

SPOKANE INDIAN HOUSING AUTHORITY

COLLECTIONS POLICY

Amended: May 8, 2000;
June 5, 2019

A. PURPOSE OF THE COLLECTIONS POLICY

1. The Collections Policy has several purposes:
 - a. To provide a standard policy for establishing and collecting rents and homebuyer payments, which will enable the Housing Authority staff to administer Spokane Indian Housing Authority ("Housing Authority") programs consistently and fairly.
 - b. To provide a training document for newly hired staff.
 - c. To provide answers to program questions which are beyond the scope of the Federal Regulations.
 - d. To provide Housing Authority tenants and homebuyers and other members of the public with a basis for Housing Authority decisions.
 - e. To inform Housing Authority tenants and homebuyers of the Housing Authority guidelines for the collection of rent, homebuyer, and other payments.
 - f. To collect the amounts owed to the Housing Authority and to ensure the continuation of adequate housing services while providing for the safety and well being of residents.
 - g. This Policy and the procedures set out herein are intended to be implemented in concert with the applicable program rental agreement or homebuyer agreements (Mutual Help or other homebuyer agreement).
2. The Collections Policy covers the following housing programs:
 - a. The Rental Housing Program, under which occupants lease units for an initial term acceptable to the Housing Authority and the tenant, followed by a month-to-month tenancy.
 - b. The Mutual Help Homeownership or NAHASDA Homeownership Program, whereby a homebuyer enters into an agreement with the Housing Authority which creates an opportunity for the family to eventually purchase the home.
 - c. Spokane Indian Housing Authority financed homes that the homebuyers are making their monthly payments directly to the Housing Authority.

3. This Collections Policy can only be amended by the Board of Commissioners of the Housing Authority.
4. If any provision of this Collections Policy conflicts with Federal law, the Federal law shall govern.

B. GENERAL STATEMENT OF PHILOSOPHY

1. Adopting and consistently enforcing a clear and fair Collections Policy benefits the Housing Authority as well as its program participants. Because they are low-income, Housing Authority program participants who become delinquent, they will often be unable to muster the financial resources or flexibility to both catch up on their delinquencies and pay the current payment.
2. A program participant who makes his or her payments promptly and in full is more likely to have a higher regard for the housing unit, maintain it in satisfactory condition, and cooperate with other families and with the Housing Authority in building and maintaining a strong community. If the Housing Authority does not enforce the Collections Policy consistently and allows program participants to fall behind in their payments, that participant is not helped, and the community overall may suffer. .
3. The Housing Authority relies upon collections to pay operating expenses and maintain services. Those program participants who regularly make their payments are negatively affected by those who do not. For these reasons, the Housing Authority intends to enforce this Collections Policy consistently and fairly, in order to minimize delinquencies in housing payments.

C. CALCULATION OF RENT OR REQUIRED MONTHLY PAYMENT

1. Rental Housing Program
 - a. Each Rental Housing Program tenant is required to make a monthly rental payment to the Housing Authority. The amount of that monthly rental payment will not exceed 30% of the entire household's adjusted gross income.
 - b. Under the Native American Housing and Self-Determination Act, the Housing Authority may only charge rents that do not exceed 30% of a household's annual adjusted income. The definitions for "annual income" and "income" are found in NAHASDA at 25 U.S.C. §4103(1) and (9). Those definitions will apply to the use of those terms in this Policy.

2. Mutual Help and NAHASDA Homeownership Program

a. Establishment of Charge

- (i) Each homebuyer is required to make a monthly homebuyer payment to the Housing Authority. The amount of the payment is computed by multiplying the adjusted income of the household by fifteen percent (15%), and subtracting from that amount the utility allowance determined for the unit, subject to the requirement that the homebuyer must pay at a minimum the amount of the monthly Administrative Fee.
- (ii) For each homebuyer, the Housing Authority shall set a monthly Administrative Fee payment amount (see section B.2, below).
- (iii) The homebuyer's monthly payment shall not exceed the monthly debt service amount plus the Administrative Fee, shown on the homebuyer's purchase price schedule. If the required monthly payment exceeds the Administrative Fee, the amount of excess shall be credited to the homebuyer's monthly equity payments account (MEPA).

b. The Administration Fee is the per unit amount budgeted by the Housing Authority for monthly operating expenses covering the following categories:

- (i) Administrative salaries, payroll taxes, etc.; travel, postage, telephone, office supplies; office space and related maintenance and utilities; general liability insurance or risk protection costs; accounting services; legal expenses; and operating reserve requirements.
- (ii) General expenses, such as premiums for fire and related insurance, payments in lieu of taxes and other similar expenses.

c. Adjustments to Required Monthly Homebuyer Payment

- (i) The Housing Authority shall increase or decrease the amount of the Required Monthly Homebuyer Payment to reflect changes in adjusted income, adjustments in the Administrative Fee, or in any of the other factors affecting computation.
- (ii) In order to accommodate wide fluctuations in required

monthly payments due to seasonal or other conditions, the Housing Authority may agree with the homebuyer for payments to be made in accordance with a seasonally adjusted schedule which assures full payment of the required amount over the course of an entire year.

3. SIHA Financed Homes

- a. Establishment of monthly payments and all related information is listed in the SIHA Financed Homes agreement.
- b. The monthly payment charged to a homebuyer may not exceed 30% of the homebuyer's household's adjusted monthly income.
- c. As with monthly rental payments, the Housing Authority may only charge monthly homebuyer payments that do not exceed 30% of a household's annual adjusted income. The definitions for "annual income" and "income" are found in NAHASDA at 25 U.S.C. §4103(1) and (9). Those definitions will apply to the use of those terms in this Policy.

4. Tenants and homebuyers are required to notify the Housing Authority immediately upon any change in household composition or household income, and to provide the Housing Authority with documentation to update the household composition or income. The Housing Authority will make adjustment of the monthly rent or homebuyer payments based on that updated information.

D. PAYMENT OF RENT OR HOMEBUYER PAYMENTS

1. All payments are due and payable on or before the FIRST calendar day of each month. The Housing Authority will consider payments made by the fifteenth day of each month to be timely. Payments made on the sixteenth (16th) day or later will be considered delinquent and will be subject to the late payment provisions of this policy. (If the fifteenth day of the month falls on a weekend or holiday, it shall be the next working day.) Payments with postmarks dated the fifteenth (15th) are considered timely payments. The use of an invoice or rent due notice may be used to notify each tenant the amount due each month.
2. All payments are to be made as follows:
 - a. In person: payments may be made in cash, check or money order by bringing the payment to the office of the Housing Authority and receiving a written receipt for each payment.

- b. By mail: checks or money orders, made payable to "Spokane Indian Housing Authority," can be mailed to the Housing Authority at P.O. Box 195, Wellpinit, WA 99040.
- c. By Drop Box: payments may be placed in the drop box located by the front entrance door of the Housing Authority Administrative Office. Payments will be collected twice a week by two SIHA staff and logged. Receipts will be sent to the tenant by mail.
- d. Through payroll deduction: Payments may be made by payroll deduction, with the concurrence of the Housing Authority, by arranging with an employer to have the amount deducted from earnings and paid directly to the Housing Authority. The tenant or homebuyer must arrange for the employer to mail such payments at least once each month. An employer may also mail payments on a biweekly basis. The tenant or homebuyer is responsible for informing his or her employer in writing of any change in the amount of the payroll deduction to be sent to the Housing Authority.

3. Non-Sufficient Fund Checks

A fee of \$25.00 will be charged for non-sufficient fund (NSF) checks. If the Housing Authority receives two (2) NSF checks within 12 months, the tenant or Homebuyer will be required to pay monthly payments with cash or money orders for a period of one year. If a NSF check is received, a late fee is charged if sufficient funds are not received by the fifteenth (15th) of the month that the rent is due.

4. Payback Agreements

- a. The Housing Authority may agree to enter into a Payback Agreement with a tenant or homebuyer who has experienced unusual and/or unforeseen financial problems and who is in arrears to the Housing Authority. The Payback Agreement will allow the tenant or homebuyer to pay the amount for which they are delinquent over a reasonable period of time. However, all late fees shall be satisfied prior to the issuance of the Payback Agreement. As long as the tenant or homebuyer abides by the terms of the Payback Agreement, the Housing Authority will not consider the tenant or homebuyer to be delinquent for those payments which are the subject of the Payback Agreement.
- b. Families with a Payback Agreement must remain current with both the monthly amount specified under the Payback Agreement that

goes towards the delinquency, and their regular monthly payments to the Housing Authority. Failure to do so nullifies the Payback Agreement and makes all amounts owed by the family due and payable immediately, and a Termination Notice will be issued.

- c. Monthly payment amounts under a Payback Agreement will be negotiated but shall be at least \$25.00 over the regular monthly payment.
- d. A tenant or homebuyer is limited to a maximum of three (3) Payback Agreements (exclusive of Payback Agreements exclusively addressing maintenance related expenses) within a 12 month period. Maintenance related expenses will be added to the monthly amount owed by the tenant or homebuyer, and the Payback Agreement (if any) will be adjusted accordingly. Lease Agreements will be terminated if more than three (3) Payback Agreements are needed within a twelve month period, or if a third agreement is not followed.
- e. Payback Agreements will be adjusted according to changes in payment amount (after recertification or a change in income is submitted by the tenant or homebuyer) and the tenant or homebuyer must agree to the new payment amount or the Payback Agreement is nullified.

E. DELINQUENCIES AND TERMINATIONS

- 1. Payments not received by the Housing Authority by the FIFTEENTH (15th) day of the month shall be considered delinquent. Postmarks dated the 15 are considered a substitute for receipt.
- 2. On the SIXTEENTH (16th) day of the month, the Housing Authority shall serve the tenant or homebuyer with a Late Notice.
 - a. If it becomes necessary for the Housing Authority to issue a Late Notice, a \$50.00 Late Fee will be added to the tenant or homebuyer's account.
 - b. The Housing Authority shall serve the Late Notice by delivering the notice personally to the tenant or homebuyer at his or her residence or at any other place where he or she may be found, or, by sending it by certified and regular mail to the tenant or homebuyer at his or her mailing address.
 - c. The Late Notice can be in the form of an invoice generated by the

Accounting or Tenant Services Departments or in the form of a written letter. The Late Notice shall include or make reference to the following:

- (i) The amount owed to the Housing Authority.
- (ii) A statement that the tenant or homebuyer has TEN (10) calendar days from the date of Late Notice to remit the required monthly payment and any late fees; request counseling; or make a request for special arrangements such as a Payback Agreement.
- (iii) The statement that, upon the expiration of TEN (10) calendar days from the date of this notice, if the Tenant or Homebuyer has not complied with this notice or with the requirements contained in the Lease, homebuyer agreement, or other agreement for occupancy for making payments, the Housing Authority shall serve the tenant or homebuyer with a Notice of Termination.

3. Notice of Termination/Notice to Vacate. If the tenant or homebuyer does not make payment within ten (10) days of the Late Notice, or upon expiration of the Late Notice, whichever is applicable, the Housing Authority will serve a Notice of Termination/Notice to Vacate on the tenant or homebuyer. Service shall be in the form and process required under the Lease, homebuyer agreement, or other agreement for occupancy, and consistent with all requirements of Tribal law.

a. For rental tenants, the Notice of Termination/Notice to Vacate shall advise the tenant that:

- (i) His or her lease is terminated for failure to make required payments to the Housing Authority.
- (ii) The tenant must vacate the premises within seven (7) days of the expiration of the Notice of Termination/Notice to Vacate.
- (iii) If the tenant fails to timely vacate the premises, the Housing Authority will seek an order from the Tribal Court for eviction.
- (iv) He or she remains liable for the unpaid rent and must pay all sums remaining due to avoid court action for collection.
- (v) If three (3) Notices of Termination/Notices to Vacate are issued over a 12 month period, then the Lease Agreement

will be terminated.

- (iv) He or she has the opportunity, prior to any hearing or trial, to examine any relevant documents, records, or regulations directly related to the termination.

b. For Homebuyers, the Notice of Termination/Notice to Vacate shall advise the homebuyer that:

- (i) His or her MHOA or other homebuyer agreement is terminated for failure to make required payments to the Housing Authority.
- (ii) If within 30 days after the date of the Notice of Termination/Notice to Vacate, the Homebuyer presents to the Housing Authority evidence, acceptable to the Housing Authority, that he or she will cure the breach and continue to carry out their MHOA or other homebuyer agreement obligations, the Housing Authority may rescind or extend the Notice of Termination.
- (iii) In making his or her response, the homebuyer may be represented or accompanied by a person of his or her choice.
- (iv) If there is no rescission or extension, the lease term and the MHOA or other homebuyer agreement shall terminate on the 30th day after the date of the Notice of Termination/Notice to Vacate.
- (vi) The homebuyer must vacate the premises within thirty (30) days of the Notice of Termination/Notice to Vacate of the MHOA or other homebuyer agreement.
- (vii) If the homebuyer fails to timely vacate the premises, the Housing Authority will seek and order for eviction from the Tribal Court having jurisdiction.
- (viii) The homebuyer remains liable for the past due payments and other charges and must pay all sums remaining due to avoid court action for collection.
- (ix) He or she has the opportunity, prior to any hearing or trial, to examine any relevant documents, records, or regulations directly related to the termination.

c. If three (3) Notices of Termination/Notices to Vacate are issued

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over a 12 month period, then the MHOA or other homebuyer agreement will be terminated with no further opportunity for rescission or Payback Agreement.

4. Service of Notice of Termination/Notice to Vacate. Service of the Notice of Termination/Notice to Vacate must be made in at least one of the following ways:
 - a. Delivering a copy personally to tenant or homebuyer; or
 - b. If tenant or homebuyer cannot be located, service shall be made by delivering the notice to any family member of such tenant or homebuyer over the age of eighteen (18) years residing with tenant or homebuyer; or,
 - c. If service cannot be made on tenant or homebuyer personally or on such family member, notice shall be made by means of certified mail, return receipt requested.

5. Court Action to Collect Amount Due
 - a. The Housing Authority will file a complaint for collection in the Tribal Court for those sums owed by a tenant or homebuyer which remain unpaid when the lease or homebuyer agreement is terminated, whether or not the tenant or homebuyer vacates the premises.
 - b. The Housing Authority will add to the amount due the cost of the court action, including but not limited to filing fees, attorney fees, and other administrative costs to the Housing Authority resulting from the necessity of seeking the Triba Court's intervention.

6. Court Action for Eviction
 - a. All proceedings for Eviction shall comply with the requirements of the Spokane Tribe's Law and Order Code.
 - b. The Housing Authority may file an action for Unlawful Detainer and seek an Order of Eviction and a Writ of Restitution to regain possession of the housing unit, or may avail itself of any other lawful proceeding available to accomplish the eviction of persons who do not vacate the Housing Authority housing units as instructed.
 - c. The Housing Authority may also ask the Tribal Court to order the tenant or homebuyer to pay all late payments, unpaid utilities, and any other charges, as appropriate, owed to the Housing Authority, including the fee for filing the complaint in the Tribal Court.
 - d. A complaint for eviction in the Tribal Court shall be made under

oath, in writing, and shall include the following information:

- (i) A statement of the facts and/or charges related to the complaint for eviction.
- (ii) The name and address of the tenant or homebuyer.
- (iii) The Housing Authority project number, unit number, and location of the housing unit occupied by the tenant or homebuyer.
- (iv) A description of all attempts made by the Housing Authority and results of those attempts to collect the payments or to resolve the violation of other terms of the Lease, homebuyer agreement or other occupancy agreement.
- (v) A request to the Court to order the eviction of the tenant or homebuyer and his or her household, and a clear statement of the reason for the request.
- (vi) Such other information required to be contained in a summons and complaint under the Spokane Tribe Law and Order Code.
- (vii) The following documents should be attached to the complaint and marked as exhibits:
 - A copy of the Lease, the homebuyer agreement or other occupancy agreement executed between the Housing Authority and the tenant or homebuyer;
 - A copy of all notices served on the tenant or Homebuyer;
 - A tenant or homebuyer ledger for the tenant or homebuyer, showing the payment history and amount of delinquency.

7. Leaving with a Delinquency

- a. If a tenant or homebuyer vacates his or her housing unit voluntarily or under an Order for Eviction, he or she will remain liable for the sums owed to the Housing Authority.

- b. The tenant or homebuyer will continue to be responsible for the rent and maintenance of the housing unit until such time as the keys are turned in, or notice is delivered to the Housing Authority that the participant has vacated the unit.

8. Use of and Disposition of Damage Deposits/Equity Accounts

- a. The Housing Authority may deduct from a tenant's security or damage deposit and/or Monthly Equity Payment Account (MEPA) any sums due or owed to the Housing Authority at the time of termination of the lease, MHOA or other homebuyer agreement. The Housing Authority may also use the security or damage deposit or MEPA to restore the housing unit to a clean condition or to repair items which are damaged as a result of abuse. The security or damage deposit or MEPA will not be used to perform maintenance or repairs on items which are damaged as the result of normal wear and tear.
- b. If the tenant or homebuyer leaves the housing unit in clean and good condition and the tenant's accounts are fully paid, he or she shall be entitled to a return of the security or damage deposit within thirty (30) days or payment of the MEPA balance in accordance with the terms of the homebuyer agreement.
- c. In limited situations and in the sole discretion of the Housing Authority, the parties may negotiate an agreement or a Stipulated Judgment in lieu of a final eviction order that allows for the application of the MEPA funds to the amount in default, provided the MEPA balance is at a sufficient level to cover the default and the homebuyer commits to sufficient terms to ensure compliance.

Amended by the Board of Commissioners on June 5, 2019.



Timothy Horan, Executive Director