U.S. Department of Transportation
United States Coast Guard

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Marine Safety Office

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Bill #12

Subj: DULUTH AREA HOUSING PROGRAM

Ref: (a) Coast Guard Housing Manual, COMDINST M11101.13C
(b) Coast Guard Leased Housing Procedural Guide, COMDTPUB P11101.14

1. PURPOSE: To establish guidelines for administering Coast Guard housing program in the Duluth, MN area.

2. ACTION: Provide adequate housing on the local economy as a "Safety Net" when the member's **B**asic **A**llowance for **H**ousing (**BAH**) plus 18% of out-of-pocket expenses, as determined by reference (a), will not cover available housing within a 60 minute commute of his/her duty station.

3. DIRECTIVES AFFECTED: none

4. DISCUSSION:

a. Coast Guard members face periodic changes in duty stations which is often prohibitive to home ownership. As a result members occasionally must rely on the rental market upon arrival at their current location. When a member is unable to acquire adequate leased housing, he/she may be forced into living conditions below that of their counterparts in the civilian community. It is the Coast Guard's belief that unsuitable housing contributes to the loss of trained personnel. The resulting loss in operational effectiveness and the costs associated with recruiting and retention is severe.

b. The Coast Guard Housing Program is not a guaranteed right. It is the Coast Guard's policy to administer and provide housing with the least expenditures of government funds. Leasing provides great flexibility to the member in areas where adequate private community support is unavailable. This program should not, however, be used as the primary means to house personnel. It is believed that both the Coast Guard and the members are better suited when BAH along with 18% out-of-pocket expenses are able to acquire housing on the local economy. When this is not possible, the member may ask for a waiver to reside in Coast Guard leased housing.

W. J. DIEHL

Encl: (1) Procedures for Duluth area housing program

Copy: Unit Library
Executive Officer
Unit Members

1. DUTIES OF THE VARIOUS HOUSING OFFICIALS:

a. **L**ocal **H**ousing **A**uthority (**LHA**):

1. The LHA in the Duluth area is Marine Safety Office Duluth. All decisions concerning housing issues within the Duluth area will be made by the Commanding Officer of MSO Duluth under the guidance of the **A**rea **H**ousing **O**ffice (AHO) located at Integrated Support Command Cleveland, OH.

2. Manage the Local Housing Action Plan
   (a) Evaluate local housing resources
   (b) Determine adequacy of local housing resources.
   (c) Participate in the preparation of planning documentation to acquire housing facilities.
   (d) Maintain the Local Housing Action Plan.
   (e) Designate a local point of contact regarding housing planning

b. **L**ocal **H**ousing **O**fficer (**LHO**):

1. The LHO is the Executive Officer of Marine Safety Office Duluth. The LHO manages the housing programs within a 60-minute commute of the member's command. In the Duluth area, it is determined that the commute will be no longer than 20 miles from Canal Park in Duluth, MN.

2. The LHO will provide support and assistance to **L**ocal **H**ousing **R**epresentatives (**LHR**) under the LHO's control.

c. **L**ocal **H**ousing **R**epresentatives (**LHR**):

1. The LHR will manage the Local Housing Program. At the present time the LHR is located at MSO Duluth and represents the five major commands in Duluth. Each command has a representative or contact that the LHR communicates with concerning their members. The general duties of the LHR is as follows:

   (a) Housing Administration:
      1. Verify housing application data to determine member eligibility, CG-5267.
      2. Assign/terminate member's to/from government leased units.
      3. Notify your PERSRU and the AHA by e-mail, FAX or message within 48 hours of assigning or terminating a member to government quarters.
      4. Make necessary updates or changes to **H**ousing **M**aintenance **I**nformation **S**ystem **(HMIS)** database.
      5. Submit individual exemptions to the AHA, via the LHA.
      6. Maintain the required occupancy level in **U**naccompanied **P**ersonnel **H**ousing (**UPH**) located at the Coast Guard Station, Duluth. The UPH consists of 3 rooms designated for Cutter Sundew personnel E-4 and below.
      7. Confirm continued eligibility for housing semi-annually, i.e. family separations that go unreported

(b) Perform housing inspections as per ref (a).
   1. Initial inspections – to determine adequacy of the unit
   2. Check-in inspections – must insure the member and the landlord is present.
   3. Annual inspections – to determine proper care and maintenance of the unit.
   4. Pre-termination inspection – provides the occupant information concerning the condition the unit must be in prior to final termination. This also provides ample time for the occupant to have any repairs for damage beyond normal wear.
   5. Final/termination inspection – clears the member for Government quarters. All settlements must be taken care of with the landlord for damage unless neither party can come to an agreement. In this event the LHO will intervene and if a solution cannot be reached then the LHO will advise the landlord of his/her right to file a damage claim. The landlord and occupant must be present.
   6. Inspections under special circumstances – this usually results from concerns by the landlord that the property is not being properly cared for. If this situation occurs, the LHO must act upon it immediately.
   7. Follow-up inspections – ensures that damages identified at an annual or special circumstance have been corrected.

(c) Develop a utility monitoring program and enforce policy to prohibit utility abuse.

(d) Establish, review and enforce security policies and procedures.

(e) Work with the LHA in managing damage claims.

(f) Maintain and post housing waiting lists. Under the new housing matrix established for 2000, the waiting list will become minimal. When an incoming member is eligible for leased housing, the LHR will forward application to the AHO via the LHO for approval.

(g) Ensure occupants of government leased housing comply with COMDTINST 1754.6 if they desire to provide in-home childcare services.

(h) Ensure social activities in government housing comply with Coast Guard and local housing policy.

(i) Ensure members in government housing are provided guidance as to their rights and responsibilities as occupants. The new tenant prior to occupying government housing must sign a Tenant Occupancy Agreement.

(j) Identify and negotiate prospective housing leases.

(k) Initiate request for leased housing using CCGDNINE Form 5.

(l) Conduct housing cost surveys every two years or sooner if needed.

(m) Maintain relations with owners and agents.

(n) Maintain UPH occupancy at 90% before requesting leased housing or authorizing BAH for single members

(o) Identify deficiencies in UPH furnishings and submit requests for replacement furnishings to the LHA annually by April 1.

(p) Prepare and submit local housing reports on a monthly basis. (because Duluth has no owned housing, we are not required to submit monthly reports)

(q) Other misc. duties required by the LHO:

1. Report suspected cases of child/spouse abuse and neglect per current directives
2. Report instances of housing discrimination to the LHA, AHA, CEA, Civil Rights Officer and HUD.
3. Report special needs cases to Family Advocacy Representative.
4. Provide information to service members regarding housing and other community resources.
5. Perform such other duties as necessary or directed.

1. <u>PROCEDURES FOR STARTING LEASED HOUSING:</u>

a. Review Application Package Documents to establish eligibility, bedroom requirements, if the prospective occupant has pets and subsequently assign leased housing. The LHO and/or LHR should review for completeness and if further information is needed request further information from the member.

1. Application package should include:
   (a) Application for Assignment to Military Housing, CG-5267

   (b) A copy of:
   -PCS orders (CG-5131) or
   -Enlisted Transfer Order (ETO) or
   -PCS message and

   (c) A copy of current *BAQ Dependency Determination/Verification Form* (CG-4170)

2. Eligibility is based on Coast Guard matrix (see encl. 1). The housing matrix consists of the member's BAH plus 18% out-of-pocket expense to get the member's **T**otal **H**ousing **A**llowance (**THA**) (see encl. 2). The 18% out-of-pocket

3. expense is determined by the average **National** housing costs. This means that an E-4 stationed in Duluth pays the same out-of-pocket expense an E-4 stationed in a much higher location, i.e. New York City. It also means that someone transferring into the area from a lower cost area, i.e. Keokuk, IA, still has the same out-of-pocket expense.

4. Requesting exemptions allows deviations from established leased housing policy guidance. However, they are the exception rather than the rule. The member must make the request to the LHO through his/her chain of command fully documenting needs. The LHO then forwards to the AHO with recommendations. Commandant (G-WPM-4) approves all blanket requests. The AHO may approve individual exemption requests except those Commandant (G-WPM-4) must approve in accordance with established policy, i.e. single family homes. Most individual requests should be considered in conjunction with input from relevant Work-Life Dependent Resource Coordinators or Family Program Administrators.

   (a) At a minimum, requests must include:
   1-Member's name
   2-Pay grade
   3-Dependents by age
   4-Cost of housing unit (rent and Utilities)
   5-Size (sq. ft.), number of bedrooms and address of prospective housing unit.
   6-Special requirements

5. Once an application has been received, the LHR will send a reply card back to the member within 5 days using DD Form 1747, *Status of Housing Availability.* A prompt reply stating the status of housing availability allows members to better plan and coordinate their moves.

6. If a member is eligible because he/she falls within the matrix the LHR will locate a suitable unit for said member. If a current unit is being vacated either before the new member arrives or within an acceptable time frame, the LHO may assign the incoming person to that unit. If the incoming member is requesting an exemption, then approval must be received by (G-WPM-4) prior to assigning the member to that unit. If no current unit is or will be available, the LHR will locate the lowest cost unit that meets adequacy standards outlined in ref (a) and ref (b) and is within the AHO cost limitations. **If an adequate unit is located at or below the member's THA, then the member is no longer eligible for Coast Guard Leased housing.** When a prospective unit is located the LHR will negotiate cost-effective rental payments with the lessor. It is vital that the rent is negotiated at or below the market value. Under no circumstances will the rent be above the cost the general public will pay for the unit. The LHR will then fill out a Lease Unit Information Worksheet, conduct a pre-lease inspection to determine the material condition of the unit (if repairs need to be made, they must be documented), have the prospective landlord sign and submit it to the LHO for review and signature. Upon approval from the LHO, the entire lease package is sent to the AHO for approval. The lease package will include:

(a) Lease Unit Information Worksheet
(b) Copy of member's application package
(c) Supporting documents as determined
(d) Exemption request, if applicable
(e) Material condition inspection
(f) EFT/ACH *Vendor Payment Enrollment Form*

7. LEASE MODIFICATIONS:

a. During the course of he lease contract, modifications will be needed for various situations. The most common modification is for rate increases in rent or utilities. The lessor can request a 3% rent increase each year determined by the local housing market. This must be submitted on July 1 and will take effect October 1. If the lessor is asking for an increase due to under estimating utility cost, he must submit 12 months of utility bills for reimbursement. If the utility increase seems excessive the LHO should investigate the cause. If it is determined the tenant is abusing the utilities then appropriate action will be taken against the member. If it is found that there is a malfunction with the unit then all responsibility lies with the lessor. If no fault can be found and it seems that an underestimate of utility costs were made, then the lessor will be reimbursed and the contract will be modified to correct the costs. All lease contract modification requests must be made in writing and signed by the lessor, with supporting documents attached. Lessors do not need to sigh the modification provided their written request is attached to Form 5571B when sent to the Finance Center.

8. PROCEDURES TERMINATING LEASED HOUSING

a. Promptly terminate lease contracts for housing units under these circumstances:

1. There is no further requirement for the unit.
2. No prospective occupant is available within 10 days of vacancy (10 or fewer days is the normal, accepted time frame for a unit to remain vacant)
3. The lessor fails to abide by contract terms
4. The unit becomes too expensive or no longer meets minimum adequacy standards.

b. The tenant must give the LHO 45 days notice (when possible) when he/she intends to vacate leased housing. 45 days is needed to process the paperwork and to locate prospective tenants. The LHO must give 30 days notice to the landlord, in writing, before canceling a lease to comply with Clause 6 of the contract (lease). If 30 days cannot be given, the lessor must waive the requirement in writing and an appropriate termination modification will be prepared (in HMIS).

c. Upon receipt of the tenant's notice to vacate, the LHR will schedule a pre-termination and a final termination inspection. The pre-termination should be 30 days prior to the termination of he unit. The final termination will be after all the tenant's property has been removed and the unit has been properly cleaned. If the tenant had a pet the he/she must provide a receipt to the LHR and lessor that the carpets have been professionally cleaned and sprayed for fleas.

d. After the unit has been vacated, the lessor has the right to file a formal damage claim against the Coast Guard. Once the damage has been discovered and it's apparent the member's negligence caused the damage, AHOs and LHOs should encourage a damage settlement between themselves and the lessor. If an equitable solution cannot be agreed upon, then the LHO will instruct the lessor on how to file a claim. **All damage claims must be filed directly to the Local Housing Contracting Officer (LCHO).** The LCHO is the only one authorized to negotiate a settlement. The LCHO may ask the LHO to conduct an investigation concerning the damage. The LCHO is obligated to offer a settlement within 60 days of receiving a properly submitted, complete damage claim.