

**AMESBURY HOUSING AUTHORITY
MERRIMAC HOUSING AUTHORITY
RENT COLLECTION POLICY**

Revised November 19, 2024 -AHA

Revised November 20, 2024 -MHA

This policy is established for all residents in state and federal housing developments of the Amesbury Housing Authority (AHA)/Merrimac Housing Authority (MHA). It lays out the manner in which residents must pay their rent and the consequences of late rent payments or non-payment of rent to the AHA/MHA/MHA. This policy meets the requirements of the Commonwealth of Massachusetts, the US Department of Housing and Urban Development (HUD) and the Executive Office of Housing and Livable Communities (EOHLC). THE AHA/MHA will administer this policy in an equitable and non-discriminatory manner.

This policy is designed to achieve the following:

- **Maintain the AHA/MHA Tenant Accounts Receivable (TAR) at no more than 5%.**
- **Provide residents with a clear understanding of their responsibilities regarding rent collection and the AHA/MHA position with regard to the collection of rent.**
- **Create guidelines for the establishment and extension of repayment agreements.**

This policy will be provided and reviewed with residents at the time of the Resident Orientation, prior to occupancy. It may also be reviewed with residents at the time of annual recertification of income.

MONTHLY RENT

The monthly rent for residents will be based on the regulations for rent determination for state and federal programs. At the time of the Orientation, the resident will be shown the rent calculation based on family income, deductions for which the family qualifies and the amount of utility allowance, if any. Questions or concerns about the rent determination will be discussed at that time. On an annual basis, a rent recertification will be conducted. Residents have the right to dispute the rent determination, if they believe it to be inaccurate. To do this, the resident must request a hearing to review the rent calculation. The same process will be used for an interim rent determination.

RENT PAYMENTS

The AHA/MHA will accept rent at the main office located at 180 Main Street, Amesbury, MA 01930. Residents may drop off their rent or mail it to that address. The AHA/MHA also utilizes an electronic debit process for those residents who wish to have their rent automatically withdrawn from bank accounts on a monthly basis. Residents who elect to enroll in the electronic debiting process may notify the

Property Manager and schedule a time to complete the required documents. Enrollment is also offered at the time of the Resident Orientation.

Rent is due and payable on the first day of each month. When a resident receives a monthly benefit within the first seven (7) days of the month, they may request to pay rent on the day following receipt of their benefit. When a resident fails to fully pay their rent portion by the seventh (7th) day of the month, the AHA/MHA may request a private conference. At this conference residents will be asked the reasons for the non-payment of rent and will be provided with an opportunity to resolve the matter. Rent payment in full is required; however, the AHA/MHA reserves the right to accept partial payments in situations where hardships have occurred.

Residents who fail to pay their rent by 4:00 p.m. on the seventh (7th) day of the month are considered delinquent, unless there is a different, agreed upon rent payment schedule. If the seventh (7th) day fall on a weekend, the rent will not be considered delinquent until 4:00 p.m. on the next business day. Residents who pay their full rent but fail to pay other miscellaneous charges properly due, may also be subject to separate legal action in accordance with their Lease.

Effective January 1, 2025, a late fee of \$25 will be charged to any resident who does not fully pay their rent by the 30th day.

UTILITIES AND MISCELLANEOUS CHARGES

Residents who pay utilities may be provided with a utility allowance. Rent calculations are determined by the regulations for the state or federal development in which the resident resides. Upon taking occupancy of a unit, the resident must provide proof to the AHA/MHA that the utility (electricity or gas) for which they are responsible for payment, has been placed in their name with the appropriate utility company.

Miscellaneous charges may be assessed for resident caused damages to the premises, equipment therein, and common areas. Residents are also responsible for damage caused by other household members and guests. In a situation where damage was caused by an act of domestic violence, and the individual who caused the damage does not reside in the unit, the resident will not be charged for such damage.

Residents shall be notified in writing of maintenance and other miscellaneous charges and the procedure to request a hearing to review or contest any such charges.

RENT DISPUTES

Residents who wish to dispute the amount of rent or other charges assessed may do so by following the Grievance Procedures established for state and federal housing programs. These procedures are provided to residents at the time of initial occupancy. Copies of the Grievance Procedures can be obtained by contacting the Property Manager.

RESTRICTIONS ON EVICTIONS BASED ON HIGH INCOME

The AHA/MHA shall not commence eviction proceedings or refuse to renew a lease based upon the income of the resident family unless the following occurs:

In state developments when 27% of family adjusted income or 30% of elderly/disabled adjusted income equals or exceeds the applicable Fair Market Rent for Amesbury under the Housing Choice Voucher Program, they may be considered over income. In such instances, the resident will be provided with an opportunity to show that there is a hardship that prevents relocation of the household to unsubsidized housing. If the resident cannot show a hardship, they will be granted a 6-month exemption period. During that period, if there is a change in income that shows a decrease such that 27% or 30% of adjusted income no longer equals or exceeds the applicable Fair Market Rent, the action of termination of tenancy shall be withdrawn.

REPAYMENT AGREEMENTS

When there are circumstances involving a hardship and in cases where rent is in arrears, the AHA/MHA may enter into a repayment agreement to provide additional time to make full payment of monies owed. Repayment agreements are made at the discretion of the AHA/MHA and shall generally be in the form of a court-ordered agreement for judgement. The AHA/MHA is under no obligation to approve or execute repayment agreements and does so only to maintain family tenancy or as a reasonable accommodation to a person with disabilities. Once a judgement is entered, residents failing to make the required court-ordered payments may be subject to further action including eviction.

In the event of unforeseen income disruptions, residents of both state and federal developments may request an interim reexamination of income. Rents will generally be adjusted for the month following the interim reexamination. Failure to report a decrease in income is not considered a hardship unless there is a medical condition or other extenuating circumstance which prevented the resident from requesting an interim reexamination.

SUMMARY PROCESS ACTION

Non-payment of rent is a serious violation of the Lease executed between the AHA/MHA and the resident. The AHA/MHA will pursue collection of the rent due and may initiate an action of termination of tenancy, if necessary. The AHA/MHA will initiate an action of termination for rent arrearage only. Payment for tenant caused damages and other charges will be addressed separately. The termination of tenancy process is shown as follows:

- **Prior to issuing a Notice to Quit, the AHA/MHA shall provide the tenant with an opportunity to discuss the reason for the late payment at a Pre-termination conference. A state-aided public housing tenant that has been habitually late with rent payments and has had a prior opportunity for discussion, may not be afforded a second meeting.**
- **A pre-termination conference notice shall be sent which lists the lease violation and schedules the date, time and location of the conference. The notice will be mailed to the resident.**
- **At the pre-termination conference, the Housing Manager and the resident shall discuss the rent due. If the resident fails to pay the rent due at or before the conference, a thirty (30) day Notice to Quit will be served on the Tenant via the constable. If a resident in federal housing fails to pay the rent due at or before the conference, a letter summarizing the conference with a notice of the Grievance Procedure will be sent to the resident. A thirty (30) day Notice to Quit will be served only after the AHA/MHA receives a favorable decision after the grievance hearing or after the time to request a grievance hearing has expired.**
- **A Notice to Quit will cite the Lease violation and is served by a constable. If the notice is left at the last and usual place of residence, it will also be mailed to the resident.**
- **The Notice to Quit indicates that the full amount of the rent owed must be paid by the date by which the summary process action is due, in order for legal action to be discontinued. If a resident offers payment of the rent by this date, the payment will be accepted, and no further action will be taken. Payment methods may include a verified, written commitment from an agency to pay the full balance. If the rent is not paid in full by that date, the AHA/MHA may proceed with legal action and may assess the costs for serving a Notice to Quit, serving a summary process summons and complaint and court filing fees. These costs will be added to the total amount due from the resident.**

- When the Notice to Quit has expired, a summary process action will be filed with the court to commence legal action. A summons is served upon the resident by a constable that requires the resident to appear in court. At that time the AHA/MHA will attempt to reach an agreement with the resident that will be filed with the court. If an agreement is not made between the AHA/MHA and the resident, the case will be heard by the court, and a decision will be rendered.
- If the court rules in favor of the AHA/MHA, a judgement will be awarded demanding payment from the resident. After ten (10) days from entry of judgement, and where there is no stay, pending appeal or post-judgement motions, the AHA/MHA has the right to request a writ of execution for possession and monetary judgement.
- If the resident does not vacate the leased premises or pay the AHA/MHA as the parties agree, the AHA/MHA may levy the writ of execution for possession on money judgement to forcibly evict the tenant and take possession of the unit. The AHA/MHA will provide at least ten (10) day notice of the date and time of the levy.

DISCONTINUING AN ACTION OF EVICTION

The AHA/MHA is under no obligation to discontinue eviction proceedings once legal action has been initiated.

RESIDENT EVICTION EXPENSES

Once a legal action has been filed in court and the court rules in favor of the AHA/MHA, the resident may be required to pay constable fees, court filing costs and moving costs associated with the eviction.

VACATED RESIDENT DEBT

The AHA/MHA reserves the right to pursue collection of amounts properly due from residents who have been evicted or residents who have voluntarily vacated the premises. The AHA/MHA may use all means of collection, including notification to a credit bureau, referral to collection agencies and other court actions.

UNCOLLECTABLE RESIDENT DEBT/DEBT WROTE-OFFS

On an annual basis, the Executive Director, in consultation with the Director of Finance and legal counsel will determine which tenant accounts receivable are uncollectable and will expense them off their financial ledger. A listing of

proposed write-offs will be presented to the Board of Commissioners for approval prior to being removed from the ledger.

June 14,2024- Approved

Revised for vote: 11/19/24-AHA/11/20/24-MHA