

**HOUSING AUTHORITY OF THE CITY OF SEATTLE**

**MANUAL OF OPERATIONS**

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**SUBJECT:** Fire Losses Caused by Residents, Household Members or Guests

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**SCOPE:** This policy shall apply to residents, household members or guests in all Seattle Housing Authority owned and/or operated housing programs, unless specifically noted otherwise.

**POLICY:** The Seattle Housing Authority (SHA) shall take all possible steps to prevent injury and property loss from fire, to include, regular unit inspections to identify possible fire hazards, annual testing of unit smoke alarms, building fire drills, resident education, and lease enforcement.

**IMPLEMENTATION POLICY:**

**A. RESTITUTION:**

If a fire does occur and it is determined that the resident, household members, or guests are responsible for the fire, SHA shall seek reimbursement in an amount equal to the actual cost of repairs to SHA property (up to a maximum amount of seven thousand dollars (\$7,000. An amount determined by management to be reasonable, in consideration for the income level of residents and average cost of repairs. This maximum shall be reviewed annually.). Restitution will be required, regardless of whether the resident remains a tenant of the Housing Authority, or not.

**B. TERMINATION:**

SHA incurs the possible risk of property damage and injury to other residents by continuing to house persons who have been found to cause a fire. However, pending an investigation by the Housing Authority and/or the Fire Department, the resident may be transferred to another SHA unit, if the fire-damaged unit is determined to be unsafe or uninhabitable. Based on the findings of the investigation, SHA may choose to terminate the lease (as described in the Terms & Conditions of Occupancy of the dwelling lease); or seek other recourse if it is determined that the fire was caused by the resident, household members or guests whether it was intentional or due to neglect.

Factors that will be considered when making the decision to terminate the lease may include:

- a. Extent of damage exceeds \$500
- b. Bodily injury to self or another resident, household member or guest
- c. Previous fire(s) caused by resident, household members, or guests
- d. Fire hazards noted during previous unit inspection(s)
- e. Recklessness, negligence or arson
- f. Flammables stored in violation of the lease

**C. REQUEST FOR IMPARTIAL HEARING:**

At any time the resident disputes the Housing Authority's action or failure to act in accordance with the resident's lease or this policy, the resident shall be provided with an opportunity to have a fair and impartial hearing of the grievance, provided that the request is made within a reasonable time. If no request is made or if a request is not made within a reasonable time as defined in SHA's Grievance Policy (L12.9-1), the resident shall have waived his or her right to an informal hearing.

**D. IMPACT PROPERTY MANAGEMENT**

Staff shall refer to the property's Management Plan for details of its Fire policy and procedures. If the Management Plan does not address fire, staff shall default to this Manual Section.

**RESPONSIBILITY:** The Housing Operations Department in conjunction with the Finance and Administration's Risk Management division and Office of the General Counsel shall have the responsibility of implementing this policy and enforcing the collection of all monies determined to be due to the Housing Authority.

**PROCEDURE:**

**A. NOTIFICATION.**

When a fire occurs (or is discovered by staff, i.e. at the time of an inspection) and the loss is determined to be less than \$500 the Senior Property Manager shall use his or her discretion as to who should be notified of the occurrence.

However, if it is determined that the loss is \$500 or greater the Senior Property Manager shall:

1. Immediately (within 24 hours) notify the Property Management Administrator and the Risk Control Administrator;
2. Complete (within 24 hours) a Critical Incident Report (SHA-1106);
3. Obtain the Seattle Fire Department Report to determine the cause of the fire;
4. Notify appropriate Maintenance staff; and complete a Fire Loss Report

If the fire results in loss of life or extensive property damage, the Property Management Administrator shall contact the Director of Housing Operations, Communications Director and the Office of the General Counsel. It shall be the responsibility of the Director of Housing Operations, the Communications Director or the Office of General Counsel as appropriate to notify the Executive Director.

**B. CHARGES.**

**Fire Job Number**

1. The Senior Property Manager shall request a complete detailed cost estimate for repair of fire damage from the Maintenance Manager. If the amount is over \$100, a Fire Job (FJ) number should be requested from the Housing Operations Administrative Assistant.
2. All costs associated with the incident should be charged to the same Fire Job number, including MWO's and any required contract work that would not normally be done within the MWO system.

**Repayment Agreement**

If it is determined that the resident, household members or guests were responsible for the fire, SHA shall seek reimbursement from the resident to cover the actual costs of repair to SHA property. Maximum reimbursement to be charged is \$7,000:

1. Using the Fire Loss Repayment Schedule (SHA-1174) the Senior Property Manager shall prepare a Payment Agreement (SHA-82).

2. If charges are under \$500 the Senior Property Manager shall meet with the resident to discuss repayment of the charges due and offer a repayment agreement to be in force until the full amount is paid.
3. For charges over \$500, staff shall refer to the Lease Enforcement section below.

Minimum Monthly Payments will be calculated at thirty percent (30%) of the resident's contract rent. In case the minimum payment is less than thirty percent (30%), payment will be made in full.

**Fire Loss Repayment Schedule**  
(Example only)

Fire Cost →		\$100	\$500	\$1000	\$2000	\$3000	\$4000	\$5000	\$6000	\$7000
Contract Rent ↓	Payment ↓	NUMBER OF MONTHS TO PAY								
100	30	4	17	34	67	100	134	167	200	234
200	60	2	9	17	34	50	67	84	100	117
300	90	2	6	12	23	34	45	56	67	78
400	120	1	5	9	17	25	34	42	50	59
500	150	1	4	7	14	20	27	34	40	47
600	180	1	3	6	12	17	23	28	34	39
700	210	1	3	5	10	15	20	24	29	34
800	240	1	3	5	9	13	17	21	25	30
900	270	1	2	4	8	12	15	19	23	26
1000	300	1	2	4	7	10	14	17	20	24

**Example: Fire Damage Cost \$2,133.66**

Residents Contract (gross) Rent \$226 x 30% = \$67.80 (round-up to next dollar) = **\$68.00**

Fire Cost: \$2,133.66 ÷ \$68.00 = 31.37 (round-up months to pay) = **32 months**

**In MLS :**

- The repayment agreement shall be entered on MLS as an “Extra Charge.”
- To enter the Extra Charge on MLS, the ASIII shall complete the appropriate section on the SHA-330. This will set up a property loss reimbursement account; and the repayment amount. Staff should use Bill code 0086, described as Unit Damage Charges.
- The property loss reimbursement account will be credited each month as it is charged to and paid by the resident. The final payment will cover the remaining balance and, in most cases, will be lower than the regular monthly repayment amount.
- The Senior Property Manager shall adjust the estimated charge as needed once all actual costs are determined and inform the resident of the final amount to be repaid.

### C. LEASE ENFORCEMENT.

Pending an investigation by the Housing Authority and/or the Fire Department, the resident may be transferred to another SHA unit, if the unit is determined to be unsafe or uninhabitable. (NOTE: Senior Property Manager may request a verbal or "on the spot" report from the Fire Department to assist in decision making prior to the final investigation report.)

1. Termination. The decision to terminate the lease of a resident who has been involved in a fire will be made by the Senior Property Manager in consultation with the Property Management Administrator, Risk Control Administrator and Office of the General Counsel. Factors to consider when making the decision to terminate the lease may include:
  - a. Extent of damage exceeds \$500;
  - b. Bodily injury to self or another resident, household member or guest;
  - c. Previous fire(s) caused by resident, household members, or guests;
  - d. Fire hazards noted during previous unit inspection(s);
  - e. Recklessness, negligence or arson;
  - f. Flammables stored in violation of the lease; or
  - g. Failure to meet the financial obligation as agreed to in the payment agreement.
    - 1) If the resident refuses to pay restitution for the fire damages, or defaults on the repayment agreement, a Ten-Day Notice to Comply or Vacate (SHA-636) shall be served which describes the resident's failure to pay.
    - 2) If the resident does not comply with the Ten-Day notice, it will be considered a lease violation and termination will be pursued in accordance with SHA's Manual of Operations.
    - 3) In the event the resident vacates prior to paying full restitution to the Housing Authority, the Office of the General Council will pursue legal action to collect the debt.

If lease termination is pursued, a 3-day Notice for Cause shall be prepared by Legal and served by the Senior Property Manager.

2. Lease Compliance. If it is decided NOT to terminate the lease, the Senior Property Manager shall conference with the resident regarding the incident, charges due, and serve a Ten-Day Notice to Comply or Vacate (SHA-636). A repayment agreement may be offered in accordance with the Fire Loss Repayment Schedule. A memorandum shall be placed in the resident file describing the review process and the mitigating circumstances which led to the decision NOT to terminate the resident's occupancy.