



December 19, 2022

PH PROGRAM NEWS

PIH Issues Notice on Personal Property Requirements

HUD's Office of Public and Indian Housing (PIH) has issued [Notice PIH 2022-37](#) to present personal property requirements under [2 CFR Part 200](#), specifically with respect to two components: equipment and supplies. The notice is dated December 14, 2022, but was not posted until recently, and so far has only been made available on [HUDCLIPS](#).

Per [2 CFR 200.1](#), the notice offers the following definitions:

- *Personal property* means property other than real property. It may be tangible, having physical existence, or intangible.
- *Equipment* means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-federal entity for financial statement purposes, or \$5,000.
- *Supplies* means all tangible personal property other than those described in the definition of *equipment*. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-federal entity for financial statement purposes or \$5,000, regardless of the length of its useful life.

The notice states that given the above definitions, it is up to PHAs to decide whether items qualify as equipment or supplies. It also states that for those PHAs with capitalization levels below \$5,000, whether an item qualifies as equipment is contingent upon the capitalization level established by the PHA. Therefore, any item that costs more than the PHA's capitalization level is to be treated as equipment.

The notice outlines the regulatory requirements from [2 CFR Part 200](#) for equipment, including the management requirements, requirements regarding replacement equipment, and the disposition requirements. It also states that for supply items, PHAs must develop a process to adequately manage, account for, and safeguard those items. Further details can be found in the notice.

GENERAL NEWS

HUD Releases 2022 Annual Homeless Assessment Report

In a [press release](#) Tuesday, the Department of Housing and Urban Development ([HUD](#)) announced that it has released its [2022 Annual Homeless Assessment Report \(AHAR\)](#) to Congress. The report found that while COVID-19 could have led to significant increases in homelessness, investments, partnerships, and government agency outreach resulted in only a 0.3 percent increase in the number of people experiencing homelessness from 2020 to 2022. As the report points out:

- 582,462 people were experiencing homelessness on a single night in January 2022.
- Compared with 2020, homelessness among people in shelters declined by 1.6 percent, while homelessness among people in unsheltered settings increased by 3.4 percent.
- The number of veterans experiencing homelessness decreased by 11 percent, contributing to a 55 percent decrease since 2010.
- The number of families with children experiencing homelessness also declined by six percent between 2020 and 2022, marking a total decline of 36 percent since 2010.

DOJ Settles “Crime Free” Rental Housing Lawsuit in California

In a [press release](#) dated December 14, the Department of Justice ([DOJ](#)) announced that it has secured a landmark agreement resolving a racial and national origin discrimination lawsuit in against a city and sheriff's department in California. The lawsuit alleged that the city and sheriff's department violated the [Fair Housing Act](#) and Title VI of the Civil Rights Act of 1964 through the adoption and enforcement of a so-called “crime-free” rental housing program.

The program required all rental property owners to evict tenants upon notice by the sheriff's department that the tenants had engaged in any alleged “criminal activity” on or near the property—regardless of whether those allegations resulted in an arrest, charge, or conviction. The program encouraged housing providers to evict entire families when only one household member engaged in purported criminal activity and even notified landlords to evict survivors of domestic violence. It also required all landlords to screen potential tenants through the sheriff's department, which would notify landlords whether the applicant had “violated” the rules of the program in the past. The city also later passed an ordinance relating to business licenses for rental housing properties that made registration in the “crime-free” program mandatory and imposed excessive fees.

The Department's complaint relied in part on an analysis by HUD, which showed that Black renters were almost four times as likely, and Latinx renters 29 percent more likely, to be evicted under the program than white renters. HUD's analysis also showed that over 96 percent of individuals and households evicted under the ordinance lived in majority-minority Census blocks, even though only 79 percent of rental households in the city live in such blocks.

The city has already repealed its “crime-free” ordinance, modified the rental housing business license ordinance, and reduced the fees associated with rental housing business licenses. The sheriff's department has also agreed to stop enforcing the ordinance. Under the proposed

consent order, which has yet to be approved, the defendants will spend \$950,000 and commit to significant injunctive relief to remedy the effects of the program, including:

- A settlement fund of \$650,000 to compensate individuals harmed by the program
- The payment of \$100,000 in civil penalties
- Funding of \$95,000 for affirmative marketing to promote fair housing in the city
- Funding of \$85,000 for partnerships with community-based organizations
- Notifications to property managers, landlords and owners of the changes to the ordinances and fee schedule
- Submission of certain policies, procedures, and ordinances for the United States' review and approval prior to adoption
- Adoption of non-discrimination policies and complaint procedures
- Designation of civil rights coordinators
- Anti-discrimination training
- A fair housing needs assessment
- Regular reporting to the court and the United States during the order's five-year term

The Fair Housing Act prohibits discrimination in housing on the basis of race, color, religion, sex, familial status, national origin, and disability. Title VI of the Civil Rights Act of 1964 prohibits discrimination on the grounds of race, color, or national origin in programs and activities receiving federal financial assistance.



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