

## **Exhibit 6-3 Community Service**

The Quality Housing and Work Responsibility Act of 1998 (Title V of Public Law 105-276, October 21, 1998) mandates establishment and enforcement of a lease provision requiring adults living in public housing to comply with the community service and economic self-sufficiency requirements of the Act.

### **HUD Regulation – 24 CFR 960.605(a)**

Each PHA must develop a local policy for administration of the community service and economic self-sufficiency requirements for public housing residents.

### **AHFC Policy**

This policy was developed in accordance with HUD regulations at 24 CFR 960.600 and 24 CFR 966.4(a)(2)<sup>1</sup>.

## **1. General Requirements**

### **HUD Regulation – 24 CFR 960.600**

PHAs and residents must comply with the requirements of this subpart beginning with PHA fiscal years that commence on or after October 1, 2000. Unless otherwise provided by §903.11 of this chapter, Annual Plans submitted for those fiscal years are required to contain information regarding the PHA's

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<sup>1</sup> Includes:

- Changes to Admission and Occupancy Requirements in the Public Housing and Section 8 Housing Assistance Programs; Final Rule, issued on March 29, 2000.
- PIH Notice 2003-17, Reinstatement of the Community Service and Self-Sufficiency Requirement, issued on June 20, 2003. Begin by October 31, 2003.
- PIH Notice 2004-20, Elimination of the Use of Code "5" in Line 3q of the form HUD-50058 in Reporting Compliance with Public Housing Community Service and Self-Sufficiency Requirements, issued October 4, 2004.
- PIH Notice 2009-48, Administering the Community Service and Self-Sufficiency Requirement (CSSR), issued November 25, 2009.
- PIH Notice 2015-12, Administering the Community Service and Self-Sufficiency Requirement (CSSR), issued August 13, 2015.
- Streamlining Administrative Regulations for Public Housing, Housing Choice Voucher, Multifamily Housing, and Community Planning and Development Programs; Final Rule, issued on March 8, 2016.
- PIH Notice 2016-06, Administering the Self-Certification Flexibility when Verifying Community Service and Self-Sufficiency Requirement (CSSR) Compliance, issued April 7, 2016.

compliance with the community service requirement, as described in §903.7 of this chapter.

#### **PIH Notice 2003-17**

This Notice discusses the reinstatement of the public housing community service and self-sufficiency requirement authorized under Section 12 of the United States Housing Act of 1937, as amended. In order to comply with Section 12, PHAs need to:

1. By July 31, 2003 provide to all residents written notice about the reinstatement of the community service and self-sufficiency requirement as outlined in 24 CFR 960.605.
2. By October 31, 2003 assure that all affected residents are performing their community service or self-sufficiency requirement.

#### **AHFC Policy**

The AHFC community service and self-sufficiency obligations became effective November 3, 2003 (numbered memo 2003-50) for all new admissions occurring on or after that date and for current families whose annual anniversary date was January 1, 2004.

## **2. AHFC Responsibilities**

#### **HUD Regulation – 24 CFR 960.605(b)**

The PHA may administer qualifying community service or economic self-sufficiency activities directly, or may make such activities available through a contractor, or through partnerships with qualified organizations, including resident organizations, and community agencies or institutions.

#### **AHFC Policy**

AHFC provides all families with a list of eligible community service and self-sufficiency activities at admission, at each regular examination, and upon request by the family.

## 2.A Determination of Family Member Exempt Status

### HUD Regulation – 24 CFR 960.605(c)(1)

The PHA policy must describe how the PHA determines which family members are subject to or exempt from the service requirement, and the process for determining any changes to exempt or non-exempt status of family members.

### AHFC Policy

1. Family members of tenant families are exempt from this requirement if they are under the age of 18 or meet a factor in the definition of an Exempt Adult.
2. AHFC may require an adult claiming an exemption to verify the qualifying condition. See Definitions for Exempt Adult.

## 2.B Notification Process

### HUD Regulation – 24 CFR 960.605(c)(2)

The PHA must give the family a written description of the service requirement, and of the process for claiming status as an exempt person and for PHA verification of such status. The PHA must also notify the family of its determination identifying the family members who are subject to the service requirement, and the family members who are exempt persons. The PHA must also notify the family that it will be validating a sample of self-certifications of completion of the service requirement accepted by the PHA under §960.607(a)(1)(ii).

### AHFC Policy

1. Families receive the Residential Lease Agreement Addendum – Public Housing Program Obligations at move-in which describes the family's requirement to comply with the community service requirement each year.
2. Family members will declare their exempt or nonexempt status each year on the Community Service Certification. Family members who are age 62 or older or continue to meet disability qualifications will not be required to recertify in subsequent years.
3. AHFC chooses not to implement the self-certification procedures.

## 2.C Compliance Review Process

### HUD Regulation – 24 CFR 960.605(c)(3)

The PHA must review family compliance with service requirements and must verify such compliance annually at least 30 days before the end of the 12-month lease term. If qualifying activities are administered by an organization other than the PHA, the PHA may obtain verification of family compliance from such third parties or may accept a signed certification from the family member that he or she has performed such qualifying activities.

#### **AHFC Policy**

AHFC will review each adult family member's compliance with the community service requirement at least 30 days prior to the lease renewal date. Verification will occur as part of the regular examination process.

### **2.D Document Retention**

#### **HUD Regulation – 24 CFR 960.605(c)(4)**

The PHA must retain reasonable documentation of service requirement performance or exemption in a participant family's files.

#### **AHFC Policy**

AHFC will retain records of each family member's compliance with community service in each family's file. Archiving of family records will be conducted in accordance with the requirements in the Records Retention exhibit.

### **2.E Nondiscrimination and Equal Opportunity Requirements**

#### **HUD Regulation – 24 CFR 960.605(c)(5)**

The PHA must comply with nondiscrimination and equal opportunity requirements listed at §5.105(a) of this title and affirmatively further fair housing in all their activities in accordance with the AFFH Certification as described in §903.7(o) of this chapter.

#### **AHFC Policy**

AHFC adheres to all Fair Housing requirements as set forth in this Admissions & Continued Occupancy policy.

## **3. Family Responsibilities**

### **3.A Nonexempt Requirement**

#### **HUD Regulation – 24 CFR 960.603(a)**

Except for any family member who is an exempt individual, each adult resident of public housing must:

- (1) Contribute 8 hours per month of community service (not including political activities); or
  - (2) Participate in an economic self-sufficiency program for 8 hours per month;
- or
- (3) Perform 8 hours per month of combined activities as described in paragraphs (a)(1) and (a)(2) of this section.

### **PIH Notice 2015-12**

The required community service or self-sufficiency activity may be completed at 8 hours each month or may be aggregated across a year. Any blocking of hours is acceptable as long as 96 hours is completed by each annual certification.

#### **AHFC Policy**

1. Each adult member of the family, unless otherwise exempt, is required to contribute eight hours per month of community service, or participate in an economic self-sufficiency activity for eight hours per month, or a combination of the two that total eight hours per month.
2. Documentation of hours must be completed as required in the Family Certification or Verification section below.
3. All community service activities must be performed within the local AHFC office's jurisdiction.
4. AHFC is the final arbiter of whether an activity will count toward the community service requirement.

### **3.B Lease Nonrenewal**

#### **HUD Regulation – 24 CFR 960.603(b)**

The lease shall specify that it shall be renewed automatically for all purposes, unless the family fails to comply with the service requirement. Violation of the service requirement is grounds for nonrenewal of the lease at the end of the twelve month lease term, but not for termination of tenancy during the course of the twelve month lease term (see §966.4(l)(2)(i) of this chapter).

#### **AHFC Policy**

1. AHFC will not renew the lease of a family that is not in compliance with the service requirement unless that family has signed an agreement to cure the noncompliance.
2. AHFC shall take action to terminate the lease agreement at the end of its 12-month term under any of the following conditions:
  - a) If an adult family member fails or refuses to sign the Community Service Certification
  - b) If any nonexempt family member does not fulfill their obligation to participate in a community service or an economic self-sufficiency program
  - c) If any nonexempt family member refuses to sign or fails to meet their obligation under an Agreement to Cure Noncompliance

### 3.C Change in Status

#### AHFC Policy

The Community Service Certification, provided to each adult at each regular examination, specifies:

1. Each adult is responsible for knowing his/her obligation to comply with community service requirements.
2. Changes in a family member's status that occur during the lease term may require immediate compliance with community service requirements.
3. Each adult family member receives a tool to aide with tracking compliance.
4. Adults will bring the tool with them to their regular examination appointment.

### 4. Family Certification or Verification

#### HUD Regulation – 24 CFR 960.607(a)

Acceptable documentation demonstrating compliance.

- 1) If qualifying activities are administered by an organization other than the PHA, a family member who is required to fulfill a service requirement must provide one of the following:
  - (i) A signed certification to the PHA by such other organization that the family member has performed such qualifying activities; or
  - (ii) A signed self-certification<sup>2</sup> to the PHA by the family member that he or she has performed such qualifying activities.
- 2) The signed self-certification must include the following:
  - (i) A statement that the tenant contributed at least 8 hours per month of community service not including political activities within the community in which the adult resides; or participated in an economic self-sufficiency program (as that term is defined in 24 CFR 5.603(b)) for at least 8 hours per month;
  - (ii) The name, address, and a contact person at the community service provider; or the name, address, and contact person for the economic self-sufficiency program;
  - (iii) The date(s) during which the tenant completed the community service activity, or participated in the economic self-sufficiency program;
  - (iv) A description of the activity completed; and
  - (v) A certification that the tenant's statement is true.

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<sup>2</sup> Streamlining Administrative Regulations for Public Housing, Housing Choice Voucher, Multifamily Housing, and Community Planning and Development Programs; Final Rule, issued on March 8, 2016.

3) If a PHA accepts self-certifications under paragraph (a)(1)(ii) of this section, the PHA must validate a sample of such self-certifications using third-party certification described in paragraph (a)(1)(i) of this section.

#### **AHFC Policy**

1. Each adult family member must verify that he or she is either in compliance with or exempt from community service requirements at admission and prior to each lease anniversary.
2. Verification of an activity requires documentation from an authorized representative of the organization, educational institution, or program where the activity occurs. An authorized representative of the organization must verify, in writing, the hours attended by the resident and provide a means to contact the representative if necessary.
3. Jumpstart staff may sign Community Service Time Sheets verifying a family member's participation in meetings and activities.
4. AHFC chooses not to implement the self-certification procedure.

#### **4.A Families with No Subsidy<sup>3</sup>**

As long as a family resides in a Public Housing unit, they are subject to community service requirements.

- This applies to families that complete the Step Program (and any extensions) and decide to remain.
- This applies to Classic Program families that have their rents capped at the Contract Rent rate.

#### **4.B Health or Medical Exemption**

An individual who is temporarily unable to perform the required community service activity due to a health or medical condition is allowed to "make up" the hours in a subsequent period. The individual must be able to document the total required hours at the time of his/her regular examination appointment.

An individual, who is receiving TANF and participating in the self-sufficiency activities, who is determined temporarily exempt from the self-sufficiency requirement by the Division of Public Assistance, is not required to "make up" the hours. The family is required to provide documentation verifying any exempted period.

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<sup>3</sup> HUD Admission and Occupancy FAQ for Community Service and Self-Sufficiency Requirement, November 25, 2009. Policy is based on guidance provided in the FAQ.

#### **4.C Home Schooling or Stay-at-Home Parent**

A parent who home-schools a child is not exempt from the community service requirement. A stay-at-home parent is not exempt from the community service requirement.

#### **4.D Military Families**

Adults in a military family are not exempt from the community service requirement unless they meet the definition of an exempt individual.

#### **4.E Part-time or Seasonal Workers**

If an individual works less than full-time, the work activity must occur at least 30 hours per week in order to be exempt. If the work activity is less than 30 hours per week, the individual must perform community service.

Individuals who work full-time during certain months of the year and then do not work during others are subject to the community service requirement during the months they do not work. These individuals may be exempt during the months they do not work if they are participating in another work activity listed under the Exempt Individual definition.

#### **4.F Full- or Part-Time Students**

Full-time students who do not attend school during the summer months are subject to the community service requirement whenever they are not in school. Students who do not qualify as a full-time student are required to perform community service, even while attending school.

This rule does not apply to dependent minors or minors who turn 18 and are still attending high school.

### **5. Notice of Noncompliance**

#### **HUD Regulation – 24 CFR (960.607(b))**

PHA notice of noncompliance.

(1) If the PHA determines that there is a family member who is required to fulfill a service requirement, but who has violated this family obligation (noncompliant resident), the PHA must notify the tenant of this determination.

(2) The PHA notice to the tenant must:

(i) Briefly describe the noncompliance;

(ii) State that the PHA will not renew the lease at the end of the twelve month lease term unless:

(A) The tenant, and any other noncompliant resident, enter into a written agreement with the PHA, in the form and manner required by the PHA, to

- cure such noncompliance, and in fact cure such noncompliance in accordance with such agreement; or
- (B) The family provides written assurance satisfactory to the PHA that the tenant or other noncompliant resident no longer resides in the unit.
- (iii) State that the tenant may request a grievance hearing on the PHA determination, in accordance with part 966, subpart B of this chapter, and that the tenant may exercise any available judicial remedy to seek timely redress for the PHA's nonrenewal of the lease because of such determination.

**AHFC Policy**

AHFC's notice complies with the requirements listed above.

**6. Agreement to Comply**

**HUD Regulation - 24 CFR 960.607(c)**

Tenant agreement to comply with service requirement. If the tenant or another family member has violated the service requirement, the PHA may not renew the lease upon expiration of the term unless:

(1) The tenant, and any other noncompliant resident, enter into a written agreement with the PHA, in the form and manner required by the PHA, to cure such noncompliance by completing the additional hours of community service or economic self-sufficiency activity needed to make up the total number of hours required over the twelve-month term of the new lease, and

(2) All other members of the family who are subject to the service requirement are currently complying with the service requirement or are no longer residing in the unit.

**AHFC Policy**

AHFC will verify each adult family member's compliance with community service requirements prior to renewal of the lease. Families not in compliance will be given an opportunity to cure. Families that fail to exercise their option to cure or fail to enter into an agreement will not have their leases renewed.

**7. Replacement of PHA Employees**

**HUD Regulation - 24 CFR 960.609**

In implementing the service requirement under this subpart, the PHA may not substitute community service or self-sufficiency activities performed by residents for work ordinarily performed by PHA employees, or replace a job at any location where residents perform activities to satisfy the service requirement.

### **AHFC Policy**

AHFC will not offer residents the opportunity to substitute community service or self sufficiency requirements for AHFC employee work.

## **8. Definitions**

### **HUD Regulation – 24 CFR 960.601**

- (a) Definitions found elsewhere.
  - (1) General definitions. The following terms are defined in part 5, subpart A of this title: public housing, public housing agency (PHA).
  - (2) Definitions concerning income and rent. The following terms are defined in part 5, subpart F of this title: economic self-sufficiency program, work activities.
- (b) Other definitions. In addition to the definitions in paragraph (a) of this section, the following definitions apply: Community Service and Exempt Individual.

### **8.A Community Service**

The performance of voluntary work or duties that are a public benefit, and that serve to improve the quality of life, enhance resident self-sufficiency, or increase resident self-responsibility in the community. Community service is not employment and may not include political activities.

### **8.B Economic Self-Sufficiency Program**

Defined by HUD as: “Any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families. These programs include programs for job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, and any program necessary to ready a participant for work (including a substance abuse or mental health treatment program), or other work activities.”

### **8.C Exempt Individual**

An individual who:

1. Is 62 years or older;
2.
  - a) Is a blind or disabled individual, as defined under 216(i)(1) or 1614 of the Social Security Act (42 U.S.C. 416(i)(1); 1382c), and who certifies that because of this disability she or he is unable to comply with the service provisions of this subpart, or
  - b) Is a primary caretaker of such individual;

3. Is engaged in one of the work activities defined in section 407(d) of the Social Security Act. To meet the minimum standard for items a through k below, the individual must participate in one or more of those work activities at least 30 hours per week<sup>4</sup>.
  - a) Unsubsidized employment. The individual must contribute a minimum of 30 hours per week<sup>5</sup> toward the activity.
  - b) Subsidized private-sector employment;
  - c) Subsidized public-sector employment;
  - d) Work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available;
  - e) On-the-job-training;
  - f) Job-search and job-readiness assistance;
  - h) Vocational educational training (not to exceed 12 months with respect to any individual);
  - i) Job-skills training or education directly related to employment;
  - j) Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate;
4. Meets the requirements for being exempted from having to engage in a work activity under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or under any other welfare program of the State in which the PHA is located, including a State-administered welfare-to-work program; or
5. Is a member of a family receiving assistance, benefits or services under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or under any other welfare program of the State in which the PHA is located, including a State-administered welfare-to-work program, and has not been found by the State or other administering entity to be in noncompliance with such a program.

#### **8.D Service Requirement**

The obligation of each adult resident, other than an exempt individual, to perform community service or participate in an economic-self sufficiency program required in accordance with §960.603.

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<sup>4</sup> PIH Notice 2015-12 issued August 13, 2015.

**8.E Work Activities**

(Section 407(d) of the Social Security Act). See Exempt Adult definition above for a listing of work activities.

**Numbered Memo**

19-23 Step Program Transition Year