts Receivable	15,024	30,805
Other Assets	56,794	51,680
LS&E (Net of Accumulated Depreciation)	3,317,124	3,427,399
Total Assets	<u>\$ 3,731,628</u>	<u>\$ 5,055,206</u>
LIABILITIES		
Accounts Payable	\$ 26,616	\$ 20,205
Due to Tenants	30,054	41,076
Accrued Liabilities	214,700	78,426
Deferred Credits	2,099	1,102,585
Total Liabilities	<u>273,469</u>	<u>1,242,292</u>
NET POSITION		
Invested in Fixed Assets, Net of Related Debt	3,317,124	3,427,399
Unrestricted Net Position	141,035	385,515
Total Net Position	<u>3,458,159</u>	<u>3,812,914</u>
Total Liabilities and Fund Equity	<u>\$ 3,731,628</u>	<u>\$ 5,055,206</u>

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN UNRESTRICTED NET POSITION
FOR THE YEAR ENDED

	<u>9/30/2014</u>	<u>9/30/2013</u>
INCOME		
Operating Income	\$ 492,115	\$ 437,369
Operating Grants	296,108	238,156
Other Income	23,351	676,892
Total Income	<u>811,574</u>	<u>1,352,417</u>
EXPENSES		
Operating Expenses	1,280,427	1,023,502
Total Expenses	<u>1,280,427</u>	<u>1,023,502</u>
EXCESS (DEFICIENCY) OF		
INCOME OVER EXPENDITURES	(468,853)	328,915
Net Position - Beg. of year	3,812,914	3,320,858
Investment Income	748	1,644
Gain or Loss of Sale of Capital Assets	-	(46,226)
Capital Grants	113,350	73,570
Prior Period Adjustment	-	134,153
Net Position - End of year	<u>\$ 3,458,159</u>	<u>\$ 3,812,914</u>

The above synopsis was prepared from the audit reports of the Housing Authority of the City of Ocean City for the years ended September 30, 2014 and 2013. The audit reports submitted by Polcari & Company, CPAs are on file at the Authority's office at 204 4th St., Ocean City, NJ 08226.

**HOUSING AUTHORITY OF THE
CITY OF OCEAN CITY
Ocean City, New Jersey**

**COMPARATIVE FINANCIAL STATEMENTS
For the Years Ended
September 30, 2014 and 2013**

HOUSING AUTHORITY OF THE CITY OF OCEAN CITY
Ocean City, New Jersey
FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 2014

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Housing Authority of the City of Ocean City
Management's Discussion and Analysis
September 30, 2014

As Management of the Authority, we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended September 30, 2014. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements as presented elsewhere in this report.

A- Financial Highlights

- 1- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$3,458,159 (net position) as opposed to \$3,812,914 for the prior fiscal year.
- 2 – As of the close of the current fiscal year, the Authority's Proprietary Fund reported ending Unrestricted Net Position of \$141,035.
- 3 – The Authority's cash and cash equivalent balances at September 30, 2014 were \$342,686 representing a decrease of \$1,202,636 from the prior fiscal year.
- 4 – The Authority had Total Operating Revenues of \$811,574 and Total Operating Expenses of \$1,280,427 (including depreciation \$231,125) for the year ended September 30, 2014.
- 5 – The Authority's capital outlays for the fiscal year were \$120,850.
- 6 – The Authority's Expenditures of Federal Awards amounted to \$409,458 for the fiscal year.

B – Using the Annual Report

1 – Management's Discussion and Analysis

The Management's Discussion and Analysis is intended to serve as an introduction to the Authority's financial statements. The Authority's Financial Statements and Notes to Financial Statements included in this Report were prepared in accordance with GAAP applicable to governmental entities in the United States of America for Proprietary Fund types.

2 – Financial Statements

The financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business. They consist of the Comparative Statements of Net Position, Comparative Statements of Revenue, Expenses and Changes in Net Position and Comparative Statements of Cash Flows.

The Comparative Statements of Net Position present information on the Authority's assets and liabilities with the difference between the two reported as net position. Increases or decreases in net position serve as a useful indicator of whether the Authority's financial position is improving or deteriorating.

The Comparative Statements of Revenue, Expenses and Changes in Net Position present information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of unrelated cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g.; depreciation and earned but unused vacation leave).

The Comparative Statements of Cash Flows present information showing how the Authority's cash and cash equivalents position changed during the year. The statements classify cash receipts and cash payments as resulting from operating activities, capital and related financing activities and investing activities.

Housing Authority of the City of Ocean City
Management's Discussion and Analysis (Continued)
September 30, 2014

2 – Financial Statements (Continued)

The financial statements report on the Authority's activities. The activities are primarily supported by HUD subsidies and grants. The Authority's function is to provide decent, safe and sanitary housing to low income and special needs populations. The financial statements can be found on pages 8 through 10.

3 – Notes to Financial Statements

The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The Notes to Financial Statements can be found in this Report following the financial statements.

4 – Supplemental Information

The schedule of expenditures of Federal awards is presented for purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-profit Organizations. The Schedule of Expenditures of Federal Awards can be found on page 20 of this report.

C – The Authority as a Whole

The Authority's Net Position decreased \$354,755 during the fiscal year as detailed below. The Authority's revenues are primarily tenant revenues and subsidies received from HUD. The Authority receives subsidies each month based on a pre-approved amount by HUD. Grants are drawn down based on need against a pre-authorized funding level.

By far, the largest portion of the Authority's net position reflects its investment in capital assets (e.g., land, buildings, and equipment). The Authority uses these capital assets to provide housing services to its tenants. Consequently, these assets are not available for future spending. The unrestricted net position of the Authority is available for future use to provide program services.

D – Budgetary Highlights

For the year ended September 30, 2014 individual program or grant budgets were prepared by the Authority and were approved by the Board of Commissioners. The budgets were primarily used as a management tool and have no legal stature. (Also, the Authority adopted a comprehensive annual budget for the General Fund.) The budgets were prepared in accordance with the accounting procedures prescribed by the applicable funding agency.

E – Capital Assets and Debt Administration

1 – Capital Assets

As of September 30, 2014, the Authority's investment in capital assets for its Proprietary Fund was \$3,317,124 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment and construction in progress.

Major capital assets purchased during the current fiscal year totaled \$120,850. \$113,350 of these expenditures were made in accordance with the Authority's Capital Fund Programs.

Housing Authority of the City of Ocean City
Management's Discussion and Analysis (Continued)
September 30, 2014

E – Capital Assets and Debt Administration (Continued)

Additional informational on the Authority's capital assets can be found in Note 6 to the Financial Statements which is included in this Report.

2 – Long Term Debt

The Authority does not have any long-term debt outstanding at this time.

F – Natural Disaster

On October 29, 2012, Hurricane Sandy made landfall on the New Jersey coast causing an estimated 30 billion dollars in damage to the State. The Authority's housing stock incurred flood damages that were in excess of one million dollars with as much as 50% of the housing stock badly damaged due to the storm. The Authority received FEMA insurance settlements of \$1,255,451. By February of 2013 much of the damaged units were brought back on-line with the help of an inter-local agreement with the City of Ocean City. The City procured contractors on an emergency basis as well as managed the rehabilitation of the Authority's housing stock.

G – Significant Changes from FYE September 30, 2013 to September 30, 2014

Other Revenue decreased - the prior year balance reflected \$656,720 for the donated cost of roofs the Authority received from the City.

Travel Costs- Travel costs increased in the current year due to the election of three new commissioners appointed to the board of the Authority who were required to take several classes. In addition, the new Executive Director was required to enroll in several classes as a condition of the position.

Electric costs increased – Electric Costs increased in the current fiscal primarily due to the relocation of tenants back into their units. During the last three months of 2012 Super Storm Sandy caused many of the Authority's tenants vacate their units due to flooding. Most of the tenants returned to their units during the current fiscal year and electric costs and consumption amounts returned to pre storm levels.

Gas costs increased – The cost of gas has increased and the Authority is disputing the amount of consumption charged by the local gas company. The matter remains unresolved as of June 18, 2015.

H – Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the Authority's budget for the fiscal year ending September 30, 2015.

1 – The state of the economy, particularly its effect on tenant incomes, which are used in determining tenant rents paid to the Authority.

2 – The need for Congress to fund the war on terrorism and the possible cut-back on HUD subsidies and grants.

3 – The potential use of the Authority's Unrestricted Net Position of \$141,035 to fund any shortfalls rising from a possible economic downturn and reduced subsidies and grants. The Authority's Unrestricted Net Position appear sufficient to cover any shortfall.

Housing Authority of the City of Ocean City
Management's Discussion and Analysis (Continued)
September 30, 2014

I – Contacting the Authority's Financial Management

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Executive Director, Housing Authority of the City of Ocean City, 204 4th Street, Ocean City, New Jersey 08226, or call (609) 399-1062.

Housing Authority of the City of Ocean City
Management's Discussion and Analysis (Continued)
September 30, 2014

Composition of Net Position is as follows:

	<u>Year Ended</u>	
	<u>Sep. 30, 2014</u>	<u>Sep. 30, 2013</u>
Cash and Other Current Assets	\$ 414,504	\$ 1,627,807
Capital Assets - Net	<u>3,317,124</u>	<u>3,427,399</u>
Total Assets	3,731,628	5,055,206
Less: Total Liabilities	<u>(273,469)</u>	<u>(1,242,292)</u>
Net Position	<u>\$ 3,458,159</u>	<u>\$ 3,812,914</u>
Invested in Capital Assets	3,317,124	3,427,399
Unrestricted Net Position	<u>141,035</u>	<u>385,515</u>
Total Net Position	<u>\$ 3,458,159</u>	<u>\$ 3,812,914</u>

Computations of Changes in Net Position are as follows:

	<u>Year Ended</u>	
	<u>Sep. 30, 2014</u>	<u>Sep. 30, 2013</u>
<u>Revenues</u>		
Tenant Revenues	\$ 497,551	\$ 437,369
HUD Subsidies and Other Government Grants	296,108	238,156
Other Revenue	<u>17,915</u>	<u>676,892</u>
Total Operating Revenues	<u>811,574</u>	<u>1,352,417</u>
<u>Expenses</u>		
Operating Expenses Excluding Depreciation	1,049,302	781,536
Depreciation Expense	<u>231,125</u>	<u>241,966</u>
Total Operating Expenses	<u>1,280,427</u>	<u>1,023,502</u>
Deficiency of Operating Revenues Over Expenses	(468,853)	328,915
<u>Non-Operating Revenues/(Expenses)</u>		
Gain or Loss on Sale of Capital Assets	-	(46,226)
Investment Income	<u>748</u>	<u>1,644</u>
Deficiency of Revenues Over Expenses Before Capital Grants	(468,105)	284,333
HUD Capital Grants	<u>113,350</u>	<u>73,570</u>
Increase/(Decrease) in Net Position	(354,755)	357,903
Beginning Net Position	3,812,914	3,320,858
Prior Period Adjustment	<u>-</u>	<u>134,153</u>
Ending Net Position	<u>\$ 3,458,159</u>	<u>\$ 3,812,914</u>



CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

2035 HAMBURG TURNPIKE, UNIT H
WAYNE, NEW JERSEY 07470
TELEPHONE: (973) 831-6969
FAX: (973) 831-6972
E-MAIL: POLCARICO@OPTONLINE.NET

Board of Commissioners
Housing Authority of the
City of Ocean City
Ocean City, New Jersey

We have audited the accompanying financial statements of the Housing Authority of the City of Ocean City, which comprise the Comparative Statements of Net Position as of September 30, 2014 and 2013 and the related Statements of Revenues, Expenses and Changes in Net Position and Cash Flows for the for the years ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Housing Authority of the City of Ocean City, as of September 30, 2014 and 2013, and the results of its operations, and its cash flows for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITOR'S REPORT

(Continued)

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis presented on pages 1-5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements of the Housing Authority of the City of Ocean City. The Financial Data Schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements.

The financial data schedule and schedule of expenditures of federal awards are the responsibility of management and were derived from and directly relate to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards general accepted in the United States of America. In our opinion, the financial data schedule and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2015 on our consideration of the Housing Authority of the City of Ocean City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.


POLCARI & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Wayne, New Jersey
June 18, 2015

HOUSING AUTHORITY OF THE CITY OF OCEAN CITY
Ocean City, New Jersey
STATEMENT OF NET POSITION
At September 30, 2014 and 2013

ASSETS

	<u>Sep. 30, 2014</u>	<u>Sep. 30, 2013</u>
<u>CURRENT ASSETS</u>		
Cash and Cash Equivalents	\$ 342,686	\$ 1,545,322
Accounts Receivable - Tenants (Net)	4,098	1,188
Accounts Receivable - Other	1,553	29,617
Accounts Receivable - HUD	9,373	-
Maintenance Inventories (Net)	5,527	5,527
Prepaid Expenses and Other Current Assets	<u>51,267</u>	<u>46,153</u>
Total Current Assets	<u>414,504</u>	<u>1,627,807</u>
 <u>CAPITAL ASSETS</u>		
Land	352,648	352,648
Buildings and Improvements	7,233,346	7,225,846
Furniture, Equipment and Machinery	285,849	285,849
Construction in Progress	<u>113,350</u>	<u>-</u>
Total Capital Assets	7,985,193	7,864,343
Less: Accumulated Depreciation	<u>(4,668,069)</u>	<u>(4,436,944)</u>
Net Capital Assets	<u>3,317,124</u>	<u>3,427,399</u>
Total Assets	<u>\$ 3,731,628</u>	<u>\$ 5,055,206</u>

LIABILITIES AND NET POSITION

CURRENT LIABILITIES

Accounts Payable:		
Vendors and Contractors	\$ 26,616	\$ 20,205
Accrued Payroll and Related Taxes	1,876	823
Due to Tenants:		
Security Deposits	30,054	41,076
Prepaid Tenant Rents	2,099	3,467
Deferred Revenues	-	1,099,118
Due to Other Governments	149,728	19,914
Other Current Liabilities	1,461	-
Compensated Absences - Current Portion	<u>12,361</u>	<u>3,771</u>
Total Current Liabilities	224,195	1,188,374
Accrued Compensated Absences - Noncurrent	12,983	21,368
Other Post Employment Benefits	<u>36,291</u>	<u>32,550</u>
Total Liabilities	<u>273,469</u>	<u>1,242,292</u>

NET POSITION

Invested in Capital Assets Net of Related Debt	3,317,124	3,427,399
Unrestricted	<u>141,035</u>	<u>385,515</u>
Total Net Position	<u>\$ 3,458,159</u>	<u>\$ 3,812,914</u>

See Notes to Financial Statements

HOUSING AUTHORITY OF THE CITY OF OCEAN CITY
Ocean City, New Jersey
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
For the Years Ended September 30, 2014 and 2013

	<u>Sep. 30, 2014</u>	<u>Sep. 30, 2013</u>
<u>OPERATING REVENUES</u>		
Tenant Rental & Other Revenue	\$ 492,115	\$ 437,369
HUD Grants - Operating	296,108	238,156
Other Revenue	23,351	676,892
Total Revenues	<u>811,574</u>	<u>1,352,417</u>
<u>OPERATING EXPENSES</u>		
Administration	396,600	284,484
Tenant Services	5,768	-
Utilities	240,792	244,558
Ordinary Maintenance & Operations	225,344	168,403
Protective Services	43,181	
General Expense	113,204	82,721
Extraordinary Maintenance	24,413	1,370
Depreciation Expense	231,125	241,966
Total Operating Expenses	<u>1,280,427</u>	<u>1,023,502</u>
EXCESS OF OPERATING REVENUE OVER EXPENSES	(468,853)	328,915
Non Operating Revenues/(Expenses):		
Gain or Loss of Sale of Capital Assets	-	(46,226)
Investment Income	748	1,644
Income / (Loss) Before Contributions and Transfers	(468,105)	284,333
Capital Grants	<u>113,350</u>	<u>73,570</u>
INCREASE IN NET POSITION	(354,755)	357,903
Beginning Net Position	<u>3,812,914</u>	<u>3,320,858</u>
Prior Period Adjustment	<u>-</u>	<u>134,153</u>
Ending Net Position	<u>\$ 3,458,159</u>	<u>\$ 3,812,914</u>

See Notes to Financial Statements.

HOUSING AUTHORITY OF THE CITY OF OCEAN CITY
Ocean City, New Jersey
STATEMENT OF CASH FLOW
For the Years Ended September 30, 2014 and 2013

	<u>Sep. 30, 2014</u>	<u>Sep. 30, 2013</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Cash Received:		
From Tenants for Rental Income	\$ 476,815	\$ 435,383
From HUD for Operating Grants	286,735	238,156
For Other Operating Revenues	(1,075,767)	1,119,290
Cash Paid:		
To Employees for Operations	(216,050)	(218,937)
To Suppliers for Operations	(667,617)	(599,936)
Net Cash Provided by Operating Activities	<u>(1,195,884)</u>	<u>973,956</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>		
Capital Grants Received	113,350	73,570
Acquisition of Property and Equipment	(120,850)	(95,526)
Net Cash Provided/(Used) by Capital and Related Financing Activities	<u>(7,500)</u>	<u>(21,956)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Investment Income	748	1,644
Net Cash Provided by Investing Activities	<u>748</u>	<u>1,644</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,202,636)	953,644
Cash and Equivalents at Beginning of Period	<u>1,545,322</u>	<u>591,678</u>
Cash and Equivalents at End of Period	<u>\$ 342,686</u>	<u>\$ 1,545,322</u>
<u>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATIONS</u>		
Operating Income	(468,853)	328,915
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities		
Depreciation	231,125	241,966
In-Kind Donations		(656,720)
Decrease/(Increase) in Assets		
Accounts Receivable - Tenants	(2,910)	(1,188)
Accounts Receivable - HUD	(9,373)	-
Accounts Receivable - Other	28,064	(24,591)
Prepaid Expenses and Other Current Assets	(5,114)	(10,162)
Increase/(Decrease) in Liabilities		
Accounts Payable and Accrued Expenses	7,464	2,689
Security Deposits	(11,022)	(739)
Other Current Liabilities	1,461	
Compensated Absences	205	(5,948)
Deferred Revenues	(1,099,118)	1,099,118
Prepaid Tenant Rents	(1,368)	(59)
Due to Other Governments	129,814	(10,813)
Accrued OPEB Liability	3,741	11,488
Net Cash Provided by Operating Activities	<u>\$ (1,195,884)</u>	<u>\$ 973,956</u>

See Notes to Financial Statements

HOUSING AUTHORITY OF THE CITY OF OCEAN CITY
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

NOTE 1 – Summary of Organization, Activities and Significant Accounting Policies:

1. **Organization and Activities** – The Housing Authority of The City of Ocean City (the Authority) is a governmental, public corporation created under federal and state housing laws as defined by State statute (N.J., S.A. 4A: 12A-1, et. Seq., the "Housing Authority Act"). The Authority is governed by a board of seven members who serve five year terms. The governing board is essentially autonomous but is responsible to the U.S. Department of Housing and Urban Development and the State of New Jersey Department of Community Affairs. An executive director is appointed by the housing authority's Board to manage the day-to-day operations of the Authority. The Authority is responsible for the development, maintenance and management of public housing for low and moderate income families residing in the City of Ocean City, New Jersey. Operating and modernization subsidies are provided to the Authority by the federal government.

The Authority has not identified any entities which should be subject to evaluation for inclusion in the Authority's reporting entity. The Authority has concluded that it is excluded from the City's reporting entity since the City does not designate management, does not influence operations, does not have responsibility for fiscal matters and does not have a funding relationship with the Authority.

The combined financial statements include all accounts of the Authority. The Authority is the lowest level of government over which the Authority's Board of Commissioners and Executive Director exercise oversight responsibility. The federally funded programs administered by the Authority are detailed on the Financial Data Schedule and the Schedule of Expenditures of Federal Awards, both of which are included as Supplemental Information.

2. Significant Accounting Policies

a. **Basis of Accounting** – The financial statements of the Authority are prepared using the accrual basis of accounting in order to recognize the flow of economic resources. Under the accrual basis of accounting, transactions are recognized when they occur, regardless of when cash is received or disbursed. Revenues are recognized in the accounting period in which they are earned and become measurable, and expenses recognized in the period incurred, if measurable. Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the Authority. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing types of activities and result from non-exchange transactions or ancillary activities. All assets, liabilities, net position, revenue and expenses are accounted for using a single enterprise fund for the primary government.

Revenue – The major sources of revenue are various subsidies and grants received from the United States Department of Housing and Urban Development, charges to tenants and other miscellaneous revenues discussed below.

Federal Grant Revenue – Operating Subsidies and Capital Fund Program revenue received from HUD are recorded under the accrual method of accounting and are recognized in the period earned in accordance with applicable HUD guidelines. The Authority is generally entitled to receive funds from HUD under an established payment schedule or as expenditures are made under the Capital Fund Program or Comprehensive Improvements Assistance Program.

HOUSING AUTHORITY OF THE CITY OF OCEAN CITY
NOTES TO FINANCIAL STATEMENTS
September 30, 2014
(Continued)

**NOTE 1 --Summary of Organization, Activities and Significant Accounting Policies
(Continued):**

Tenant Charges – Rental charges to tenants are determined and billed monthly and are recognized as revenue when billed since they are measurable and collectible within the current period. Amounts not collected at year-end are included in the balance sheet as accounts receivable, and amounts paid by tenants for the subsequent fiscal year are recorded as deferred revenue.

Miscellaneous Income – Miscellaneous revenue consists primarily of miscellaneous service fees. The revenue is recorded as earned since it is measurable and available.

Report Presentation – The financial statements included in this Report were prepared in accordance with generally accepted accounting principles (GAAP) in the United States of America applicable to governmental entities for Proprietary Fund Types. The Authority implemented the provisions of Governmental Accounting Standards Board Statement No. 34 "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments" (Statement No. 34). The Authority also adopted the provisions of Statement No. 37 "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus" and Statement NO. 38 "Certain Financial Statement Note Disclosures", which supplement Statement No. 34. Statement No. 34 established standards for all state and local governmental entities that includes a statement of net assets, a statement of activities and a statement of cash flows. It requires the classification of net assets into three components – Invested in Capital Assets, Net of Related Debt; Restricted Net Assets and Unrestricted Net Assets. Statement No. 63 "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of resources, and Net Position" requires the re-naming of the Statement of Net Assets to the Statement of Net Position. The Statement of Net Position reports all assets, deferred outflows of resources, liabilities and deferred inflows of resources and net position. These classifications are defined as follows:

Invested in Capital Assets, Net of Related Debt – This component consists of land, construction in progress and depreciable assets, net of accumulated depreciation and net of the related debt outstanding. If there are significant unspent related debt proceeds as of year-end, the portion of the debt related to the unspent proceeds is not included in the calculation of Invested in Capital Assets, Net of Related Debt. Rather, that portion of the debt is included in the same net asset component as the unspent proceeds.

Restricted Net Position – This component includes net position subject to restrictions placed on net asset use through external constraints imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by the law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This component consists of net position that do not meet the definition of Restricted Net Position or Invested in Capital Assets, Net of Related Debt. The adoption of Governmental Accounting Standards Board Statements 34, 37 and 38 have no significant effect on the basic financial statements, except for the classification of net position in accordance with Statement No. 34.

HOUSING AUTHORITY OF THE CITY OF OCEAN CITY
NOTES TO FINANCIAL STATEMENTS
September 30, 2014
(Continued)

**NOTE 1 – Summary of Organization, Activities and Significant Accounting Policies
(Continued):**

Significant accounting policies are as follows:

1 – Cash and cash equivalents are stated at cost, which approximates market. Cash and cash equivalents include cash in banks, petty cash and certificates of deposit, and other investments with original maturities of less than three months from the date of purchase. Investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

2 – Collection losses on accounts receivable are charged against an allowance for doubtful accounts.

3 – Buildings and equipment are recorded at cost for all programs and depreciation is computed on the straight line basis. Interest costs necessary to place a Capital Asset in its intended location and condition are capitalized.

4 – Repairs funded out of operations, such as painting, roofing and plumbing, are charged against income for all programs.

5 – The Authority is subsidized by the Federal Government. The Authority is not subject to Federal or State income taxes, nor is it required to file Federal and State income tax returns.

6 – Operating subsidies received from HUD are recorded as income when earned.

7 – The cost of accumulated unpaid compensated absences, including fringe benefits, is reported in the period earned rather than in the period paid.

8 – Prepaid expenses represent payments made by the Authority in the current year to provide services occurring in the subsequent fiscal year.

9 – Inventories in the Proprietary Fund consist of supplies and are recorded at the lower of first-in first-out, cost or market.

10 - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period.

11 - The Authority has elected not to apply to its proprietary activities Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee of Accounting Procedure issued after November 30, 1989.

12 – The Authority does not have any infrastructure assets for its Proprietary Fund.

13 – Inter-fund receivables and payables arise from inter-fund transactions and are recorded by all funds affected in the period in which the transactions are executed.

HOUSING AUTHORITY OF THE CITY OF OCEAN CITY
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2014
 (Continued)

NOTE 1 – Summary of Organization, Activities and Significant Accounting Policies (Continued):

14 – Long-lived assets to be held and used are tested for recoverability whenever events of changes in circumstances indicate that the carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the fair value of the asset and long-lived assets to be disposed of by sale are reported at the lower of carrying amount or fair value less cost to sell. As of September 30, 2014, the Authority has not recognized any reduction in the carrying value of its fixed assets when considering SFAS 144.

- b. **Budgetary Policy and Control** – The housing authority submits its annual operating and capital budgets to the State of New Jersey Department of Community Affairs in accordance with New Jersey statute. After the New Jersey Department of Community Affairs approves the budget, it is formally adopted by resolution of the Housing Authority's Board of Commissioners. Once adopted, the Board of Commissioners may amend the legally adopted budget when unexpected modifications are required in estimated revenues and expenses. Each fund's budget is prepared on a detailed line item basis. Revenues are budgeted by source and expenditures are budgeted by expense classification within each revenue source.

NOTE 2 – Cash and Cash Equivalents

The Authority maintains cash and investments in local banks. These funds are covered by the Governmental Unit Deposit Protection Act of the state of New Jersey, which requires the institutions to pool collateral for all of governmental deposits and have the collateral held by an approved custodian in the institution's name.

Cash and Cash Equivalents of \$342,686 and \$1,545,322 at September 30, 2014 and 2013, consisted of the following:

	<u>Sep 30, 2014</u>	<u>Sep 30, 2013</u>
Checking Accounts	\$ 301,795	\$ 1,504,096
Tenant Security Deposit Accounts	40,741	41,076
Change & Petty Cash Fund	150	150
Total Cash and Equivalents	<u>\$ 342,686</u>	<u>\$ 1,545,322</u>

The carrying amount of the Authority's cash and cash equivalents on deposit at financial institutions as of September 30, 2014 was \$342,686 and the bank balances were \$357,798. Of the bank balances, \$357,798 was covered by FDIC insurance. The Authority's cash and cash equivalents are categorized as prescribed in GASB 40 to give an indication of the level of risk assumed by the Authority. As described above, none of the Authority's deposits exceeded FDIC insurance and were not required to be covered by a collateral pool maintained by the banks as required by New Jersey statutes.

NOTE 3 – Tenant Accounts Receivable

Tenant accounts receivable are stated net of an allowance for doubtful accounts of \$591 and \$1 at September 30, 2014 and 2013, respectively.

HOUSING AUTHORITY OF THE CITY OF OCEAN CITY
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2014
 (Continued)

NOTE 4 – Inter-program Receivables and Payables

At September 30, 2014 and 2013, the Authority had no interprogram accounts receivable or payable.

NOTE 5 – Deferred Revenue

Deferred income of \$2,099 at September 30, 2014 represents prepaid tenant rents. Deferred income of \$1,102,585 at September 30, 2013 consisted of \$3,467 of prepaid rents and \$1,099,118 of FEMA Super Storm Sandy settlements.

NOTE 6 - Fixed Assets

Fixed assets consist primarily of expenditures to acquire, construct, place in operation and improve the facilities of the Authority and are stated at cost, less accumulated depreciation. The following is a summary of the changes in general fixed assets for the fiscal years ended September 30, 2014 and 2013:

	<u>Sep. 30, 2013</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Sep. 30, 2014</u>
Land	\$ 352,648	\$ -	\$ -	\$ -	\$ 352,648
Buildings and Improvements	7,225,846	7,500	-	-	7,233,346
Dwelling Equipment	84,963	-	-	-	84,963
Furniture and Equipment	200,886	-	-	-	200,886
Construction in Progress	-	113,350	-	-	113,350
Total Fixed Assets	7,864,343	120,850	-	-	7,985,193
Accumulated Depreciation	(4,436,944)	(231,125)	-	-	(4,668,069)
Net Fixed Assets	<u>\$ 3,427,399</u>	<u>\$ (110,275)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,317,124</u>

	<u>Sep. 30, 2012</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Sep. 30, 2013</u>
Land	\$ 352,648	\$ -	\$ -	\$ -	\$ 352,648
Buildings and Improvements	6,777,297	656,719	(308,170)	100,000	7,225,846
Dwelling Equipment	84,963	-	-	-	84,963
Furniture and Equipment	112,342	23,796	(23,975)	88,723	200,886
Construction in Progress	116,993	73,570	(1,840)	(188,723)	-
Total Fixed Assets	7,444,243	754,085	(333,985)	-	7,864,343
Accumulated Depreciation	(4,615,051)	(107,813)	285,920	-	(4,436,944)
Net Fixed Assets	<u>\$ 2,829,192</u>	<u>\$ 646,272</u>	<u>\$ (48,065)</u>	<u>\$ -</u>	<u>\$ 3,427,399</u>

Depreciation expense for the fiscal years ended September 30, 2014 and 2013 amounted to \$231,125 and \$107,813, respectively.

Expenditures are capitalized when they meet the Authority's Capitalization policy. Under that policy, assets purchased or constructed at a cost not exceeding \$1,000 are expenses when incurred. Depreciation of Fixed Assets is provided using the straight-line method for reporting purposes at rates based upon the following estimated useful lives:

HOUSING AUTHORITY OF THE CITY OF OCEAN CITY
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2014
 (Continued)

NOTE 6 - Fixed Assets (Continued)

	<u>Years</u>
Buildings	40
Improvements	15
Furniture	5
Equipment	5
Vehicles	5
Computers and Related Equipment	5

NOTE 7 – Payment in Lieu of Taxes (PILOT)

Under Federal, State and local law, the Authority's programs are exempt from income, property and excise taxes. However, the Authority is required to make a payment in lieu of taxes (PILOT) for the PHA Owned Program in accordance with the provisions of its Cooperation Agreement with the City. Under the Cooperation Agreement, the Authority must pay the City the lesser of 10% of its net shelter rent or the approximate full real property taxes. During the fiscal years ended September 30, 2014 and 2013, PILOT expense was accrued in the amount of \$22,527 and \$19,794, respectively.

NOTE 8 – Accrued Compensated Absences

Accrued compensated absences of \$25,344 and \$25,139 at September 30, 2014 and 2013, represent amounts of accumulated leave for which employees are entitled to receive payment in accordance with the Authority's Personnel Policy. Employees may be compensated for accumulated vacation leave in the event of retirement or termination from service at 100% of the time accumulated, to a maximum of thirty (30) days in addition to the amount accrued in the year of retirement or termination. Employees may be compensated for accumulated sick leave in the event of retirement at the rate of one day for every two days accumulated at the current rate of pay, with a maximum not to exceed \$12,000.

NOTE 9 – Pension Plan

The Authority participates in the State of New Jersey Public Employees Retirement System (PERS), which is sponsored and administered by the New Jersey Division of Pensions and Benefits. It is a cost sharing, multiple-employer defined benefit pension plan. PERS was established in January 1955 under the provision of NJ SA 43:15A to provide coverage, including post-retirement health care, for substantially all full time employees of the state, its counties, municipalities, school districts or public agencies, provided the employee is not a member of another state administered retirement system. Membership is mandatory for such employees. Contributions to the plan are made by both the employee and the Authority. Required employee contributions to the system are based on a flat rate determined by the New Jersey Division of Pensions for active plan members. Benefits paid to retired employees are based on length of service, latest earnings and veteran status. Authority contributions to the system are determined by PERS and are billed annually to the Authority. The Authority made contributions of \$21,150 and \$14,065 to the retirement system during the fiscal years ended September 30, 2014 and 2013.

HOUSING AUTHORITY OF THE CITY OF OCEAN CITY
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2014
 (Continued)

NOTE 9 – Pension Plan (Continued)

The State of New Jersey, Department of Treasury, Division of Pensions and Benefits, issued publicly available financial reports that include the financial statements and required supplementary information for PERS. The financial reports may be obtained by writing to the State of New Jersey, Department of Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0925.

NOTE 10 – Other Post Employee Retirement Benefits

ANNUAL OPEB COST AND NET OPEB OBLIGATION

The Authority's annual other postemployment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution of employer ("ARC"), an amount actuarially determined in accordance with parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty (30) years. The following table shows the components of the Authority's annual OPEB costs for the fiscal year, the amount actually contributed to the plan and changes in the Authority's net OPEB obligation to the plan:

Annual Required Contribution	\$26,954
Interest on net OPEB obligation	1,301
Adjustment to annual required contribution	1,448
Annual OPEB cost (expense)	29,703
Contributions made	25,962
Increase in net OPEB obligation	3,741
Net OPEB Obligation beginning of year	32,550
Net OPEB Obligation end of year	\$36,291

FUNDED STATUS AND FUNDING PROGRESS

As of October 1, 2013, the most recent valuation date, the plan was 0.0% funded. The actuarial liability for benefits was \$259,165 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAL) of \$259,165. The covered payroll (annual payroll of active employees covered by the plan) was \$216,050 and the ratio of the UAL to covered payroll was not computed since benefit and retiree rates were not based on payroll.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrences of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented in the required supplementary information following the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

HOUSING AUTHORITY OF THE CITY OF OCEAN CITY
NOTES TO FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 10 – Other Post Employee Retirement Benefits (Continued):

ACTUARIAL METHODS AND ASSUMPTIONS

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by employer and plan members) and include the types of benefits provided at the time each valuation and the historical pattern of sharing benefit costs between employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Actuarial Cost Method	Projected Unit Credit
Investment Rate of Return	5.00% per annum
Actuarial Value of Assets:	Not Applicable
Amortization of UAAL:	Amortized as level dollar amount over 30 years at transition
Remaining Amortization Period:	27 years at October 1, 2013

There are no current active employees eligible to receive health benefits after retirement. All plan participants are retired former employees whose current average age is 76.0.

NOTE 11 – Risk Management

The Authority is exposed to various risks of loss related to torts, theft, damage to and destruction of assets; errors and omissions; and natural disasters for which the Authority carries commercial insurance. During the years ended September 30, 2014 and 2013, the Authority's risk management program, in order to deal with potential liabilities, consisted of various insurance policies for fire, general liability, crime, auto and public-officials errors and omissions. Periodically, but not less than once annually, the Authority conducts a physical inspection of its Projects for the purpose of determining potential liability issues. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Settled claims relating to the commercial insurance have not exceeded the amount of insurance in any of the past three fiscal years.

NOTE 12 – Construction Commitments

At September 30, 2014 and 2013, the Authority's outstanding construction commitments pertaining to its Capital Fund Programs were not material. The costs pertaining to such commitments will be paid by grants approved and committed to the Authority by the U.S. Department of Housing and Urban Development.

NOTE 13 – Economic Dependency

For the year ended September 30, 2014 and 2013, a substantial portion of the Authority's revenues were received from the United States Department of Housing and Urban Development, which are subject to availability of funds and Congressional approval, as well as the Authority's compliance with Federal rules and regulations.

HOUSING AUTHORITY OF THE CITY OF OCEAN CITY
NOTES TO FINANCIAL STATEMENTS
September 30, 2014
(Continued)

NOTE 14 – Other Revenue

\$23,351 of Other Revenue at September 30, 2014 primarily consisted of Laundry income and non-dwelling rent.

\$676,892 of Other Revenue at September 30, 2013 primarily consisted of the following:

The Authority received a donation from the City of Ocean City for the replacement of roofs at one of the Authority's projects. The amount of the donation was \$656,720.

The Authority received rental income from Atlantic Human Resources, Inc., (the tenant). The tenant leases space at the Authority's main office building under the terms of a ten month lease that ended on June 30, 2013. The lease stipulated rental payments of \$1,000 per month. The lease converted to a month to month lease until November 1, 2013 when the Authority entered into a 15 year lease with required monthly payments of \$1,000.

NOTE 15 – Due to Other Government

Due to Other Government consisted of the following at September 30, 2014:

PILOT	\$24,153
Reimbursement for Super-Storm Sandy Renovations	<u>125,575</u>
	<u>\$149,728</u>

All amounts due are payable to the City of Ocean City. The PILOT amount is detailed in Note 7 to the financial statements.

NOTE 16 – Contingencies

Subsequent to the year end, a former employee has asserted a claim for wrongful termination. The Authority is insured for employment claims and the defense of the matter has been assigned to an attorney by the insurance carrier. The matter is being defended and no lawsuit has been filed. These financial statements do not include an amount for contingent liability since at this point, it is impossible to determine the amount of damages if any.

NOTE 17 – Subsequent Events

The Authority has evaluated subsequent events June 18, 2015, the date on which the Financial Statements were available to be issued.

HOUSING AUTHORITY OF THE CITY OF OCEAN CITY
 Ocean City, New Jersey
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended September 30, 2014

	Beginning Balance	Revenue Recognized	Expenditures	Ending Balance
<u>LOW INCOME HOUSING PROGRAM</u>				
Operating Subsidy (CFDA # 14.850)	\$ -	\$ 202,562	\$ 202,562	\$ -
Capital Fund Program (CFDA# 14.872)	-	206,896	206,896	-
Total Federal Financial Assistance	<u>\$ -</u>	<u>\$ 409,458</u>	<u>\$ 409,458</u>	<u>\$ -</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. Basis of Presentation - The Schedule of Expenditures of Federal Awards is presented in accordance with generally accepted accounting principles and is presented in accordance with the requirements of OMB Circular A-133. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the general purpose financial statements.
2. There were no subrecipient activities during the audit period.

Ocean City Housing Authority (NJ053)
 OCEAN CITY, NJ
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 09/30/2014

	Project Total	Subtotal	ELUM	Total
111 Cash - Unrestricted	\$300,484	\$300,484		\$300,484
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted	\$1,461	\$1,461		\$1,461
114 Cash - Tenant Security Deposits	\$40,741	\$40,741		\$40,741
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	\$342,686	\$342,686		\$342,686
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects	\$9,373	\$9,373		\$9,373
124 Accounts Receivable - Other Government				
125 Accounts Receivable - Miscellaneous	\$1,553	\$1,553		\$1,553
126 Accounts Receivable - Tenants	\$4,689	\$4,689		\$4,689
126.1 Allowance for Doubtful Accounts - Tenants	-\$591	-\$591		-\$591
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current				
128 Fraud Recovery				
128.1 Allowance for Doubtful Accounts - Fraud				
129 Accrued Interest Receivable				
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$15,024	\$15,024		\$15,024
131 Investments - Unrestricted				
132 Investments - Restricted				
135 Investments - Restricted for Payment of Current Liability				
142 Prepaid Expenses and Other Assets	\$51,267	\$51,267		\$51,267
143 Inventories	\$5,527	\$5,527		\$5,527
143.1 Allowance for Obsolete Inventories	\$0	\$0		\$0
144 Inter Program Due From				
145 Assets Held for Sale				
150 Total Current Assets	\$414,504	\$414,504		\$414,504
161 Land	\$352,648	\$352,648		\$352,648
162 Buildings	\$6,615,764	\$6,615,764		\$6,615,764
163 Furniture, Equipment & Machinery - Dwellings	\$84,963	\$84,963		\$84,963
164 Furniture, Equipment & Machinery - Administration	\$200,886	\$200,886		\$200,886
165 Leasehold Improvements	\$617,582	\$617,582		\$617,582
166 Accumulated Depreciation	-\$4,668,069	-\$4,668,069		-\$4,668,069
167 Construction in Progress	\$113,350	\$113,350		\$113,350
168 Infrastructure				
160 Total Capital Assets, Net of Accumulated Depreciation	\$3,317,124	\$3,317,124		\$3,317,124
171 Notes, Loans and Mortgages Receivable - Non-Current				
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due				
173 Grants Receivable - Non Current				
174 Other Assets				
176 Investments in Joint Ventures				
180 Total Non-Current Assets	\$3,317,124	\$3,317,124		\$3,317,124
200 Deferred Outflow of Resources				

Ocean City Housing Authority (NJ053)

OCEAN CITY, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 09/30/2014

	Project Total	Subtotal	ELIM	Total
290 Total Assets and Deferred Outflow of Resources	\$3,731,628	\$3,731,628		\$3,731,628
311 Bank Overdraft				
312 Accounts Payable <= 90 Days	\$15,249	\$15,249		\$15,249
313 Accounts Payable >90 Days Past Due				
321 Accrued Wage/Payroll Taxes Payable	\$1,876	\$1,876		\$1,876
322 Accrued Compensated Absences - Current Portion	\$12,361	\$12,361		\$12,361
324 Accrued Contingency Liability				
325 Accrued Interest Payable				
331 Accounts Payable - HUD PHA Programs				
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government	\$149,728	\$149,728		\$149,728
341 Tenant Security Deposits	\$30,054	\$30,054		\$30,054
342 Unearned Revenue	\$2,099	\$2,099		\$2,099
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue				
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities	\$1,461	\$1,461		\$1,461
346 Accrued Liabilities - Other	\$11,367	\$11,367		\$11,367
347 Inter Program - Due To				
348 Loan Liability - Current				
310 Total Current Liabilities	\$224,195	\$224,195		\$224,195
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue				
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other				
354 Accrued Compensated Absences - Non Current	\$12,003	\$12,003		\$12,003
355 Loan Liability - Non Current				
356 FASB 5 Liabilities				
357 Accrued Pension and OPEB Liabilities	\$36,291	\$36,291		\$36,291
350 Total Non-Current Liabilities	\$49,274	\$49,274		\$49,274
300 Total Liabilities	\$273,469	\$273,469		\$273,469
400 Deferred Inflow of Resources				
508.4 Net Investment In Capital Assets	\$3,317,124	\$3,317,124		\$3,317,124
511.4 Restricted Net Position	\$0	\$0		\$0
512.4 Unrestricted Net Position	\$141,035	\$141,035		\$141,035
513 Total Equity - Net Assets / Position	\$3,458,159	\$3,458,159		\$3,458,159
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$3,731,628	\$3,731,628		\$3,731,628

Ocean City Housing Authority (NJ053)
OCEAN CITY, NJ
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 09/30/2014

	Project Total	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$476,889	\$476,889		\$476,889
70400 Tenant Revenue - Other	\$15,226	\$15,226		\$15,226
70500 Total Tenant Revenue	\$492,115	\$492,115		\$492,115
70600 HUD PHA Operating Grants	\$296,108	\$296,108		\$296,108
70610 Capital Grants	\$113,350	\$113,350		\$113,350
70710 Management Fee				
70720 Asset Management Fee				
70730 Book Keeping Fee				
70740 Front Line Service Fee				
70750 Other Fees				
70700 Total Fee Revenue				
70800 Other Government Grants	\$0	\$0		\$0
71100 Investment Income - Unrestricted	\$748	\$748		\$748
71200 Mortgage Interest Income	\$0	\$0		\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0		\$0
71310 Cost of Sale of Assets	\$0	\$0		\$0
71400 Fraud Recovery	\$0	\$0		\$0
71500 Other Revenue	\$23,351	\$23,351		\$23,351
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0		\$0
72000 Investment Income - Restricted	\$0	\$0		\$0
70000 Total Revenue	\$925,672	\$925,672		\$925,672
91100 Administrative Salaries	\$146,831	\$146,831		\$146,831
91200 Auditing Fees	\$6,146	\$6,146		\$6,146
91300 Management Fee				
91310 Book-keeping Fee	\$0	\$0		\$0
91400 Advertising and Marketing	\$1,335	\$1,335		\$1,335
91500 Employee Benefit contributions - Administrative	\$112,200	\$112,200		\$112,200
91600 Office Expenses	\$51,463	\$51,463		\$51,463
91700 Legal Expense	\$21,310	\$21,310		\$21,310
91800 Travel	\$18,930	\$18,930		\$18,930
91810 Allocated Overhead	\$0	\$0		\$0
91900 Other	\$38,385	\$38,385		\$38,385
91000 Total Operating - Administrative	\$396,600	\$396,600		\$396,600
92000 Asset Management Fee	\$0	\$0		\$0
92100 Tenant Services - Salaries	\$0	\$0		\$0
92200 Relocation Costs	\$0	\$0		\$0
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0		\$0
92400 Tenant Services - Other	\$5,768	\$5,768		\$5,768
92500 Total Tenant Services	\$5,768	\$5,768		\$5,768
93100 Water	\$72,972	\$72,972		\$72,972
93200 Electricity	\$96,865	\$96,865		\$96,865
93300 Gas	\$52,788	\$52,788		\$52,788
93400 Fuel	\$0	\$0		\$0
93500 Labor	\$10,383	\$10,383		\$10,383

Ocean City Housing Authority (NJ053)
OCEAN CITY, NJ
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 09/30/2014

	Project Total	Subtotal	ELIM	Total
93600 Sewer	\$0	\$0		\$0
93700 Employee Benefit Contributions - Utilities	\$7,784	\$7,784		\$7,784
93800 Other Utilities Expense	\$0	\$0		\$0
93000 Total Utilities	\$240,792	\$240,792		\$240,792
94100 Ordinary Maintenance and Operations - Labor	\$58,836	\$58,836		\$58,836
94200 Ordinary Maintenance and Operations - Materials and Other	\$67,266	\$67,266		\$67,266
94300 Ordinary Maintenance and Operations Contracts	\$54,088	\$54,088		\$54,088
94500 Employee Benefit Contributions - Ordinary Maintenance	\$45,154	\$45,154		\$45,154
94000 Total Maintenance	\$225,344	\$225,344		\$225,344
95100 Protective Services - Labor	\$23,290	\$23,290		\$23,290
95200 Protective Services - Other Contract Costs	\$0	\$0		\$0
95300 Protective Services - Other	\$2,431	\$2,431		\$2,431
95500 Employee Benefit Contributions - Protective Services	\$17,460	\$17,460		\$17,460
95000 Total Protective Services	\$43,181	\$43,181		\$43,181
96110 Property Insurance	\$54,309	\$54,309		\$54,309
96120 Liability Insurance	\$2,607	\$2,607		\$2,607
96130 Workmen's Compensation	\$12,327	\$12,327		\$12,327
96140 All Other Insurance	\$21,229	\$21,229		\$21,229
96100 Total Insurance Premiums	\$90,472	\$90,472		\$90,472
96200 Other General Expenses	\$0	\$0		\$0
96210 Compensated Absences	\$205	\$205		\$205
96300 Payments in Lieu of Taxes	\$22,527	\$22,527		\$22,527
96400 Bad debt - Tenant Rents	\$0	\$0		\$0
96500 Bad debt - Mortgages	\$0	\$0		\$0
96600 Bad debt - Other	\$0	\$0		\$0
96800 Severance Expense	\$0	\$0		\$0
96000 Total Other General Expenses	\$22,732	\$22,732		\$22,732
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0		\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0		\$0
96730 Amortization of Bond Issue Costs	\$0	\$0		\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0		\$0
95900 Total Operating Expenses	\$1,024,869	\$1,024,869		\$1,024,869
97000 Excess of Operating Revenue over Operating Expenses	-\$99,217	-\$99,217		-\$99,217
97100 Extraordinary Maintenance	\$24,413	\$24,413		\$24,413
97200 Casualty Losses - Non-capitalized	\$0	\$0		\$0
97300 Housing Assistance Payments	\$0	\$0		\$0
97350 HAP Portability-In	\$0	\$0		\$0
97400 Depreciation Expense	\$231,125	\$231,125		\$231,125
97500 Fraud Losses	\$0	\$0		\$0
97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				

Ocean City Housing Authority (NJ053)
OCEAN CITY, NJ
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non-A-133

Fiscal Year End: 09/30/2014

	Project Total	Subtotal	ELIM	Total
97800 Dwelling Units Rent Expense	\$0	\$0		\$0
90000 Total Expenses	\$1,280,427	\$1,280,427		\$1,280,427
10010 Operating Transfer In	\$74,794	\$74,794		\$74,794
10020 Operating transfer Out	-\$74,794	-\$74,794		-\$74,794
10030 Operating Transfers from/to Primary Government				
10040 Operating Transfers from/to Component Unit	\$0	\$0		\$0
10050 Proceeds from Notes, Loans and Bonds				
10060 Proceeds from Property Sales				
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0		\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0		\$0
10091 Inter Project Excess Cash Transfer In	\$0	\$0		\$0
10092 Inter Project Excess Cash Transfer Out	\$0	\$0		\$0
10093 Transfers between Program and Project - In	\$0	\$0		\$0
10094 Transfers between Project and Program - Out	\$0	\$0		\$0
10100 Total Other Financing Sources (Uses)	\$0	\$0		\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$354,755	-\$354,755		-\$354,755
11020 Required Annual Debt Principal Payments	\$0	\$0		\$0
11030 Beginning Equity	\$3,812,914	\$3,812,914		\$3,812,914
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors				
11050 Changes in Compensated Absence Balance				
11060 Changes in Contingent Liability Balance				
11070 Changes in Unrecognized Pension Transition Liability				
11080 Changes in Special Term/Severance Benefits Liability				
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents				
11100 Changes in Allowance for Doubtful Accounts - Other				
11170 Administrative Fee Equity				
11180 Housing Assistance Payments Equity				
11190 Unit Months Available	1452	1452		1452
11210 Number of Unit Months Leased	1430	1430		1430
11270 Excess Cash	\$48,210	\$48,210		\$48,210
11610 Land Purchases	\$0	\$0		\$0
11620 Building Purchases	\$0	\$0		\$0
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$0	\$0		\$0
11650 Leasehold Improvements Purchases	\$113,350	\$113,350		\$113,350
11660 Infrastructure Purchases	\$0	\$0		\$0
13510 CFFP Debt Service Payments	\$0	\$0		\$0
13901 Replacement Housing Factor Funds	\$0	\$0		\$0

HOUSING AUTHORITY OF THE CITY OF OCEAN CITY
 Ocean City, New Jersey
STATEMENT AND CERTIFICATION OF COMPLETED MODERNIZATION GRANTS
 As of September 30, 2014

	NJ39 P053501-12 CFP 2012 Grant
Funds Approved	\$ 118,520
Funds Expended	118,520
Excess/(Deficiency) Approved	\$ -
Funds Advanced	\$ 118,520
Funds Expended	118,520
Excess/(Deficiency) of Advances	\$ -

1. The distribution of cost by project and account classification accompanying the Financial Status Reports and Actual Modernization Cost Certificate submitted to HUD for approval were in agreement with the Authority's records.
2. All modernization costs have been paid and all related liabilities have been discharged through payment.



CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners
Housing Authority of the
City of Ocean City
Ocean City, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Controller General of the United States, the financial statements of the Housing Authority of the City of Ocean City as of and for the year ended September 30, 2014 and 2013 and have issued our report thereon dated June 18, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the City of Ocean City's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, material weakness may exist that have not been identified.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
(Continued)

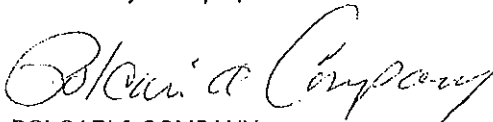
Compliance

As part of obtaining reasonable assurance about whether the Housing Authority of the City of Ocean City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed four instances of noncompliance that are required to be reported under *Government Auditing Standards* described in the Schedule of Findings and Questioned Costs as Findings 2014-1-14.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wayne, New Jersey
June 18, 2015


POLCARI & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Housing Authority of the City of Ocean City
Schedule of Findings and Questioned Costs
September 30, 2014

The previous year did not contain any findings.

Finding 2014-1 Unallowable Costs

Allowable Cost Principles
Significant deficiency
Low Rent Public Housing CFDA# 14.850

Condition:

During our audit, we discovered that the Authority purchased seventeen (17) visa gift cards to give to employees as year-end bonuses and as a thank you gift for participation in the Father's Day Program. Additionally, our review of petty cash revealed that funds were spent on meals for meetings without documentation of who was in attendance and the purpose of the meetings.

Criteria:

According to 24 CFR 85 and OMB Circular A-87, the Authority may not use public funds to purchase gift cards for employees. All costs charged to the program must be reasonable and necessary.

Cause:

The Authority's management was not familiar with the requirements of 24 CFR 85 and OMB Circular A-87.

Effect:

The effect of the expenditure caused public funds to be used for a purpose other than the intended purpose which in this case was to fund public housing.

Questioned Costs: \$425.

Recommendation:

We recommend that the Authority's management receive training in 24 CFR 85 and in the new OMNI Circular which replaced Circular A-87. The new Circular can be found at 2 CFR 200 Subpart E.

Response:

The policy manual should be amended to include the following:

The Authority shall not purchase gift cards for distribution to employees or for third parties for gifts, bonuses or for any other purpose.

The second part of Finding 2014-1 relates to the use of petty cash. Specifically, the auditor stated that certain steps must be followed if petty cash is to be used to purchase food for meetings with employees.

Housing Authority of the City of Ocean City
Schedule of Findings and Questioned Costs
September 30, 2014

Response: Continued

The policy manual should be amended to include the following:

Whenever petty cash is used for purchases of goods or services, including food, a memo shall be placed in the petty cash drawer stating with as much specificity as possible the purpose for which the petty cash was used. If possible, a receipt should be attached to the memo. When petty cash is used to purchase food or beverages for a meeting among employees, the memo shall state the name of each employee present, if persons other than employees are present, their names shall also be stated, and the purpose of the meeting. The receipt for the purchase of the food and beverages shall be attached to the memo.

In regard to all purchases using petty cash, the costs shall be reasonable and necessary.

Additionally, consistent with the recommendation of the auditor, the following language should be added to the policy manual:

All Authority employees shall receive training in 24 CFR 85 and in OMNI Circular A-87 which can be found in 2 CFR 200 Subpart E.

Housing Authority of the City of Ocean City
Schedule of Findings and Questioned Costs
September 30, 2014

Finding 2014-2 Wait List

Tenant Selection Policy
Significant deficiency
Low Rent Public Housing CFDA# 14.850

Condition:

During the course of our audit, we became aware of two instances in which applicants were placed in units ahead of other applicants on the waiting list with earlier application times.

Criteria:

In accordance with 24 CFR 960.202-206, the Authority must establish and adopt written policies for admissions of tenants. The tenant selection policies established by the Authority must include the requirements for applications and waiting lists, descriptions of the policies for selection of applicants from the waiting lists and policies for verification and documentation of information relevant to acceptance or rejection of an applicant.

Cause:

The Tenant Occupancy Specialist was not familiar with the Authority's Admission and Occupancy policy. The individual incorrectly applied a preference item which the Authority had not adopted. Additionally, there was not support in the tenants folders to support the preference applied.

Effect:

The effect of not being familiar with the Admission and Occupancy Policy caused two tenants to be housed ahead of two individuals already on the waiting list.

Questioned Cost:

-\$0-

Recommendation:

We recommend that the Authority immediately train its Occupancy Specialist in admission and occupancy policies of both HUD and the Authority.

Response:

The Authority shall establish written policies for admissions of tenants consistent with 24 CFR 960.202-206. Tenant selection policies established by the Authority shall include the requirements of formal written applications and maintaining waiting lists, descriptions of the policies for selection of applicants from the waiting lists and policies for verification and documentation of information relevant to acceptable or rejection of an applicant.

Housing Authority of the City of Ocean City
Schedule of Findings and Questioned Costs
September 30, 2014

Response: Continued

All Authority employees involved in the selection process shall be specifically trained with the Authority's Admissions and Occupancy Policy and with HUD's occupancy regulations. The Occupancy Specialist shall receive extensive and in-depth training in regard to both the Authority's Admissions and Occupancy Policies and all HUD regulations dealing with occupancy and the selection and priority of tenants. Additionally, the Occupancy Specialist shall be certified through The Nelrod Company as a certified specialist for public housing occupancy. The Occupancy Specialist shall continue his or her training through the PHA-Web Housing Software.

To the extent the Executive Director deems it necessary and appropriate to create priorities for applicants on the waiting list, those priorities shall be approved beforehand by the Board in writing and shall become part of the Occupancy Policy of the Authority. The Occupancy Policy and any priorities made part of the Occupancy Policy shall be followed by the Occupancy Specialist and by all other employees involved in the tenant selection process. All priorities established by the Board shall be consistent with HUD regulations. In every case where a tenant is given priority over another tenant who has been on the waiting list for a longer period of time, the reason or reasons for selecting a tenant prior to someone who has been on the list longer shall be specifically documented.

Housing Authority of the City of Ocean City
Schedule of Findings and Questioned Costs
September 30, 2014

Finding 2014-3 – Cash Management/Budgeting

Budget
Significant deficiency
Low Rent Public Housing CFDA# 14.850

Condition:

The Authority hired a security guard with a salary of \$35,000 for which it did not have a budget line item for.

Criteria:

In accordance with 24 CFR 990, The Authority must prepare a budget for the low rent housing program. While the budget does not have to be sent to HUD, it must be approved by the Board of Commissioners any changes to the budget must be described in an amended budget and approved by the Board.

Cause:

The Authority's management failed to update the budget and present and amended budget to the Board.

Effect:

The effect of not preparing a complete budget makes it difficult for management and the Board to properly manage monitor and compare budgeted amounts against actual results which can lead to costs exceeding revenues.

Questioned Cost:

-\$0-

Recommendation:

We recommend that management be trained in budget preparations and revisions in order to properly monitor and compare actual costs to budgeted amounts.

Response:

In the event during a fiscal year the Executive Director determines that additional staff should be hired and the staff position has not been included in the formal budget for the fiscal year in question, the Executive Director at a regular or special meeting of the Authority shall present to the Board the proposal for hiring of the additional staff person. At that meeting, the Board shall determine whether the financial position of the Authority would permit the additional hiring. If the Board so determines, then a formal amendment to the budget shall be approved by the Board amending the budget to include the salary and benefits which the Authority shall be required to pay as a result of the hiring. At no time shall any person be hired where the position and the salary and benefits to be paid to the person are not approved in the budget either in the initial form of the budget or by way of amendment.

Housing Authority of the City of Ocean City
Schedule of Findings and Questioned Costs
September 30, 2014

Finding 2014-4

EIV (Earned Income Verification)
Significant deficiency
Low Rent Public Housing CFDA# 14.850

Condition:

During the course of our audit, the Authority's management brought to our attention that an employee had transmitted EIV data to an employee at another housing Authority.

Criteria:

Information in EIV may only be used for limited official purposes. The personal information contained in EIV is covered by the Privacy Act.

PIH Notice 2010-19 specifies that EIV users must participate in annual security training and complete applicable online Security Awareness Training Questionnaires. Additionally, owner/agent staffers who do not have access to EIV, but who use EIV reports to perform their job functions, must also have security training annually.

Cause:

The employee was not familiar with the Privacy Act and the rules and regulations relating to EIV data;

Effect:

A tenants personal information was sent to an employee at another housing authority employee through a non-encrypted email.

Questioned Costs:

\$-0-

Recommendation:

We recommend that all employees be trained and familiarized with the requirements and regulations of the EIV system and responsibilities.

Response:

Each employee shall be trained that earned income verification information shall not be disclosed to any person or for any reason which is not permitted by HUD regulations. All such information shall be treated as strictly confidential and shall not be disclosed to any person for any reason unless permitted by HUD regulations. All employees who have access to EIV information shall be advised that all such information is strictly confidential and protected by Privacy Laws. Further, all employees who have access to EIV information must participate in annual security training and complete applicable online Security Awareness Training questionnaires. This requirement shall apply to all employees even those who do not have access to EIV but who use EIV reports to perform their job functions.

OCEAN CITY HOUSING AUTHORITY

2015 ANNUAL PLAN

ATTACHMENT C

HOUSING NEEDS AND STRATEGY

HOUSING NEEDS

Based on information provided by the Department of Community Affairs and the OCHA waiting list and other generally available data, OCHA will make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the OCHA and surrounding counties. This includes veterans with disabilities, elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on our waiting list. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location.

There is an on-going need for affordable housing in the city of Ocean City. The 2014 HUD fair market rent in Ocean City/Cape May County consist of the following: (1) bedroom \$761.00 and (2)-bedroom Fair Market Rent is \$1,025.00 (3) bedroom \$1451.00 and (4) four bedroom is \$1526.00. There a great demand for affordable housing, the demand for quality affordable housing also remains high. Our OCHA wait list has been closed since April of 2014 and still remains a (14) year wait.

STRATEGY

Preserve and Expand the Supply of Good-Quality Housing Units. Provide Rental assistance programs such as RAD and apply for additional housing choice vouchers when available. Pay a central role in any housing strategy by partnering with the City Ocean City and Pennrose Developers. OCHA is committed to leverage the planning funds from the City to identify the necessary components to complete the plan and apply for additional funds to complete the actual redevelopment.

OCEAN CITY HOUSING AUTHORITY

2015 ANNUAL PLAN

ADDITIONAL HUD REQUIREMENT SUBMISSION AND CERTIFICATIONS

- ✓ 50077-CR
- ✓ 50070-SL
- ✓ 50071
- ✓ SF-LLL
- ✓ RESIDENT ADVISORY BOARD

Civil Rights Certification

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 Expires 4/30/2011

Civil Rights Certification**Annual Certification and Board Resolution**

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioner, I approve the submission of the Plan for the PHA of which this document is a part and make the following certification and agreement with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

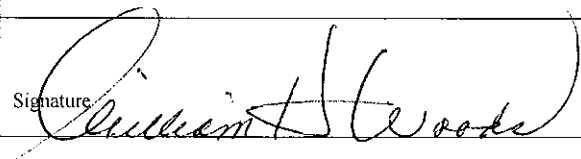
The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing.

OCEAN CITY HOUSING AUTHORITY

NJ053

PHA Name

PHA Number/HA Code


I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)			
Name of Authorized Official	William Woods	Title	Chairman
Signature			Date
			07/28/2015

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

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

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

I, Jay A. Gillian the Mayor of Ocean City certify that the Five Year and
Annual PHA Plan of the Ocean City Housing Authority is consistent with the Consolidated Plan of
City of Ocean City prepared pursuant to 24 CFR Part 91.



Signed / Dated by Appropriate State or Local Official

Certification of Payments to Influence Federal Transactions

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (Exp. 01/31/2017)

Applicant Name

OCEAN CITY HOUSING AUTHORITY

Program/Activity Receiving Federal Grant Funding

CFP, OFND

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.
Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

ALESIA R. WATSON

Title

EXECUTIVE DIRECTOR

Signature



Date (mm/dd/yyyy)

07/28/2015

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

Approved by OMB
0348-0046

1. Type of Federal Action: <input type="checkbox"/> a. contract <input checked="" type="checkbox"/> b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	2. Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. Report Type: <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For Material Change Only: year _____ quarter _____ date of last report _____
4. Name and Address of Reporting Entity: <input checked="" type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: Congressional District, if known: 4c	5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: Congressional District, if known:	
6. Federal Department/Agency: US Department of HUD	7. Federal Program Name/Description: 2015-2019 Annual Plan CFDA Number, if applicable: _____	
8. Federal Action Number, if known:	9. Award Amount, if known: \$	
10. a. Name and Address of Lobbying Registrant <i>(if individual, last name, first name, MI):</i>	b. Individuals Performing Services <i>(including address if different from No. 10a)</i> <i>(last name, first name, MI):</i>	
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature: <u>Alesia R. Watson</u> Print Name: <u>Alesia R. Watson</u> Title: <u>Executive Director</u> Telephone No.: <u>609-399-1062</u> Date: <u>07/28/2015</u>	
Federal Use Only:		Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)

Resident Advisory Board (RAB) comments NJ053

Residents are very happy that our Housing Authority now has a Resident Service Department and a Resident Council which provide resources for their needs and activities to keep them active and involved.

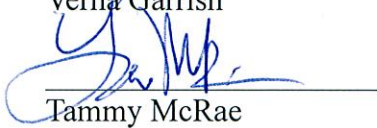
The five year plan provided us with new fencing in our communities (aesthetically appealing now). Interior carpet was installed throughout, new floors in the lobby & common areas. Total interior painting ceilings and walls, doors, etc. Very clean and new looking. We are excited about the redevelopment projects for our communities.



Florence Driscoll



Verna Garrish



Tammy McRae

RESOLUTION NO. 2014-12

Resolution of the Housing Authority of the City of Ocean City, New Jersey
Approving the FY 2014 Capital Fund Program Annual Statement

WHEREAS, the Office of Capital Improvements (OCI) has completed calculating Capital Fund formula allocations for Federal Fiscal Year 2014; and

WHEREAS, the Housing Authority of the City of Ocean City New Jersey ("Authority") has been allocated \$118,993 for the purpose of carrying out capital improvements and management activities for Peck's Beach Village and Bay View Manor; and

WHEREAS, a public meeting was held on May 5, 2014 with the Ocean City Housing Authority Resident Council to discuss all capital improvements that affect residents; and

WHEREAS, the most recent five-year plan previously approved by the United States Department of Housing and Urban Development ("HUD") has been revised, and all required original documents were sent to the HUD Newark Field Office for processing the release of the 2014 capital improvement funds:

NOW THEREFORE BE IT RESOLVED ON THIS 20TH day of May 2014 by the Board of Commissioners of the Housing Authority of the City of Ocean City, New Jersey that the Annual Statement (form HUD-50075.1) for the FY 2014 Capital Fund Program No. NJ39P05350114 , a copy of which is annexed hereto and made a part hereof, lists work items included in the most recent five-year plan previously approved by HUD and is hereby approved.


Alesia R. Watson, Board Secretary

ARW

Board Member	Yes	No	Abstain	Absent	Motion	Second
Commissioner Jackson	X					
Commissioner Sheppard	X					
Commissioner Sirott	X					
Commissioner Thompson	X					
Commissioner Woods	X					X
Commissioner Lalli	X				X	
Commissioner Price	X					

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 06/30/2017

Part I: Summary

PHA Name: _____ Grant Type and Number _____
 Capital Fund Program Grant No: _____
 Replacement Housing Factor Grant No: _____
 Date of CFFP: _____

FFY of Grant: _____
 FFY of Grant Approval: _____

Line	Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending:	Reserve for Disasters/Emergencies <input type="checkbox"/>	Revised Annual Statement (revision no: _____) Final Performance and Evaluation Report	Total Estimated Cost		Total Actual Cost ¹	
				Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds						
2	1406 Operations (may not exceed 20% of line 21) ³			29,478.00			
3	1408 Management Improvements			6,610.00			
4	1410 Administration (may not exceed 10% of line 21)			11,791.00			
5	1411 Audit						
6	1415 Liquidated Damages						
7	1430 Fees and Costs						
8	1440 Site Acquisition						
9	1450 Site Improvement						
10	1460 Dwelling Structures						
11	1465.1 Dwelling Equipment—Nonexpendable						
12	1470 Non-dwelling Structures						
13	1475 Non-dwelling Equipment			70,033.00			
14	1485 Demolition						
15	1492 Moving to Work Demonstration						
16	1495.1 Relocation Costs						
17	1499 Development Activities ⁴						

¹ To be completed for the Performance and Evaluation Report
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 08/31/2011

Part I: Summary

PHA Name: Ocean City Housing Authority	Grant Type and Number Capital Fund Program Grant No: N139P0530115 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2015 FFY of Grant Approval:
--	---	--

Type of Grant
 Original Annual Statement Reserve for Disasters/Emergencies
 Performance and Evaluation Report for Period Ending: Revised Annual Statement (revision no:)
 Final Performance and Evaluation Report

Line	Summary by Development Account	Total Estimated Cost	Revised ²	Obligated	Total Actual Cost ¹	Expended
18a	1501 Collateralization or Debt Service paid by the PHA					
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment					
19	1502 Contingency (may not exceed 8% of line 20)					
20	Amount of Annual Grant: (sum of lines 2 - 19)	117,912.00				
21	Amount of line 20 Related to LBP Activities					
22	Amount of line 20 Related to Section 504 Activities					
23	Amount of line 20 Related to Security - Soft Costs					
24	Amount of line 20 Related to Security - Hard Costs					
25	Amount of line 20 Related to Energy Conservation Measures					
Signature of Executive Director <i>Oliver R. Warkson</i>		Date <i>3/3/2015</i>	Signature of Public Housing Director		Date	

¹ To be completed for the Performance and Evaluation Report
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 8/31/2011

Part I: Summary

PHA Name: Ocean City Housing Authority

Grant Type and Number
 Capital Fund Program Grant No. NJ39P0530115
 Replacement Housing Factor Grant No:
 Date of CFFP:

FFY of Grant: 2015
 FFY of Grant Approval:

Line	Type of Grant <input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Performance and Evaluation Report for Period Ending: Summary by Development Account	Reserve for Disasters/Emergencies <input type="checkbox"/>	Revised Annual Statement (revision no:) <input type="checkbox"/> Final Performance and Evaluation Report	Total Estimated Cost		Total Actual Cost ¹	
				Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds						
2	1406 Operations (may not exceed 20% of line 21) ³			29,478.00			
3	1408 Management Improvements			4,000.00			
4	1410 Administration (may not exceed 10% of line 21)			11,791.00			
5	1411 Audit						
6	1415 Liquidated Damages						
7	1430 Fees and Costs						
8	1440 Site Acquisition						
9	1450 Site Improvement						
10	1460 Dwelling Structures						
11	1465.1 Dwelling Equipment—Nonexpendable						
12	1470 Non-dwelling Structures						
13	1475 Non-dwelling Equipment						
14	1485 Demolition			70,033.00			
15	1492 Moving to Work Demonstration						
16	1495.1 Relocation Costs						
17	1499 Development Activities ⁴						

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³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

Capital Fund Program Five-Year Action Plan

Part II: Supporting Pages—Work Activities

Activities for Year 1	Activities for Year: 2					Activities for Year: 3				
	Development Name/Number	Major Work Categories	Quantity	Estimated Cost	Development Name/Number	Major Work Categories	Quantity	Estimated Cost		
See NJ053										
1406	Operations	n/a	22,859.00	1406	Operations	n/a	22,859.00			
1408	Computer Upgrades	n/a	10,000.00	1408	Computer Upgrades	n/a	10,000.00			
1410	Management Fee	n/a	11,437.00	1410	Management Fee	n/a	11,437.00			
Agency Wide										
1430	A/E Services	n/a	20,000.00	1430	A/E Services	n/a	20,000.00			

Capital Fund Program Five-Year Action Plan

Part II: Supporting Pages—Work Activities

Activities for Year 1	Activities for Year: 4				Activities for Year: 5			
	Development Name/Number	Major Work Categories	Quantity	Estimated Cost	Development Name/Number	Major Work Categories	Quantity	Estimated Cost
Year 1	NJ053							
		Operations	n/a	22,859.00		Operations	n/a	22,859.00
	1406			22,859.00	1406			22,859.00
Agency Wide	1408	Computer Upgrades	n/a	10,000.00	1408	Computer Upgrades	n/a	10,000.00
Agency Wide	1410	Management Fee	n/a	11,437.00	1410	Management Fee	n/a	11,437.00
Agency Wide	1430	A/E Services	n/a	20,000.00	1430	A/E Services	n/a	20,000.00

