

# **ROUND VALLEY INDIAN HOUSING AUTHORITY**

## **COLLECTION POLICY**

### **MUTUAL HELP AND LOW RENT PROGRAMS**

Adopted by Board of Commissioners May 6, 1997  
Amended & Revised: March 15, 2004

Round Valley Indian Housing Authority  
Collection Policy

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## INTRODUCTION

The Department of Housing and Urban Development Rules and Regulations pertaining to HUD assisted Indian Housing, requires the Round Valley Indian Housing Authority to adopt a rent and homebuyer payment collection policy including the remedy of eviction. Therefore, the following procedures shall be followed to insure prompt payment of rents and homebuyer payment.

### A. PAYMENTS

1. Rent and homebuyer payments are due and payable on or the FIRST day of each month. Payments that are not received on or prior to the FIFTH day of each month are delinquent. If the FIFTH day of the month falls on a weekend or a holiday, payments may be made on the first working day thereafter and if not so made are delinquent.
2. Payments is to be made as follows:
  - a. Monthly tenant/homebuyer payments are to be made in cash or by check or money order made payable to Round Valley Indian Housing Authority with a payment coupon and delivered or deposited in person or by first class mail to the following:

Tri-Counties Bank  
P.O. Box 278  
Covelo, CA 95428

1. Check or Money Order can be mailed to the Round Valley Indian Housing Authority.

R.V.I.H.A.  
P.O. Box 682  
Covelo, CA 95428

- b. Payments may be made by payroll deduction. With the concurrence of the Housing Authority, a tenant/homebuyer may make arrangements with his or her employer to the required rent or monthly payment deducted from his or her earnings. The employer shall be responsible to mail the payment to the Housing Authority at least once each month (payments may be made bi-weekly). The Resident Housing Manager shall promptly inform an employer of a tenant/homebuyer of any changes in the rent or payment schedule, or change in tenant/homebuyer family income or family composition.

3. prior to the Monthly Payment due date, notify the Resident Housing Manager, within 3 business days of the occurrence of extraordinary circumstance or as a minimum by the due date for making their payment on time.

**B. DELINQUENT ACCOUNTS/DEBT COLLECTIONS**

1. Prompt payment of rent/homebuyer payments is a requirement for continued occupancy by a tenant/homebuyer in a rental or home ownership project operated by the **ROUND VALLEY INDIAN HOUSING AUTHORITY**. Payments not received at the Covelo branch of Tri-Counties Bank by the FIFTH of the month are considered delinquent.
2. Upon determination by the Housing Authority on the first business day after the FIFTH of each month that an account is delinquent, the following procedure shall be followed:
  - a. On or after the TENTH of each month, the Housing Authority shall serve all delinquent tenant/homebuyers with a written Notice of Delinquency;
  - b. The Notice of Delinquency shall be:
    - (1) Sent to the tenant/homebuyer at the last known mailing address by certified mail, return receipt requested, postage prepaid; or
    - (2) Personally delivered to the tenant/homebuyer.
3. The Notice of Delinquency shall include the following:
  - a. A demand for immediate payment of the entire delinquent amount;
  - b. A statement to the effect that prompt payment is a requirement for continued occupancy and will avoid the necessity for the Housing Authority to resort to eviction of the tenant/homebuyer.
  - c. A statement that the tenant/homebuyer has had unforeseen or unusual problems in making the required payments. The tenant/homebuyer should request that the matter be reviewed by the Resident Housing Manager to determine if the circumstances warrant that special arrangements be made. If the RHM determines that special tenant will be required to participate in Financial Management counseling and may be required to complete a Financial Management course.

A statement that the tenant/homebuyer has fifteen (15) days from the date the Notice of Delinquency is mailed or personally delivered by the IHA

office to the tenant/homebuyer to:

- (1) comply with the Notice by payment of the entire delinquent amount; or
- (2) make arrangements with the Resident Manager for Pay Back Agreement to be signed.

Failure to comply within the fifteen-day period will result in service of Notice of Termination on tenant/homebuyer.

- (3) If the tenant has failed to comply within the 15-day period They may request that the BOC enter into a payback agreement based on “extraordinary circumstances”

In order to be eligible to request consideration under “extraordinary circumstances” the tenant must have notified the RHM prior to the Termination of Lease Hearing that “extraordinary circumstances” exist.

Notification to the Resident Housing Manager must have occurred within 3 business days of the date of the “extraordinary circumstances” or no later than the due date for the Rental Payment.

#### **C. TERMINATION OF LEASE OR MUTUAL HELP AND OCCUPANCY AGREEMENT**

1. In the event that the tenant/homebuyer fails to respond or comply with the Notice of Delinquency or with any of his or her other obligations under the lease or MHO Agreement, the Round Valley Indian Housing Authority shall, on or after the SIXTEENTH day after the mailing or service of the Notice of Delinquency on tenant/homebuyer, serve tenant/homebuyer with a Thirty-Day Notice of Termination by service of process pursuant to California statutes.
2. Procedure for Termination of Lease or Mutual Help and Occupancy Agreement
  - a. Service of Notice
    - (1) The Housing Authority shall serve the tenant/homebuyer with a written Notice of Termination in accordance with this policy.

- (2) Service shall be made by the local Constable, the Mendocino County Sheriff's Department.
  - (3) A copy of the Notice of Termination shall be sent to the Tribal Council and to the Authority attorney by first class mail, postage prepaid.
- b. Hearing.
- (1) The Housing Authority shall schedule a hearing at the time and place as set out in the Notice of Termination which shall be no earlier than TEN (10) days and no later than TWENTY (20) days after service of Notice of Termination on tenant/homebuyer.
  - (2) The delinquent tenant/homebuyer has the right to respond to the Housing Authority's reasons for termination at the hearing before the Board or Commissioners on that date. He or she may be represented or accompanied by a person of their choice, including a representative of the Tribal government.
  - (3) The decision to terminate a tenant's Lease or a homebuyer's MHO Agreement shall be made at a regular or special meeting of the Board of Commissioners and shall require an affirmative vote by a majority of the Commissioners.
  - (4) The Housing Authority shall make its decision
  - (5) During the 30 day-period, the tenant/homebuyer shall be allowed to present further evidence and assurance to the Housing Authority regarding the cure of the breach of Conditions of the Lease or MHO Agreement and that tenant/homebuyer will continue to carry out his or her obligations under the Lease or MHO Agreement.
- c. Pay Back Agreement
- (1) **Good Cause.** The Housing Authority will have an open mind as to each individual case. The Board has a duty to terminate those tenants who have not cooperated and are not acting in good faith. However, if a tenant/homebuyer has
    - made attempts to make timely payments and has cooperated with the Housing Authority in general

and

- has maintained their residence and otherwise abided by the rules and regulations of the Housing Authority, and

The Board, with the advice of the Resident Housing manager, may use discretion in allowing the tenant/homebuyer to remain if the tenant demonstrates a willingness to work out an acceptable payment schedule.

Extraordinary circumstances may include:

- a death in the immediate family; or
- a loss of employment; or
- unexpected major illness and/or substantial medical bills

The Board should not grant such exceptions for “extraordinary circumstances” when there is a history of willful failure to cooperate.

- (2) **Terms.** In event the Board decides at the hearing that there is good cause for allowing the tenant/homebuyer to make installments on the delinquent amounts, a Pay Back Agreement must be immediately signed by the tenant/homebuyer at the time. The fact that there is a Pay Back Agreement does not end the termination proceedings; it simply puts it on hold so long as the tenant/homebuyer faithfully abides by the terms. Any failure to make payment under the Agreement will automatically reinstate the termination proceeding without further notice to tenant/homebuyer.

A subsequent Pay Back Agreement may only be entered into if the tenant faithfully met their payment agreements during the prior Pay Back Agreement and at least 1 year has elapsed since the successful completion of the prior Pay Back Agreement.

Acceptance by Tri-Counties Bank of a partial payment from a tenant/homebuyer under this Pay Back Agreement does not mean, by itself, that the tenant/homebuyer is current under the Pay Back Agreement. It is the responsibility of the tenant/homebuyer to keep the payment schedule current. In other words, termination proceedings will be immediately reinstated without notice to

tenant/homebuyer unless the full monthly payment is made by tenant/homebuyer. Monthly payment includes amount designated under the Pay Back Agreement and the regular monthly rental/homebuyer payment.

**(3) Consequences of Default under Pay Back Agreement**

If, after service of the Notice of Termination on tenant/homebuyer, he or she is delinquent as defined in this policy for two (2) months on any payment as agreed in the Pay Back Agreement including monthly rental/homebuyer payments and/or pay back payments, the Housing Authority shall immediately advise attorney to proceed to file a civil complaint to evict tenant/homebuyer.

**d. Written Notification Upon Expiration of Thirty-day Period.**

Upon the expiration of the 30-day period, the Housing Authority Shall notify the tenant/homebuyer in writing by first class mail, Postage prepaid, of its decision:

- (1) to terminate the Lease or MHO Agreement, or
- (2) to accept the Pay Back Agreement by tenant/homebuyer, or
- (3) to accept full payment of the delinquent amounts owed by tenant/homebuyer.

The tenant or homebuyer must pay the entire amount of the delinquency in order to avoid the filing of an unlawful detainer action evicting them. The Board will not allow acceptance of partial payments unless it is pursuant to some type of payment program authorized by the Board in the extraordinary circumstances referenced above. In the event of a finding by the Board of extraordinary circumstances, tenant/homebuyer must immediately sign a Pay Back Agreement for the entire delinquent amount

**e. Thirty-day Period Prior to Eviction**

No action for eviction shall be commenced prior to the expiration Of the 30 days of Notice of Termination. During the 30-day period, the tenant/homebuyers shall be allowed to present further evidence or assurances satisfactory to the Housing Authority that he or she will cure the breach of the conditions of the Lease or MHO Agreement. Such evidence and assurances shall be submitted to the



Housing Authority in writing.

After the expiration of the 30-day period, should the tenant/homebuyer fail to cure the breach, the attorney for the Housing Authority shall commence eviction proceedings as outlined below without further notice to the tenant/homebuyer.

3.

**D. EVICTION**

Procedure for eviction of tenant/homebuyer.

1. The Housing Authority shall file a civil complaint with the appropriate Court of jurisdiction.
2. The complaint shall be in writing under oath containing a statement of fact (or charges) which includes:
  - a. A request to the Court for eviction of tenant/homebuyer;
  - b. The name and address of tenant/homebuyer
  - c. The Round Valley Indian Housing Authority project number, unit number and location of the housing unit;
  - d. A copy of the Lease Agreement or Mutual Help and Occupancy Agreements;
  - e. The reason for the request for eviction;
  - f. A copy of the Notice of Termination mailed to tenant/homebuyer; and
  - g. A request that the prevailing party be awarded its court costs and attorney fees.

**E. COURT PROCEEDINGS**

1. The proceedings used to obtain a court order for eviction may be an action for forcible or unlawful detainer or any other action deemed appropriate by the attorney for Round Valley Indian Housing Authority.
2. The Round Valley Indian Housing Authority, in seeking “an action for forcible or unlawful detainer” shall also seek payment of all back rent or monthly payments owed to Round Valley Indian Housing Authority, in addition to requesting its court costs.

**F. RECOVERY OF COSTS**

Any costs incurred by the Round Valley Indian Housing Authority for removal, storage and or disposal of tenant/homebuyer possessions abandoned at the Housing Authority rental property after the eviction shall be billed to the tenant. Any damages caused by tenant will also be billed to the tenant. The tenant will not be eligible for any future services from the Round Valley Indian Housing Authority until all outstanding obligations have been met in full.

**G. MODERNIZATION WORK**

No family will be eligible for modernization work who has an outstanding payment or payment agreement balance. All families will be notified in advance of any scheduled modernization work. Families with an outstanding balance will be required to enter into a payment agreement or pay their outstanding balance before their home will be placed on the schedule. A review of all Tenants Accounts receivable will be conducted prior to the start of any modernization work, and those with past due balances (payment or payment agreement) will be removed from the schedule