

Rent Collection Policy



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HOUSING AUTHORITY OF DANVILLE

COLLECTION POLICY

1. Rent

Rent is due and payable on or before the 1st day of each month. Rent payments must be made at Farmers National Bank 304 West Main Street in Danville or any of the branch banks located in Danville, Junction City or Perryville. In the event that rent is not paid by the 5th day of the month, the Housing Authority will initiate eviction procedures and a \$25.00 late charge will be assessed. The eviction notice (NOTICE OF PROPOSED TERMINATION OF LEASE AND PROPOSED EVICTION) will be issued on the 6th day of the month and will be for a fourteen-(14) day period.

If the resident requests an informal and/or formal hearing under the housing authority's Grievance Procedure, the stated time period (14 days) will continue to run during the hearing(s) process. However, the housing authority may not take any action to evict until the Grievance Officer or Panel has presented its written decision. The decision of the Hearing Officer or Hearing Panel will be binding upon the housing authority unless:

(a) The grievance does not concern Public Housing Authority (PHA) action or failure to act in accordance with or involving the complainant's Lease or PHA regulations, which adversely affect the complainant's rights, duties, welfare or status; or

(b) The decision of the Hearing Officer or Hearing Panel is contrary to applicable Federal, State or Local law, HUD regulations or requirements of the Annual Contributions Contract (ACC) between HUD and the PHA.

If the resident does not request an informal and/or formal hearing under the housing authority's Grievance Procedure, the housing authority will proceed, after the expiration of the stated fourteen (14) day Notice period, to obtain a court hearing under the State's forcible detainer law. A forcible detainer will be filed and a \$101.00 charge will be assessed. This action can be cured by making full payment of the account, including all court costs, prior to appearing in court and if no other lease violations are pending that will cause a Notice of Termination of Lease Agreement to be issued.

2. Utility and Maintenance Charges

Maintenance charges and excess utility bills are not due and collectible until two weeks after the Housing Authority gives written notice of the charges. The amounts of maintenance charges and excess utility bills are separate and distinct from rental amounts. Therefore, the procedure for the

Collection of these charges differs somewhat. If payment of these charges is not made by two weeks after the Housing Authority's written notice of the charges, the Housing Authority will initiate eviction action. The Housing Authority will issue a thirty-day (30) eviction notice

(NOTICE OF PROPOSED TERMINATION OF LEASE AND PROPOSED EVICTION).

If the resident requests an informal and/or formal hearing under the housing authority's Grievance Procedure, the stated time period (30 days) will continue to run during the hearing process. However, the housing authority may not take any action to evict until the Grievance Officer or Panel has presented its written decision. The decision of the Hearing Officer or Panel will be binding upon the Housing Authority except under the circumstances listed under 1 (a) and 1 (b) above.

If the resident does not request an informal and/or formal hearing under the Housing Authority's Grievance Procedure, the Housing Authority will proceed, after the expiration of the stated thirty (30) day Notice period, to obtain a court hearing under the State's forcible detainer law. A forcible detainer will be filed.

3. Vacated Resident Accounts

The Housing Authority will forward a letter to the last known address of the vacated resident requesting immediate payment of all delinquent amounts. This letter will include an itemized statement of the residents' account and will specify the amount of back rent utility charges, damages, court costs, and the actual balance after the application of the security deposit. If the account is not paid in full or an acceptable repayment agreement is not executed, the Housing Authority may institute legal action to recover any substantial amounts.

When a vacated resident's address is unknown, the Housing Authority will make a concerted effort to obtain their current address. Possible sources through which this information may be obtained include; former neighbors, last known employer, directory assistance, personal references, utility companies, public schools, and emergency numbers shown on the original application for admission.

4. Garnishments

The Housing Authority may use the judicial system to garnish a working person's wages for amounts owed on rent, utility charges, and damages. The Housing Authority's garnishment procedure will be consistent with State law, Kentucky Revised Statute (KRS) 427.140. The Housing Authority will consult its attorney for guidance before initiating this action.

5. Collection Loss

When all reasonable efforts for collection of the accounts of vacated residents have failed, they will be charged off the housing authority's accounting records as a collection loss. Collection losses will be charged off prior to the end of the Housing Authority's fiscal year. The amount charged off to collection loss is still owed to the Housing Authority, and efforts to collect this amount will continue, as appropriate, despite the write-off action. No applicant will be housed who is responsible for paying an outstanding balance from a previous residency. The Board of Commissioners must approve all write-offs through board resolutions.

(REV 6-22-2002)