

## Parma Public Housing Agency - CAPITALIZATION POLICY

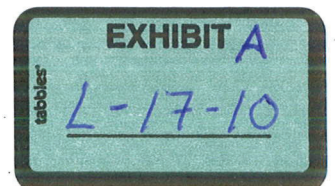
July 27, 2017

Capitalization of assets is used in determining, distinguishing, and recording materials and non-expendable equipment and personal property purchased or acquired in connection with the development, management, and maintenance of public housing units owned or operated by Parma Public Housing Agency.

- A. If the initial cost of a piece of equipment and/or other personal property is one thousand dollars (\$5000.00) or more and the anticipated life or useful value of said equipment or property is more than one (1) year, the same shall be capitalized and recorded as nonexpendable equipment and charged as a capital expenditure.
- B. If the initial cost of the piece of equipment and/or personal property is less than one thousand dollars or its useful life is less than one (1) year regardless of cost, the same shall be treated and recorded as materials and charged to maintenance or administration.
- C. Purchase of software programs is considered capital asset subject to this policy. Software maintenance and support will be considered expenditures and will not be capitalized.
- D. The cost of repairing or renovating an existing asset of \$5,000 or more and prolonging the life of the asset will be capitalized.
- E. Assets will be depreciated on the straight-line basis over their estimated useful lives as outlined below:

<u>ASSETS</u>	<u>USEFUL LIFE (YEARS)</u>
Land Improvement Building	5-15
Building Improvements	15-25
Maintenance Machinery and Equipment Vehicles	5-15
Office Equipment Computer Equipment Software Programs	3-7

- F. The following will be considered exceptions to this capitalization policy regardless of cost due to high turnover.
  - a. Stoves/Ranges
  - b. Refrigerators
  - c. Window Air Conditioners (which PPHA currently does not have)



The City of Parma utilizes \$5000 as capitalization rate, but any items that are procured that are sensitive, prone to theft or require risk management must also be recorded (examples, personal laptops, iPads, etc.)

## **SMOKE FREE POLICY**

### **Background**

On December 5, 2016, the U.S. Department of Housing and Urban Development (HUD) finalized a rule, requiring Public Housing Authorities to implement a smoke-free policy, no later than July 30, 2018. The Final Rule, which became effective February 3, 2017, requires the use of prohibited lit tobacco products be banned in all public housing dwelling units, interior areas, and PHA administrative office buildings, as well as within 25' of all public housing buildings. PHA's have the discretion to make their entire grounds smoke-free.

### **Policy Overview**

In response to HUD's Final Rule, effective April 2, 2018, the Parma Public Housing Agency (PPHA) will officially become a smoke-free environment, making all of their grounds smoke-free. The use of prohibited lit tobacco products will be banned inside all PPHA buildings and on all PPHA grounds. Specifically, the use of prohibited lit tobacco products will be banned in all public housing dwelling units, all interior areas, all outdoor areas, balconies/patios, paved and unpaved areas, within vehicles on public housing grounds, and within administrative office buildings. Prohibited lit tobacco products are defined as items that involve the ignition and burning of tobacco leaves, including cigarettes, cigars, pipes and water pipes (also known as hookahs), as well as all electronic nicotine delivery systems (ENDS). Interior areas include but are not limited to: hallways, rental and administrative offices, community centers, daycare centers, laundry centers, maintenance buildings and similar structures. This policy applies to all individuals on the grounds of PPHA. All tenants, family members, guests, staff members and business visitors must comply.

PPHA is implementing this policy because it is concerned with secondhand smoke and the effect it has on the health of tenants, employees and the community. By going smoke-free, PPHA will contribute to improving the health of the community, reducing tenant complaints, and reducing maintenance costs. There is no safe level of secondhand smoke exposure because smoke drifts throughout a building. It can enter through ceiling crawl spaces, light fixtures and walls, and seeps under and around doors. Ventilation systems do not protect families from second-hand smoke. Most air filter systems are designed to remove odors, not the toxic particles from tobacco smoke. The Environmental Protection Agency (EPA) lists secondhand smoke as a Class A Carcinogen, the most toxic class of chemicals that are known to cause cancer in humans. Secondhand smoke is the leading trigger of asthma attacks and other respiratory problems and a known cause of Sudden Infant Death Syndrome (SIDS).

### **Existing Laws Allow for Smoke-free Housing**

Even though smokers may feel that it is their right to smoke in their units, there is no Federal or State law that prohibits a property owner from implementing a smoke-free policy for their buildings or grounds, and there is no legal right to smoke in federally subsidized housing. Smoke-free policies do not infringe on the legal rights of individuals because smokers are not a protected class under any state or federal law. Smokers may feel that it is their constitutional "right to smoke," which is untrue since the U.S. Constitution does not extend special protection to smokers, because there is no fundamental right to smoke.

Fair housing laws do not apply to smokers, but they may be applicable to nonsmokers when secondhand smoke infiltrates non-smoking housing units.

### **Notice to Tenants**

Tenant engagement, knowledge and support are critical to PPHA successfully adopting a smoke-free living environment. To that end, PPHA is making every effort to keep tenants informed of the development and implementation plan for the new Smoke-free Housing Policy. PPHA hand-delivered an announcement letter and survey to begin the tenant engagement process June 12, 2017, followed shortly thereafter with an invitation to informational meetings scheduled on Tuesday, July 11, 2017, and designed to solicit feedback and ideas for developing and implementing the Smoke-free Policy. Another letter was sent in October to present the key points of the proposed Smoke-free Policy. A tenant meeting will also be held in November 2017, following approval of the Policy by the PPHA Board, to discuss the details of implementation, including the requirement that all lease holders must sign a smoke-free lease addendum no later than January 31, 2018. PPHA has and will continue to make information on smoking cessation resources available at every opportunity.



**Potential Tenants**

Information on the Smoke-free Policy and cessation linkages will be provided to all applicants during new applicant briefings.

**Signage**

PPHA is posting no-smoking signs at entrances and exits to its Public Housing Property, in common areas, and in conspicuous places near public housing residential buildings and at the entrance to and inside its Administrative Offices no later than January 2, 2018. Signs are to be prominently placed to let tenants, guests, staff members, and business visitors know there is no smoking on PPHA grounds. The signs will state that the grounds of PPHA are smoke-free.

**Enforcement**

The Smoke-free Policy is effective April 2, 2018. Smoking on PPHA grounds is to be treated like any other civil lease violation. Enforcement will be on a graduated basis. If the violation persists, a termination notice can be issued by management.

It is the responsibility of PPHA staff to post signage and consistently enforce this policy. It is the responsibility of tenants to notify guests and visitors of the policy and to report any violations to management. It is the responsibility of both parties, (i.e., PPHA and the tenants) to sign the smoke-free leases and agreements. When staff witnesses a violation or a tenant complaint is received, PPHA staff will enforce the Smoke-free Policy according to graduated enforcement procedures.

If, at anytime after the graduated enforcement procedures are initiated, a period of 90 days passes without additional violations being identified, the tenant's record of being in violation will be cleared.

**Reasonable Accommodation Requests**

Addiction to nicotine or smoking is not a disability. PPHA may not permit continued smoking in a restricted area. PPHA will provide reasonable accommodations that are in compliance with the requirements of PPHA's Smoke-Free Policy to persons with disabilities who smoke and where there is an identifiable relationship between the requested accommodation and the individual's disability. Requests for reasonable accommodation should be directed to management, and all requests will be evaluated on a case-by-case basis.

**Landlord Not a Guarantor of Smoke-Free Environment**

PPHA's adoption of a smoke-free living environment, and the efforts to designate the rental property as smoke-free, do not make PPHA the guarantor of a tenant's health or of the smoke-free condition of a tenant's unit and the common areas. However, PPHA shall take reasonable steps to enforce the smoke-free terms of its leases and to make the complex smoke-free. PPHA is not required to take steps in response to smoking unless PPHA knows of said smoking or has been given written notice of said smoking.

**Disclaimer**

PPHA's adoption of a smoke-free living environment, and the efforts to designate the rental complex as smoke-free, does not in any way change the standard of care that PPHA would have to a tenant household to render buildings and premises designated as smoke-free any safer, more habitable, or improved in terms of air quality standards than any other rental premises. PPHA specifically disclaims any implied or express warranties that the building, common areas, or a tenant's premises will have any higher or improved air quality standards than any other rental property. PPHA cannot and does not warranty or promise that the rental premises or interior areas will be free from second-hand smoke. Tenants acknowledge that PPHA's ability to police, monitor, or enforce this policy is dependent in significant part on voluntary compliance by a tenant and tenant's guests. Tenants with respiratory ailments, allergies, or any other physical or mental condition relating to smoke are put on notice that PPHA does not assume any higher duty of care to enforce this policy than any other landlord obligation under the lease.

**Overall Impact of the Smoke-Free Policy**

The Smoke-free Policy will improve the condition of individual units, and it will eventually reduce the turnover cost related to smoke related damages. It will provide site staff with equal access to a smoke-free work environment and most importantly, it will create healthier communities.