



## Hayti Heights Housing Authority Rent Collection Policy

### I. POLICY STATEMENT

This policy is adopted by the Hayti Heights (MO) Housing Authority hereinafter referred to as HHHHA and applies to all residents of its low-income public housing. It addresses the manner in which residents must pay their monthly rent and the consequences of late payment or non-payment of rent due to HHHHA. This policy is consistent with the laws of the State of Missouri, HUD regulations, and HHHHA's Dwelling Lease. HHHHA is committed to enforcing this policy in an equitable and non-discriminatory manner.

The Rent Collection Policy is designed to achieve the following goals:

- Reduce HHHHA's tenant accounts receivable to no more than 5% and uncollected rents to 2% of total rents to be collected.
- Clarify for tenants and staff, HHHHA's position with regard to rent collection.
- Establish strict guidelines extending Repayment Agreements only in extenuating circumstances as defined by HHHHA or for retroactive rent charges.
- Streamline and simplify the legal process used by HHHHA.

### II. MONTHLY RENT

In accordance with HUD regulations, tenants can elect annually between paying an income-based rent or a flat rent. For an income-based rent, tenants are charged a rent the greater of 30% of their monthly adjusted income or 10% of monthly income. Adjusted income is calculated by deducting from gross income allowable expenses, such as childcare and medical (for elderly and disabled only), as well as deductions for dependents and elderly households. Eligibility for specific allowances depends upon the tenant's individual circumstances. Tenants residing in units where some or all of the utilities are paid directly by the tenant receive a utility allowance in the form of a monthly rent reduction. Tenants selecting a flat rent pay the rent applicable to the appropriate bedroom size from the schedule of flat rents available at the management office:

Tenants paying an income-based rent are required to report their income annually to HHHHA and rent is adjusted accordingly. During the course of the year, if they suffer a loss of income or an increase in allowable expenses, and request an interim reexamination of income, tenants may be eligible for reductions in their rent. HHHHA has established \$50.00 as its minimum total tenant payment. Also, tenants paying an income-based rent are required to report sustained increases of \$25 or more (monthly) and will have their rent increased accordingly. These circumstances are not, however severe hardships, and would, therefore, not qualify for a Rent Repayment Agreement. Tenants paying a flat rent are required to have their income reexamined every three years and family circumstances annually. Families experiencing hardships may switch from paying flat rents to income-based rents.

### III. RENT PAYMENTS

Rent shall be paid by mail or in person and is due and payable on or before the first of each month. Personal checks, money orders, cash and credit cards are the only acceptable forms of payment at the management office listed on page 2. A charge of \$25.00 will be assessed for all returned personal checks. HHHHA will no longer accept personal checks for payment of rent from residents who have written bad checks.

Payments are accepted online at [rentpayment.com](http://rentpayment.com) by mail, in person, or in the drop box at the management office listed below:

Hayti Heights Housing Authority  
100 N. Martin Luther King Drive  
Hayti Heights, MO 63851-9664

The above office is open Monday through Friday (except holidays), 8:00AM-4:00PM. Partial payments of rent are not accepted by HHHHA, unless there has been a signed payment agreement.

Rent is due and payable on the first day of each month. Tenants who have failed to make full payment by 4:00p.m. on the 15th day of the month will be assessed late fees. Late fees will be as follows:

**\$10-after 15th day of the month**

Tenant's delinquents in rent are subject to eviction action for the first violation in a twelve-month period. Tenants who pay their full rent but fail to pay miscellaneous charges properly due will also be subject to eviction action in accordance with their Lease Agreement.

#### **IV. RENT DISPUTES**

Tenants who wish to dispute any action taken by HHHHA for non-payment of rent may do so through the HHHHA's Grievance Procedure in effect at the time the grievance or appeal arises. Copies of the Grievance Procedure are posted in each management office and management staff can assist tenants with informally settling the grievance in accordance with the Grievance Procedure and scheduling any subsequent hearing. HHHHA enforces the escrow requirements contained in the Grievance Procedure.

Whether or not a tenant chooses to exercise his/her rights under the Grievance Procedure, he/she may present the case in court if HHHHA initiates legal action.

#### **V. REPAYMENT AGREEMENTS**

In extenuating circumstances involving severe hardship situations and in cases of retroactive rent charges, HHHHA may enter into a "Repayment Agreement" extending the time allowed residents to make full payment of money that is owed. HHHHA is under no obligation to approve and execute Repayment Agreements and does so only as an accommodation to residents.

Requests for Repayment Agreements must be made to the Manager at the time that retroactive rent charge is assessed. Only the Executive Director has the authority to approve such requests and only if all of the following conditions are met:

1. A Repayment Agreement form (see Attachment 1) is properly completed and executed; and
2. The Agreement stipulates that the outstanding balance is due in six (6) monthly installments; and
3. The resident family is experiencing a severe hardship situation that will not qualify them for an interim reexamination and the family not been delinquent in the last twelve (12) months and has presented the documentation required by HHHHA OR a retroactive rent charge has been assessed; and
4. The resident family has not defaulted on a previous Repayment Agreement.

Other unforeseen circumstances and income disruptions which typically pose financial hardships (e.g., loss of job, permanent discontinuation or reduction in benefits) entitle tenants to request an interim reexamination and a rent reduction effective the first of the month following verification of the change; therefore, they are not grounds for extending rent payment agreements. Failure to report a decrease in income is not considered a hardship unless a documented medical reason exists which prevented the tenant from reporting the decrease in income.

Repayment Agreements will not be approved, regardless of the situation, if the request is made after the expiration of the Notice of Intent to Terminate Lease. At this point the tenant is delinquent. In the absence of full rent payment, the HHHHA will proceed with legal action. Tenants are expected, therefore, to act promptly in reporting situations which may make timely payment difficult.

Tenants who need assistance with financial problems may contact the Executive Director for information and referral to community agencies. **VI. SUMMARY PROCESS ACTION**

Non-payment of rent is a violation of the Lease Agreement between the tenant and HHHHA. In all cases, HHHHA will aggressively pursue collection of the amount due and eviction, if necessary. Following is a description of the steps taken and notices issued:

- Payment demand letter is mailed to each delinquent tenant by HHHHA on or about the sixth (6th) business day of the month, which provides for payment by the tenant within three (3) days of tenant's receipt of letter (not including weekends and holidays) to preclude further action by HHHHA.
- If a tenant offers full payment by this date, the-payment will be accepted and no further action taken. Partial payments will not be accepted.

- If the tenant does not pay in full by the deadline set forth in the payment demand letter, a Notice of Termination will be sent.
- The Notice will also indicate that if by the deadline date the tenant has not:
  - filed a Grievance,
  - paid rent in full, or
  - vacated the unit.
- HHHA will proceed with legal action seeking possession of the dwelling unit, all amounts due, plus expenses incurred by HHHA.
- Once a Complaint is filed with the court commencing legal action, a Summons is hand delivered to the tenant by a Sheriff or someone appointed by the Court which requires the tenant to file an answer in court. The case is brought before a judge and a decision rendered. At the time the Complaint is filed with the court, an additional \$275 for legal expenses may be added to the total amount due from the resident.
- If the court rules in favor of HHHA, a Judgement is awarded demanding possession of the dwelling unit and payment of amounts owed and HHHA's expenses.
- Forcible removal will occur if resident does not vacate premises. **VII. DISCONTINUING EVICTION ACTION**

HHHA is under no obligation to discontinue eviction once legal action has been initiated. However, it is not in the interest of either party for HHHA to proceed with an eviction against a tenant who is generally a prompt rent payer, and has a positive rent-paying history, and has not violated the lease agreement, except for non-payment rent.

Tenants are considered to have a positive rent paying history when they have not been subject to eviction action at any time during the previous 12 months and their rent payments have been made in a timely manner. If eviction action commences against such a tenant, HHHA may accept full payment, plus legal and court costs if incurred, at any time up to the day of the court hearing and reinstate the tenant.

Tenants are considered to have a negative rent paying history when they have been subject to eviction action one or more times and/or three or more rent payments have been paid late during the previous 12 months.

Only the Executive Director (or his/her designee) has the authority to discontinue legal action once the process is initiated.

#### **VIII. TENANT EVICTION EXPENSES**

Once a legal action has been filed in Court against a tenant and the court rules in favor of the-HHHA, the tenant is subject to payment of service fees, court costs and attorney's fees. These costs will be assessed and the total amount due and payable presented to the Court. HHHA reserves the right to pursue collection of all amounts properly due from tenants evicted or voluntarily vacating HHHA premises. The HHHA will utilize all available means of collection, including referrals to credit bureaus, collection agencies and other court actions including but not limited to garnishment of wages.

#### **IX. ENFORCEMENT OF THIS POLICY**

This Policy is enforced by the staff and legal counsel of HHHA, through the administrative grievance procedure and/or the Courts.