

Exhibit 11-1

Tenant Participation

HUD Regulation - 24 CFR 964.11

HUD promotes resident participation and the active involvement of residents in all aspects of a HA's overall mission and operation. Residents have a right to organize and elect a resident council to represent their interests. As long as proper procedures are followed, the HA shall recognize the duly elected resident council to participate fully through a working relationship with the HA. HUD encourages HAs and residents to work together to determine the most appropriate ways to foster constructive relationships, particularly through duly-elected resident councils.

The term:

- "Tenant" is used interchangeably with the term "resident" throughout this policy
- "Tenant organization" is used interchangeably with the term "resident council" throughout this policy

1. Fair Housing Compliance

HUD Regulation - 24 CFR 964.30

In addition to the requirements set forth in 24 CFR part 5, the following Federal requirements apply to this program:

- a) Affirmative Outreach.
 - 1) The Affirmative Fair Housing Marketing Program requirements of 24 CFR 200, subpart M and the implementing regulations at 24 CFR 108; and
 - 2) The fair housing advertising and poster guidelines at 24 CFR 109 and 110.
- b) Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. 12131) and implementing regulations at 28 CFR part 35.

2. Roles

2.A HUD's Role

HUD Regulation - 24 CFR 964.16

HUD will promote tenant participation and tenant opportunities programs, and will provide additional guidance, as necessary and appropriate. In addition,

HUD will endeavor to provide technical assistance in connection with these initiatives. HUD shall ensure that the requirements under this part are operating efficiently and effectively.

2.B AHFC's Role

HUD Regulation - 24 CFR 964.18(a)(1)

A HA shall officially recognize a duly elected resident council as the sole representative of the residents it purports to represent, and support its tenant participation activities.

HUD Regulation - 24 CFR 964.18(a)(2)

When requested by residents, a HA shall provide appropriate guidance to residents to assist them in establishing and maintaining a resident council.

AHFC Policy

A resident interested in forming a resident council must request an application package from AHFC.

HUD Regulation - 24 CFR 964.18(a)(3)

A HA may consult with residents, or resident councils (if they exist), to determine the extent to which residents desire to participate in activities involving their community, including the management of specific functions of a public housing development that may be mutually agreeable to the HA and the resident council/resident management corporation.

HUD Regulation - 24 CFR 964.18(a)(4)

A HA shall provide the residents or any resident council with current information concerning the HA's policies on tenant participation in management.

AHFC Policy

AHFC shall, upon request from a resident council, provide reasonable information or regulations relating to the administration of the housing site the resident council represents. AHFC will not provide any information which violates applicable confidentiality or privacy act requirements of the applicable program. Availability of AHFC policy and procedure manuals is discussed in Chapter 1 of this policy. Resident councils are encouraged to review, comment on, and evaluate:

1. Existing community/resident service programs serving the residents of the resident council's housing site.

2. Establishment of new services, the allocation of non-residential space for services programming, and long-range service delivery plans for residents of the resident council's housing site.
3. Funding proposals for service programs targeting their representative area.

HUD Regulation - 24 CFR 964.18(a)(5)

If requested, a HA should provide a duly recognized resident council office space and meeting facilities, free of charge, preferably within the development it represents. If there is no community or rental space available, a request to approve a vacant unit for this non-dwelling use will be considered on a case-by-case basis.

AHFC Policy

If requested and available, AHFC shall strive to provide a resident council with reasonable office space. AHFC reserves the right to require that resident council office space be located in non-residential space which conforms to all appropriate building codes.

Whenever practicable, AHFC will offer surplus equipment, furnishings, and supplies to a resident council for use in conducting council business. Other services such as duplication, fax, and telephone shall be made available as needed and subject to funding availability.

HUD Regulation - 24 CFR 964.18(a)(6)

If requested, a HA shall negotiate with the duly elected resident council on all uses of community space for meetings, recreation and social services and other resident participation activities pursuant to HUD guidelines. Such agreements shall be put into a written document to be signed by the HA and the resident council. If a HA fails to negotiate with a resident council in good faith or, after negotiations, refuses to permit such usage of community space, the resident council may file an informal appeal with HUD, setting out the circumstances and providing copies of relevant materials evidencing the resident council's efforts to negotiate a written agreement. HUD shall require the HA to respond with a report stating the HA's reasons for rejecting the request or for refusing to negotiate. HUD shall require the parties (with or without direct HUD participation) to undertake or to resume negotiations on an agreement. If no resolution is achieved within 90 days from the date HUD required the parties to undertake or resume such negotiations, HUD shall serve notice on both parties that administrative remedies have been exhausted (except that, pursuant to mutual agreement of the parties, the time for negotiations may be extended by no more than an additional 30 days).

AHFC Policy

At locations with common rooms, AHFC will give priority to resident council meetings and activities. Where such common rooms do not exist, AHFC shall work with the resident council to arrange for such meeting places, with the cost to be borne by AHFC, according to available funds.

HUD Regulation - 24 CFR 964.18(a)(7)

In no event shall HUD or a HA recognize a competing resident council once a duly elected resident council has been established. Any funding of resident activities and resident input into decisions concerning public housing operations shall be made only through the officially recognized resident council.

HUD Regulation - 24 CFR 964.18(a)(8)

The HA shall ensure open communication and frequent meetings between HA management and resident councils and shall encourage the formation of joint HA management-resident committees to work on issues and planning.

AHFC Policy

1. Resident councils may request attendance by an AHFC employee at any and all meetings to discuss pertinent issues.
2. Upon receipt of a written request from the resident council, the property manager, maintenance supervisor, and a representative from the Resident Services staff (if required) shall meet, at a time convenient for the resident council, to discuss local management issues.

HUD Regulation - 24 CFR 964.18(a)(9)

The resident council shall hold frequent meetings with the residents to ensure that residents have input, and are aware and actively involved in HA management-resident council decisions and activities.

AHFC Policy

“Frequent meetings” is defined as no less than one meeting every three months that is open to the voting membership. Resident councils have the right to communicate with each other and distribute information to fellow residents without AHFC interference. Resident councils will ensure that such materials are not discriminatory, do not exclude persons in the voting membership, and do not contain profane or offensive language.

HUD Regulation - 24 CFR 964.18(a)(10)

The HA and resident council shall put in writing in the form of a Memorandum of Understanding the elements of their partnership agreement and it shall be updated at least once every three (3) years.

HUD Regulation - 24 CFR 964.18(a)(11)

The HA, in collaboration with the resident councils, shall assume the lead role for assuring maximum opportunities for skills training for public housing residents. To the extent possible, the training resources should be local to ensure maximum benefit and on-going access.

AHFC Policy

1. AHFC offers employment and skills training opportunities through its Jumpstart program.
2. Schedules for available training opportunities are published in the resident newsletter, *House Calls*.
3. AHFC provides training opportunities through its Section 3 hire program at its central office location. See 24 CFR 964.145.

2.C Resident Council's Role

HUD Regulation - 24 CFR 964.100

The role of a resident council is to improve the quality of life and resident satisfaction and participate in self-help initiatives to enable residents to create a positive living environment for families living in public housing. Resident councils may actively participate through a working partnership with the HA to advise and assist in all aspects of public housing operations.

2.D Jurisdiction-Wide Resident Council's Role

HUD Regulation - 24 CFR 964.105

(a) Resident councils may come together to form an organization which can represent the interest of residents residing in units under AHFC's jurisdiction. This can be accomplished by the presidents of duly elected resident councils forming an organization, by resident councils electing a representative to the organization, or through jurisdiction wide elections. If duly elected resident councils form such an organization, AHFC shall recognize it as the voice of authority-wide residents for input into housing authority policy making.

(b) Function. The jurisdiction-wide council may advise the Board of Commissioners and executive director in all areas of AHFC operations, including but not limited to occupancy, general management, maintenance, security, resident training, resident employment, social services, and modernization priorities.

(c) Cooperation with other groups. There shall be regularly scheduled meetings between the AHFC and the local duly elected resident council, and the

jurisdiction-wide resident council to discuss problems, plan activities, and review progress.

AHFC Policy

AHFC has a Resident Advisory Board which is composed of a variety of assisted housing participants from AHFC's jurisdictions. Resident council officers may serve on the Resident Advisory Board. See Resident Advisory Board (RAB) exhibit.

3. Resident Council Operations

3.A Requirements

HUD Regulation – 24 CFR 964.115

A resident council shall consist of persons residing in public housing and must meet each of the following requirements in order to receive official recognition from the HA/HUD, and be eligible to receive funds for resident council activities, and stipends for officers for their related costs for volunteer work in public housing:

- (a) It may represent residents residing:
 - (1) In scattered site buildings;
 - (2) In areas of contiguous row houses; or
 - (3) In one or more contiguous buildings;
 - (4) In a development; or
 - (5) In a combination of these buildings or developments;

AHFC Policy

AHFC will allow interested residents to determine the location(s) a resident council represents when residents are not located in a single building.

HUD Regulation – 24 CFR 964.115(b)

It must adopt written procedures such as by-laws, or a constitution which provides for the election of residents to the governing board by the voting membership of the residents residing in public housing on a regular basis but at least once every three (3) years. The written procedures must provide for the recall of the resident board by the voting membership. These provisions shall allow for a petition or other expression of the voting membership's desire for a recall election, and set the number of percentage of voting membership ("threshold") who must be in agreement in order to hold a recall election. This threshold shall not be less than 10 percent of the voting membership.

AHFC Policy

AHFC will provide by-laws containing election procedures and governance to resident councils for the members to adopt.

HUD Regulation - 24 CFR 964.115(c)

It must have a democratically elected governing board that is elected by the voting membership. At a minimum, the governing board should consist of five (5) elected board members.

The voting membership must consist of heads of households (any age) and other residents at least 18 years of age or older and whose name appears on a lease for the unit in the public housing that the resident council represents.

HUD Regulation - 24 CFR 964.117

A resident council may form partnerships with outside organizations, provided that such relationships are complementary to the resident council in its duty to represent the residents, and provided that such outside organizations do not become the governing entity of the resident council.

3.B Membership Eligibility

HUD Regulation - 24 CFR 964.125

- a) Any member of a public housing household whose name is on the lease of a unit in the public housing development and meets the requirements of the by-laws is eligible to be a member of a resident council. The resident council may establish additional criteria that are non-discriminatory and do not infringe on rights of other residents in the development. Such criteria must be stated in the by-laws or constitution as appropriate.
- b) The right to vote for the resident council board shall be limited to designated heads of households (any age) and other members of the household who are 18 years or older whose name appears on the lease of a unit in the public housing development represented by the resident council.
- c) Any qualified voting member of a resident council who meets the requirements described in the by-laws and is in compliance with the lease may seek office and serve on the resident council governing board.

3.C Election Procedures and Standards

HUD Regulation - 24 CFR 964.130(a)

At a minimum, a resident council may use local election boards/commissions. The resident council shall use an independent third-party to oversee elections and recall procedures.

HUD Regulation - 24 CFR 964.130(a)

Resident councils shall adhere to the following minimum standards regarding election procedures:

- 1) All procedures must assure fair and frequent elections of resident council members – at least once every three years for each member.
- 2) Staggered terms for resident council governing board members and term limits shall be discretionary with the resident council.
- 3) Each resident council shall adopt and issue election and recall procedures in their by-laws.
- 4) The election procedures shall include qualifications to run for office, frequency of elections, procedures for recall, and term limits if desired.
- 5) All voting members of the resident community must be given sufficient notice (at least 30 days) for nomination and election. The notice should include a description of election procedures, eligibility requirements, and dates of nominations and elections.

AHFC Policy

AHFC shall provide an employee to oversee a resident council's election and recall procedures.

HUD Regulation - 24 CFR 964.130(b)

If a resident council fails to satisfy HUD minimum standards for fair and frequent elections, or fails to follow its own election procedures as adopted, HUD shall require the HA to withdraw recognition of the resident council and to withhold resident services funds as well as funds provided in conjunction with services rendered for resident participation in public housing.

HUD Regulation - 24 CFR 964.130(c)

HAs shall monitor the resident council election process and shall establish a procedure to appeal any adverse decision relating to failure to satisfy HUD minimum standards. Such appeal shall be submitted to a jointly selected third-party arbitrator at the local level. If costs are incurred by using a third-party arbitrator, then such costs should be paid from the HA's resident services funds pursuant to §964.150.

3.D Involvement in Management Operations

HUD Regulation – 24 CFR 964.135

Residents shall be involved and participate in the overall policy development and direction of Public Housing operations.

HUD Regulation – 24 CFR 964.135(b)

Residents shall be actively involved in a HA's decision-making process and give advice on matters such as modernization, security, maintenance, resident screening and selection, and recreation.

AHFC Policy

1. AHFC Board of Directors' meeting schedules are available to the public on AHFC's web site at www.ahfc.us. See also the Resident Advisory Board exhibit.
2. Upon receipt of a written request from the resident council, the property manager, maintenance supervisor, and a representative from the Resident Services staff (if required) shall meet, at a time convenient for the resident council, to discuss local management or maintenance issues.

HUD Regulation – 24 CFR 964.135(c)

While a HA has responsibility for management operations, it shall ensure strong resident participation in all issues and facets of its operations through the duly elected resident councils at public housing developments, and with jurisdiction-wide resident councils.

HUD Regulation – 24 CFR 964.135(d)

A HA shall work in partnership with the duly elected resident councils.

AHFC Policy

Policy changes which modify a lease or are a change in resident responsibilities are sent to all residents for comment prior to implementation. A resident council may request that AHFC send proposed policy change documentation to them for their comments. A resident council may also request that AHFC meet with the resident council to discuss concerns regarding any policy changes.

HUD Regulation – 24 CFR 964.135(e)

HAs, upon request from the duly elected resident council, shall ensure that the duly elected resident council officers as defined in subpart B of this part, and other residents in the development are fully trained and involved in developing and implementing Federal programs including but not limited to Comprehensive Improvement Assistance Program (CIAP), Comprehensive Grant Program, Urban Revitalization Demonstration, Drug Elimination, and FIC.

HUD Regulation – 24 CFR 964.135(f)

HAs shall involve resident council officers and other interested residents at the development through education and direct participation in all phases of the budgetary process.

AHFC Policy

1. Upon receipt of a written request from a resident council, AHFC shall furnish a copy of the appropriate operating and capital budget for the fiscal year. Accompanying the proposed budget shall be an explanation of the procedure resident councils may follow to obtain further information or submit comments and recommendations.
2. AHFC provides a public comment period each year for its annual Moving to Work and Capital Fund Program Plan. Public housing residents are encouraged to provide comments during a public hearing. A copy of each plan and report is available on AHFC’s web site.

HUD Regulation – 24 CFR 964.135(g)

Resident council officers shall be encouraged to become involved in the resident screening and selection process for prospective residents at the development. Those selected to perform resident screening and selection functions must be trained by the HA in resident screening and selection and must sign a legal document committing to confidentiality.

HUD Regulation - 24 CFR 964.145

Resident council officers can not serve as contractors or employees if they are in policy making or supervisory positions at the HA.

AHFC Policy

1. AHFC maintains multiple waiting lists in each jurisdiction, and prospective residents are often chosen from one central list. At this time, all screening and selection is conducted by AHFC employees.
2. AHFC offers employment opportunities under 24 CFR 135 (Economic Opportunities for Low and Very Low Income Persons, “Section 3”). AHFC gives preference to qualified resident applications for any position at AHFC consistent with collective bargaining agreements, equal employment laws and practices, and state and federal law. Job vacancies are advertised on AHFC’s web site at www.ahfc.us.

4. Resident Management Corporation

HUD Regulation - 24 CFR 964.135(a)

Resident management corporations (RMCs) may contract with HAs to perform one or more management functions provided the resident entity has received sufficient training and/or has staff with the necessary expertise to perform the management functions and provided the RMC meets bonding and licensing requirements.

AHFC Policy

At this time, AHFC does not have any resident management corporations.

5. Resident Training Opportunities

HUD Regulation - 24 CFR 964.140

(a) HUD encourages a partnership between the residents, the HA and HUD, as well as with the public and non-profit sectors to provide training opportunities for public housing residents. The categories in which training could occur include, but are not limited to:

- (1) Community organization and leadership training;
- (2) Organizational development training for Resident Management Corporations and duly elected resident councils;
- (3) Public housing policies, programs, rights and responsibilities training; and
- (4) Business entrepreneurial training, planning and job skills.

(b) HUD encourages the use of local training resources to ensure the ongoing accessibility and availability of persons to provide training and technical assistance. Possible training resources may include:

- (1) Resident organizations;
- (2) Housing authorities;
- (3) Local community colleges, vocational schools; and
- (4) HUD and other Federal agencies and other local public, private and nonprofit organizations.

AHFC Policy

1. AHFC offers employment and skills training opportunities through its Jumpstart program.
2. Schedules for available training opportunities are published in the resident newsletter, *House Calls*.
3. See 24 CFR 964.145 for AHFC's Section 3 program.

6. Funding

See the Tenant Participation Funds exhibit.

Numbered Memo

18-22 Chapter 11 and Exhibits 11-1 and 11-4 Tenant Participation