

CITY GARDENS (FORMERLY MAPLEWOOD COURTS)

ADMISSIONS AND CONTINUED OCCUPANCY POLICY

DRAFT

LEASE AGREEMENT
(LIHTC and ACC Units)

1. PARTIES AND DWELLING UNIT:

The parties to this Lease Agreement are _____, referred to as the Landlord, and _____, referred to (individually or together) as the Tenant. The Landlord leases to the Tenant unit number _____, located at _____ in the housing community known as _____ (the "Unit").

All notices and other communications required under this Lease Agreement shall be made to the Landlord, c/o the Management Office at _____ or to such other address as Landlord may provide in writing.

The members of the household listed below are the only persons permitted to reside in the Unit. Natural born and adopted children, and court-awarded custody children will automatically be added to the Lease upon notification. This provision is not intended to exclude the care of foster children or live-in care of the Resident or Resident's household member provided the accommodation of such person(s) conforms to the Landlord's occupancy standards and the Landlord has granted prior written approval for the foster child(ren) and/or live-in aide to reside in the unit.

Names	Relationship	Sex	Date of Birth	S.S. Number

Tenant shall immediately notify the Landlord, in writing, whenever any member of the household authorized to reside in the Unit is no longer residing in the Unit. Failure to immediately notify the Landlord, in writing, will result in the Tenant being held liable for all actions of such person and any violation of the Lease Agreement by such person may be grounds for termination of tenancy and eviction from the Unit.

Any provisions of this Lease which are particular to public housing units ("PHA-Assisted Units") are set forth in Rider A, which shall supersede any inconsistent provisions of the main text.

2. TERM:

The initial term of this Lease Agreement shall begin on _____ and end on midnight of the later of _____ or one full year after the commencement date. After the initial term ends, the Lease Agreement will be automatically renewed on a month-to-month basis for Low Income Housing Tax Credit Residents unless terminated as permitted by Paragraph 18 of this Lease Agreement. PHA-Assisted unit leases shall renew for successive terms of one year in accordance with provisions particular to public housing units as set forth in Rider A, Section 1.

APPENDIX B

PET POLICY

SECTION I Selection Criteria

A pet is defined as a domesticated animal such as, but not limited to, a dog or cat, bird, or fish or turtle that is traditionally kept in the home for pleasure rather than commercial purposes. Reptiles, except turtles, and rodents are not considered pets.

A. Approval

Prior to allowing a resident to keep an approved house pet in the unit, the resident must execute this pet policy. The pet owner must provide proof of the pet's good health, weight and suitability under the standards set forth under "General Guidelines" in the criteria. In addition, the resident must present a certificate of inoculation and vaccination along with proof of registration, spaying and or neutering. A household must be lease compliant in order to receive pet approval.

Residents who require a pet due to a disability or for some other verified medical need will not be unreasonably denied such a pet.

Initial_____

B. Assistive Animals

1. This pet policy applies to animals that are verified to be medically necessary as an assistive animal needed by persons with disabilities. The need for such animals must be verified by a qualified medical practitioner.
2. When verification of need for an assistive animal is obtained, the person with disabilities will be exempt from the pet fees, deposit, and size limitations for assistive animals. However, all other requirements of this pet policy shall apply to assistive animals.

C. General Guidelines:

The following types of animals may be allowed under compliance with this policy and city, county, state and federal ordinances. However, except for Auxiliary aid or assistive animals, dogs will not be permitted in buildings where the primary access to the apartments is through an elevator (typically a mid-rise or high-rise building).

1. Dogs

- a. Maximum number – one (1);
 - b. Maximum weight – twenty five (25) pounds;
 - c. Must be house broken;
 - d. All dogs over six months of age must be spayed or neutered by a licensed veterinarian;
 - e. Must be properly inoculated by a licensed veterinarian;
 - f. Must be licensed in accordance with local laws and ordinances;
 - g. No Pit Bulls.
2. Cats
- a. Maximum number – one (1);
 - b. All cats over six months of age must be spayed or neutered by a licensed veterinarian;
 - c. Must be properly inoculated by a licensed veterinarian;
 - d. Must be trained to use a litter box;
 - e. Must be licensed in accordance with local laws and ordinances;
 - f. Must be de-clawed (front claws only)
3. Birds
- a. Maximum number – two (2)
 - b. Must not be more than 12 inches in height and 2 lbs. in weight
 - c. Must be maintained inside of a cage at all times
4. Fish
- a. Must be fresh water fish only
 - b. Maximum aquarium size – twenty (20) gallons fresh water
 - c. Must be supported by an approved stand for aquariums and appropriate weight

Initial_____

SECTION II Pet Fees & Security Deposits

- A. In addition to the regular security deposit for the apartment, a security deposit of \$300.00 for a dog or cat and \$100 for birds or fish shall be required of all residents housing pets. Management reserves the right to change the deposit amount consistent with federal guidelines at any time. Payment of the additional pet security deposit for a dog or cat may be made in up to 3 installments of at least \$100 per month beginning on the first day of occupancy of the pet. Payment of the additional pet security deposit for birds or fish must be made by the first day of occupancy of the pet.
- B. Resident's liability for damages caused by his/her pet is not limited to the amount of the pet deposit. The resident will be required to pay for the real cost of any and all damages caused by his/her pet where they exceed the amount of the deposit.

- C. All units occupied by a dog or cat will be fumigated upon being vacated. If it is discovered that a unit where a pet is in residence has become infested by fleas and or ticks the resident will also be responsible for the cost of the fumigation of the infested unit and other affected units and common areas.

Initial_____

SECTION III Pet Rules

A. Dogs and Cats

1. Dogs and cats shall be maintained within the resident's unit. The patio or storage areas of such units will not be acceptable by Management as a dwelling place for any animal. No alterations of any kind to the unit, patio, or storage area shall be permitted for pet retention. Outdoor pet shelters are prohibited. When outside of the unit the dog or cat shall be kept on a collar or harness attached by a leash made of leather or chain linked metals no longer than six (6) feet, which is able to restrain the pet from breaking loose.

The resident shall maintain control of the pet **AT ALL TIMES**. Under no circumstances shall any cat or dog be permitted to roam free in any common area. Pets must not interfere with management personnel or Emergency Response Teams conducting inspections or emergency response calls to the pet owner's unit.

2. The pet owner shall immediately pick up all animal waste and litter box matter, and dispose of in a sealed plastic trash bag and placed in a trash receptacle. Cat litter shall be changed at least twice per week and shall not be disposed of by flushing down toilets or dropping in the building trash chutes. The pet owner shall be charged and remit payment for unclogging toilets or clean up of common areas due to pet waste. No pet owner shall permit his/her pet to deposit waste in any exterior or interior common area.
3. Resident pet owners agree to be responsible for immediately cleaning up any dirt or mud tracked through the common area lobby, halls, or elevator by his/her pet.
4. Pet owners shall keep their pets under control at all times. Pet owners shall assume sole responsibility for liability arising from any injury sustained by any person attributable to their pet and agree to hold the owner and management harmless in such proceedings.
5. Resident pet owners agree to control the noise of his/her pet such that it does not constitute a nuisance to other residents. Failure to control pet noise may result in the removal of the pet from the premises. **ANY PET WHO CAUSES BODILY INJURY TO ANY RESIDENT, GUEST OR STAFF MEMBER SHALL BE IMMEDIATELY AND PERMANENTLY REMOVED FROM THE PREMISES WITHOUT PRIOR NOTIFICATION.**
6. No dog shall be left unattended in any unit for longer than 12 consecutive hours. No other pets shall be left unattended in any unit for longer than 48 consecutive hours.

7. All resident pet owners shall provide adequate care, nutrition, exercise and medical attention for his/her pet. Pets which appear to be poorly cared for, or which are left unattended for longer than twelve (12) consecutive hours in the case of dogs, or forty-eight (48) consecutive hours in the case of all other pets, will be reported to the appropriate authorities.
8. Feeding of pets in common areas is prohibited.
9. In the event of the death of the pet owner or an emergency that management is aware of that has caused the pet owner to be unable to care for the pet (e.g. long term hospitalization), Management will contact the alternate caretaker and will follow the procedures outlined in paragraph 11 below for disposing of the pet consistent with local and federal guidelines unless written instructions exist with respect to such disposition.
10. In the event of a pet's death the resident shall dispose of the pet in a sanitary manner. The resident shall also notify the site office. If determined necessary by Management, the unit shall be fumigated at the resident's expense.
11. The pet owner shall provide a signed statement by a third party over the age of eighteen (18) who agrees to act as an alternate pet caretaker. This statement must list the caretaker's name, address and phone number. Management will make reasonable efforts to contact the alternate caretaker in the event of an emergency. Unwillingness on the part of the named caretaker of a pet to assume custody of the pet shall relieve management of any requirement to adhere to any written instructions with respect to the care or disposal of a pet and shall be considered an authorization for management to exercise discretion in such regards consistent with federal guidelines. The pet owner understands that management will not be responsible for the well-being of the pet should the alternate pet caretaker refuse custody of the pet. Additionally, any cost incurred by management must be reimbursed by the pet owner.
12. Resident pet owners acknowledge that other residents may have chemical sensitivities or allergies related to pets or are easily frightened by such animals. The resident therefore agrees to exercise common sense and common courtesy with respect to such other resident's right to peaceful and quiet enjoyment of the premises.

All resident pet owners must maintain each pet responsibly and in accordance with applicable federal, state, and local public health, animal control and animal anti-cruelty laws and regulations.

Management may move to require the removal of a pet from the premises on a temporary or permanent basis for the following causes:

- a. Creation of a nuisance after proper notification consistent with Section IV of these Pet Rules;
- b. Excessive pet noise or odor with proper notification;
- c. Unruly or dangerous behavior displayed by the pet;

- d. Excessive damage to the resident's apartment unit and /or the property's common areas;
- e. Repeated problems with vermin or flea infestation;
- f. Failure of the resident to provide adequate care of his/her pet;
- g. Leaving a dog unattended for more than twelve (12) consecutive hours or leaving any other pet unattended for more than forty-eight (48) consecutive hours;
- h. Failure of the resident to provide adequate and appropriate inoculation of the pet;
- i. Resident's death and/ or serious illness; and
- j. Failure to observe any other rule contained in this section and not here listed upon proper notification.

Any resident informing management that they no longer have possession of a pet must provide proof that the pet was turned over to a responsible party, died, was permanently lost or was turned into an animal shelter.

Visitors, guests and relatives of residents are allowed to have auxiliary aid or assistive animals only. Visitors, guests and relatives of residents shall not enter any structure with any other pet or animal or allow his/her animal to roam the grounds of the property.

Initial_____

B. Birds

- 1. Must be kept in a cage designed for birds;
- 2. Cage must have food and fresh water available for the bird at all times;
- 3. Cage must be kept clean at all times;
- 4. Waste must be disposed of in a sealed plastic trash bag and placed in a trash bin.
- 5. Must not be a bird of prey;
- 6. Wings must not be tied or locked in any way;
- 7. Excessive noise from within the apartment shall not be permitted.

C. Fish

- 1. Fresh water fish only;
- 2. Twenty (20) gallon aquarium maximum;
- 3. Stand must be designed and manufactured for aquariums with a weight of 20 gallons;
- 4. Aquarium must be placed in a safe area and away from electrical services;
- 5. Aquarium must be equipped with the proper filtering and oxygenation system;
- 6. Water damage caused by breakage or spillage of the aquarium shall be the responsibility of the resident who shall be billed for repair cost as required.

Initial_____

SECTION IV Notification Policy

In the event that any pet owner violates these pet rules, management shall provide notice of such violation as follows:

A. Creation Of A Nuisance

1. The owner of any pet which creates a nuisance upon the grounds or by excessive noise, odor or unruly behavior shall be notified of such nuisance in writing by management and shall be given no more than 24 hours to correct such nuisance.
2. Management shall take appropriate steps to remove a pet from the premises in the event that the pet owner fails to correct such a nuisance within the 24-hour compliance period.

B Dangerous Behavior

1. Any pet which physically threatens and /or harms a resident, guest, staff member or other authorized person present upon the project grounds shall be reported to appropriate authorities and an investigation ordered.
2. Management does not have the ability to provide reasonable accommodations to house any animal deemed dangerous by the Chief of Police. Therefore, any animal registered as a dangerous animal shall be removed from the premises permanently.

The resident's signature and initials upon these house rules shall constitute permission for management to take appropriate action consistent with local, state and federal law.

Initial_____

Section V Affidavit

"I have read and understand the above pet policies and agree to comply fully with their provisions. I understand that failure to comply with these provisions may be grounds for removal of my pet and/or cause for my eviction".

Owner

Resident

Pet Registration Number

Pet's Name

Type of Pet

Breed of Animal

Date

Unit Number

3. **RENT:**

- a. The Tenant agrees to pay \$_____ for the partial month ending on _____. For the remainder of the initial term, Tenant agrees to pay a rent of \$_____ per month. This amount is due on the 1st day of the month to the Landlord or at such other mailing address as the Landlord may provide. Late charges will be assessed on the 6th in accordance with the terms in Section 5 of the lease. Payments made as rent (except those payments clearly designated for rent only) will be applied to any outstanding balance, which may include rent, utilities, maintenance, or any other balance owed.
- b. Tenant's rent may be lower than the market (unsubsidized) rent which would otherwise be due on the Unit. This lower rent is available because the property is operated pursuant to the rules and regulations of the Federal Low Income Housing Tax Credit Program in accordance with Section 42 of the Internal Revenue Code of 1986, as amended ("the Code") and as enforced by a state agency responsible for monitoring such program (the "State Agency"). Notwithstanding any provisions of this Lease Agreement, Tenant agrees (in consideration of such lower rent) that the property shall be operated at all times in strict compliance with Section 42 of the Code, regulations thereunder, and any regulatory agreement, restrictive covenant, or other agreement with the State Agency (collectively, "Section 42 Requirements").
- c. Tenant's rent may also be reduced as a result of assistance provided through a local public housing agency. If the Tenant's rent is reduced or regulated as a result of one or more public programs, provisions which are required by those programs or by the agencies administering those programs are referred to in this Lease as Public Requirements and are applicable even if not specifically set forth. Provisions particular to assistance through a public housing agency are set forth in Rider A, Provisions Relating to PHA-Assisted Units.

4. **CHANGES IN THE TENANT'S RENT:**

The Resident agrees that the amount of rent the Resident pays may be changed:

- a. At any time, with at least 30 days notice, to adjust for changes in the utility allowance as required by the LIHTC Program; or
- b. After the initial term of this Lease Agreement, no more frequently than annually, as the Agent may determine, but in no event to exceed the maximum rent permitted for the Unit under the rules applicable to the LIHTC Program, while such Program applies. Upon the conclusion of the Qualified Project Period under the Code, if Tenant is not receiving a Federal Section 8 subsidy, Landlord will not increase the rent to Tenant above the maximum rent permitted by the Section 42 Requirements during the Qualified Project Period unless the Landlord shall first have complied with all applicable Section 42 Requirements and shall have provided Tenant with a written notice at least six months before such rent increase, in form acceptable to the State Agency.

In either case, the Agent will give the Resident at least 30 days advance written notice of any change in the rent.

5. **CHARGES FOR LATE PAYMENTS, RETURNED CHECKS AND COURT AWARDS:**

If the Tenant does not pay the full amount of the rent shown in paragraph 3 by the end of the 5th day of the month, the Landlord may collect a fee on the 6th day of the month according to the following scale:

If tenant rent is between	Late charge due
\$1-\$100	\$5
\$101 and \$600	\$10
\$601 and \$700	\$15
\$701 and \$800	\$20
\$801 and \$900	\$25
\$901 and \$1000	\$30
\$1000 and \$1100	\$35
\$1101 and \$1200	\$40

In no event shall the Landlord collect more than is permitted by State law. For those residents who derive all or part of their income from a government benefit, such as SSI payments, and whose benefit check arrives after the first of the month, rent will not be considered late until seven days after the date of the check. It is the responsibility of the resident to document the date of the check to have late fees waived. The Landlord may collect a fee of \$30 any time a check is not honored for payment (bounces). The charges discussed in this paragraph are in addition to the regular monthly rent payable by the Tenant. The Landlord or Tenant may be entitled to court costs and reasonable attorney fees for actions taken to pursue remedies under this lease or the Residential Landlord and Tenant Ordinance but only to the extent allowed in sections 5-12-180 and 5-12-140 (f) of the Ordinance.. See Rider A, if applicable, for provisions relating to PHA-Assisted Units.

6. **CONDITION OF DWELLING UNIT:**

By signing this Lease Agreement, the Tenant acknowledges that Tenant has inspected the Unit and it is apparently safe, clean, and in good condition. The Tenant agrees that all appliances and equipment in the Unit are in good working order, except as described on the pre-occupancy Unit Inspection Report, which is Attachment No. 2 to this Lease Agreement. The Tenant also agrees that the Landlord has made no promises to immediately decorate, alter, repair, or improve the Unit except as listed on the pre-occupancy Unit Inspection Report.

7. **CHARGES FOR UTILITIES AND SERVICES:**

The following charts describe how the cost of utilities and services related to occupancy of the Unit will be paid. The Tenant agrees that these charts accurately describe the utilities and services paid by the Landlord and those paid by the Tenant.

- a. The Tenant must pay for the utilities checked in column (1). Payments should be made directly to the appropriate utility company. The Tenant shall ensure that utility services remain on in the Unit while Tenant retains occupancy. The items in column (2) are included in the Tenant's rent. Tenant shall take reasonable measures toward energy conservation in his/her use of utilities.

(1)			(2)
Put "X" by any Utility Tenant Pays Directly	<u>Utility or Service</u>	<u>Type</u>	Put an "X" by any Utility included in Tenant Rent

(1)		(2)
<u>X</u>	Heat	gas
<u>X</u>	Air Conditioning	electric
<u>X</u>	Lights & Electric	electric
<u>X</u>	Cooking	gas
	Water	X
	Sewer	<u>X</u>
<u>X</u>	Cable TV	
<u>X</u>	Alarm Monitoring	
<u>X</u>	Phone	

8. **SECURITY DEPOSITS:**

The Tenant has deposited \$ _____ with the Landlord. The Landlord will hold this security deposit in accordance with State law and the Security Deposit Addendum for the period the Tenant occupies the Unit. After the Tenant has moved from the Unit, the Landlord will determine whether the Tenant is eligible for a refund of any or all of the security deposit. The amount of the refund will be determined in accordance with the following conditions and procedures:

- a. After the Tenant has moved from the Unit, the Landlord will inspect the Unit and complete another Unit Inspection Report. The Landlord will permit the Tenant to participate in the inspection, if the Tenant so requests.
- b. Within 30 days after the date that the Tenant vacates the dwelling unit, the Landlord will refund to the Tenant the amount of the security deposit plus interest as required by State law, less any amount needed to pay the cost of:
 - (1) any unpaid rent which has not been validly withheld or deducted pursuant to state or federal law or local ordinance;
 - (2) damages that are not due to normal wear and tear and are not listed on the Unit Inspection Report prepared prior to initial occupancy provided, however, that in order to so deduct damages the landlord must deliver or mail to the last known address of the tenant within 30 days of move-out an itemized statement of the damages allegedly caused to the premises and the estimated or actual cost for repairing or replacing each item on that statement. The landlord must also attach copies of the paid receipts for the repair or replacement and, where estimated cost is given and the work was performed by the landlord's employees, must provide the paid receipts or a certification of factual costs of repairs within 30 days from the date the statement showing estimated cost was furnished to the Tenant.

- c. The Landlord agrees to refund the amount computed in paragraph 8c within 30 days after the Tenant has permanently moved out of the Unit and returned possession of the Unit to the Landlord. The Landlord will also give the Tenant a written list of charges that were subtracted from the deposit. If the Tenant disagrees with the Landlord concerning the amounts deducted and asks to meet with the Landlord, the Landlord agrees to meet with the Tenant and informally discuss the disputed charges. If tenant does not provide a new address, the Landlord shall send the refund and/or statement of charges to the last known address of the tenant.
- d. The Landlord may pay the refund to either the Leaseholder or the Co-Leaseholder.
- e. The Tenant understands that the Landlord will not apply the Security Deposit, in advance of the Tenant's moving out, to the last month's rent or to any charges owed by the Tenant.

9. **KEYS AND LOCKS:**

The Tenant agrees not to install additional or different locks or gates on any doors or windows of the Unit without the written permission of the Landlord. If the Landlord approves the Tenant's request to install such locks, the Tenant agrees to provide the Landlord with a key for each lock. When this Lease Agreement ends, the Tenant agrees to return all keys to the dwelling Unit to the Landlord. The Landlord may charge the Tenant for each key not returned at termination of this Lease Agreement, and for the replacement of lost keys while the Tenant occupies the Unit, in accordance with a Schedule of Charges posted in the Management Office.

10. **DEFECTS & HAZARDS TO LIFE, HEALTH OR SAFETY:**

- a. The Tenant shall immediately report damages, defects, and hazardous conditions in the Unit to the Landlord.
- b. The Landlord shall be responsible for repair of the Unit within a reasonable time; provided, that if the damage was caused by the Tenant, Tenant's household or guests, the cost of the repairs shall be charged to the Tenant pursuant to Section 10(d) below.
- c. The Landlord shall offer standard alternative accommodations, if available, in circumstances where necessary repairs cannot be made within a reasonable time.
- d. Wherever damage is caused by carelessness, misuse, or gross neglect on the part of the Tenant, his/her family or visitors, or any failure or refusal to fulfill the Tenant's Obligations set forth in Paragraph 14 of this Lease Agreement, the Tenant agrees to pay the cost of all repairs, at the rates contained in a Schedule of Charges which is posted in the Management Office and incorporated herein by reference, which Schedule of Charges may be changed from time to time.

11. **RESTRICTION AND ALTERATIONS:**

The Tenant agrees not to do any of the following without first obtaining the Landlord's written permission:

- a. change or remove any part of the appliances, fixtures or equipment in the Unit;
- b. paint or install wallpaper or contact paper in the Unit;

- c. attach awnings or window guards in the Unit;
- d. attach or place any fixtures, signs, or fences on the building, the common areas, or the project grounds;
- e. attach any shelves, screen doors, or other permanent improvements in the Unit;
- f. install washers, dryers, dishwashers, fans, heaters, or air conditioners inside or outside the Unit or balcony; or
- g. place any aerials, antennas, or other electrical connections on the Unit, balcony or building.

12. **OCCUPANCY:**

The Tenant shall have the right to exclusive use and occupancy of the leased premises. "Guest" means any person not listed on this Lease Agreement who temporarily visits the Unit or premises with the consent of a household member. If any visit will extend beyond one week, the Tenant must notify the Landlord in writing, stating the reasons for the extended visit, which must first be authorized in writing by the Landlord whose approval shall not be unreasonably withheld.

13. **OBLIGATIONS OF LANDLORD:**

Landlord shall be obligated as follows:

- a. To maintain the premises and the project in decent, safe and sanitary condition.
- b. To comply with requirements of applicable building codes, housing code, and HUD regulations materially affecting health and safety.
- c. To make necessary repairs to the premises.
- d. To keep project buildings, facilities and common areas not otherwise assigned to the Tenant for maintenance and upkeep, in a clean and safe condition.
- e. To maintain in good and safe working order and condition: electrical, plumbing, sanitary, heating, ventilating, and other facilities and appliances, including elevators, and smoke detectors supplied or required to be supplied by the Landlord.
- f. To provide and maintain appropriate receptacles and facilities (except containers for the exclusive use of an individual tenant household) for the deposit by Tenant of garbage, rubbish and other waste.
- g. To supply running water and reasonable amounts of hot water and reasonable amounts of heat at appropriate times of the year except where heat or hot water is generated by an installation within the exclusive control of the Tenant and supplied by a direct utility connection.
- h. To provide extermination services as necessary.
- i. To maintain grounds, shrubbery, sidewalks, parking areas, laundry areas and other common exterior areas in the community in a clean, orderly and safe condition.

- j. To make necessary repairs with reasonable promptness.
- k. To maintain exterior lighting in good working order.

14. **OBLIGATIONS OF THE TENANT:**

Tenant shall be obligated as follows, and shall ensure that Tenant's household members, visitors and guests obey the following:

- a. Not to assign the Lease Agreement or to sublease or transfer possession of the premises.
- b. Not to provide accommodations for boarders or lodgers.
- c. To use the premises solely as a private dwelling for Tenant and Tenant's household as identified in the Lease Agreement, and not to use or permit its use for any other purposes. With the written consent of the Landlord, obtained in advance, members of the household may engage in legal business and other activities in the dwelling Unit, where the Landlord determines that such activities are incidental to primary use of the leased Unit for residence by members of the household.
- d. To abide by necessary regulations issued by the Landlord for the benefit and well-being of the housing project and the tenants. Said regulations shall be posted by Landlord in the Management Office and are incorporated by reference in this Lease Agreement. All rules and regulations adopted by the Landlord shall be subject to a formal review and comment period by the residents as required by 24 CFR 966.5.
- e. To comply with all obligations imposed upon tenants by applicable provisions of state law and of building and housing codes materially affecting health and safety.
- f. To keep the Unit, adjacent grounds and other such areas as may be assigned to Tenant's exclusive use in a clean, orderly and safe condition (but not to make repairs, alterations or redecoration without the Landlord's written consent or unless or until the Landlord has failed to make the necessary repair in a timely manner after notification.)
- g. To refrain from making inoperable any smoke detectors installed in the premises.
- h. To dispose of all garbage, rubbish, and other waste from the premises in a sanitary and safe manner.
- i. To use only as intended all electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other devices and appurtenances including elevators.
- j. To refrain from destroying, defacing, damaging or removing any part of the premises or project.
- k. To pay reasonable charges (other than for normal wear and tear) for repairs of damages to the premises, including buildings, facilities or common areas, caused by the tenant, members of the household, visitors, guests, pets, or assistant animals.

- l. To conduct himself/herself and cause other persons who are on the premises with his/her consent (whether or not the Tenant is aware of the conduct of such persons) to conduct themselves in a manner which will not disturb his neighbors' peaceful enjoyment of their accommodations and will be conducive to maintaining the project in a decent, safe and sanitary condition.

m. General

- i) To provide that the Tenant or any member of the Tenant's household or guest shall not engage in criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents or engage in any drug-related criminal activity, on or off the premises (Drug-related criminal activity means the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute, or use of, a controlled substance) and shall not display, use, or possess firearms (operable or inoperable) or other weapons (except for those residents who legally possess weapons as a requirement of their employment or is licensed to own a firearm, registered in accordance with Local, State and Federal laws/requirements, and kept within the boundary of the unit). To provide that any other person under the Tenant's control shall not engage in criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents, or engage in any drug-related criminal activity, on or off the premises (Drug-related criminal activity means the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute, or use of, a controlled substance) and shall not display, use, or possess firearms (operable or inoperable) or other weapons as defined by the laws of the State in the Unit or on the premises (except for those residents who legally possess weapons as a requirement of their employment).

Domestic Violence

An incident or incidents of actual or threatened domestic violence, dating violence, or stalking perpetrated against tenant, a member of tenant's household or any guest or other person under tenant's control will not be construed as a serious or repeated violation of tenant's lease and will not be considered good cause for terminating the tenancy or occupancy rights of such victim.

However, the Agent may remove a household member from a lease, without regard to whether a household member is a signatory to a lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant.

The Agent retains authority, when notified, to honor court orders addressing rights of access to or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members in cases where a family breaks up.

The Agent continues to maintain the right and authority to evict a tenant, including a victim of domestic violence, for any violation of the lease not premised on the act or acts of domestic violence in question against the tenant or a member of the tenant's household, provided that the Agent does not subject such an individual who is or has been a victim of domestic violence, dating violence, or stalking to a more demanding standard than other tenants in determining whether to evict or terminate.

The Agent continues to maintain the authority to terminate the tenancy of any tenant if the Agent can demonstrate an actual or imminent threat to others or those employed at or providing services to the property, if the tenant's tenancy is not terminated.

Any provisions of Federal, State or local laws that provide greater protection for victims of domestic violence, dating violence, or stalking can supersede the specific lease provisions related to protection for victims of domestic violence.

- n. To keep no dogs, cats or other animals or pets in or on the premises except with the written consent of Landlord, which will be given in accordance with Landlord's pet policy and state and federal law, and to comply with all of Landlord's rules concerning the keeping of any approved pet. A copy of the Landlord's pet policy shall be posted by Landlord in the Management Office and is incorporated by reference in this Lease Agreement.
- o. To pay Landlord's established charges, which shall be reasonable charges, for the repair of damages to the premises, project buildings, facilities or common areas (other than for normal wear and tear) that are caused by Tenant, Tenant's household or guests, or by Tenant's failure to report needed repairs.
- p. To permit the Landlord, pursuant to the provisions of Paragraph 17, to enter the premises for the purpose of performing periodic inventories and inspections, reading utility meters, routine maintenance, making improvements or repairs, or showing the premises for re-leasing.
- q. To promptly report to the Landlord any needed repairs to the leased premises or any unsafe conditions in the common areas and grounds which may lead to damage or injury.
- r. To refrain from placing fixtures, signs or fences in or about the premises without prior revocable permission of the Landlord in writing.
- s. To notify the Landlord of any temporary vacating from the Unit which exceeds 14 days.
- t. To leave the Unit, upon vacating the premises, in a clean and safe condition (normal wear and tear excepted) and to return the keys to the Landlord. Any property left by the Tenant in or about the premises after he/she vacates will be considered as abandoned and may be disposed of as allowed by sections 5-12-130 (e) and (f) of the Residential Landlord and Tenant Ordinance.
- u. To use any garage solely for automobile storage and other private residential purposes (including purposes related to any business use approved by the Landlord), and to keep the garage in a clean, orderly and safe condition.

15. **RULES:**

The Tenant agrees to obey the House Rules, which are provided as an Attachment to this Lease Agreement. The Tenant agrees to obey additional rules established after the effective date of this Lease Agreement. Such rules will be reasonably related to the safety, care, and cleanliness of the building and safety, comfort and convenience of the tenants, and the Tenant will receive written notice of the proposed rule at least 30 days before the rule is enforced. Public Housing Residents will also receive notice at that time that they have 30 days to present written comments which shall be taken into consideration by the Landlord prior to the proposed modification becoming effective, pursuant to 24 C.F.R. 966.5.

16. CERTIFICATION AND RECERTIFICATION OF INCOME AND FAMILY COMPOSITION

- a. Tenant acknowledges that Tenant's eligibility for the Unit and/or the rent charged has been determined based on Tenant's application, including Tenant's representations about family income and composition. If Tenant has falsely certified to Tenant's income and family composition, such false certification will be deemed a material violation of this Lease Agreement and is grounds for termination of this Lease Agreement and eviction of the Tenant.
- b. At least once each year, Landlord will determine whether the Tenant is eligible for continued occupancy under rent limitations applicable to the Low Income Housing Tax Credit program, all in accordance with policies which are consistent with the Public Requirements and which are available at the Management Office.
- c. Regularly Scheduled Recertifications: Each year, approximately 90 days before the anniversary date of this Lease Agreement, the Landlord will request the Tenant to report the income and composition of the Tenant's household and to supply any other information required by the Public Requirements for the purpose of determining the Tenant's rent and eligibility. The Tenant agrees to provide accurate statements of this information and to do so by the date specified in the Landlord's request. The Landlord will verify the information supplied by the Tenant through third-party written verification and use the verified information to recompute the amount of the Tenant's rent.
- d. Failure by a Tenant to truthfully supply the recertification information as required by this Lease Agreement or as requested by Landlord, or failure to appear for a scheduled rent and income review without good cause on more than one occasion, will be considered a material violation of the Lease Agreement.
- e. Tenant will advise the Landlord within ten days if Tenant or any household member becomes a full-time student. The LIHTC Program provides for specific qualification restriction with respect to occupancy by full-time students. Tenant acknowledges that qualification to remain as a Tenant is at all times dependent upon the household meeting all student status requirements. Should Tenant fail to meet all student status requirements, Tenant agrees to vacate and otherwise may be subject to eviction. Should the Tenant be required to vacate because of the student status requirements, the Landlord shall, wherever possible, offer an alternate unit to the Resident.

17. ACCESS BY LANDLORD:

Tenant agrees that, upon reasonable notification, (a) the duly authorized agent, employee, or representative of Landlord will be permitted to enter Tenant's Unit during reasonable hours for the purpose of performing routine inspections and maintenance, including extermination, for making improvements or repairs, or to show the premises for re-leasing; and (b) any representative of the State Agency may inspect the Unit for the purpose of fulfilling its responsibilities under the Code. A written statement specifying the purpose of the Landlord entry delivered to the premises at least 48 hours before such entry shall be considered reasonable advance notification. However, Landlord shall have the right to enter Tenant's Unit without prior notice to Tenant, if Landlord reasonably believes that an emergency exists which requires such entrance or if Tenant waives the 48 hour notice for a particular service that the Tenant requests. The Landlord shall note this waiver on the work order. No representative of the Landlord shall enter the Resident's unit without approval unless proper notice has been given or there exists an emergency as outlined above. In the event that Tenant and all adult members of his/her household are absent from the

premises at the time of entry, Landlord shall leave on the premises a written statement of the date, time and purpose of entry prior to leaving the Unit.

After the Tenant has given a notice of intent to move, the Tenant agrees to permit the Landlord to show the Unit to prospective tenants 60 days or less prior to the expiration of the existing rental agreement during reasonable daytime hours (between 8:00 a.m. and 8:00 p.m.) provided the Landlord gives the required 48 hours notice. If the Tenant relinquishes possession before this Lease Agreement ends, the Landlord may enter the Unit to decorate, remodel, alter or otherwise prepare the Unit for re-occupancy.

18. **TERMINATION OF TENANCY:**

- a. To terminate this Lease Agreement, the Tenant must give the Landlord at least 30 days written notice prior to the end of the term. The Tenant shall be liable for rent up to the end of the term or to the date the Unit is re-rented, whichever date comes first, as required by law.
- b. Any termination of this Lease Agreement by the Landlord must be carried out in accordance with Federal, State and local law, and the terms of this Lease Agreement. The Landlord may terminate this Lease Agreement only for:
 - (1) the Tenant's serious or repeated violations of the material terms of this Lease Agreement; or
 - (2) the Tenant's material failure to carry out obligations under any State or Local Landlord and Tenant Act.
- c. The following lease terms shall be considered material but are not an exclusive listing:
 - (1) Obligations of the Tenant identified in Paragraph 14 of this Lease Agreement.
 - (2) Nonpayment of rent or other charges due under the Lease Agreement.
 - (3) Serious or repeated interference with the rights of other Tenants.
 - (4) Serious or repeated damage to the premises.
 - (5) Alteration, repair, sale, intentional destruction or destruction caused by gross negligence or other disposition of the leased premises or any part thereof.
 - (6) Failure to report an increase of cumulative family income of \$200 per month or more, employment, or identity of household members, at the appropriate time, or failure to provide any other information required by this Lease Agreement at the appropriate time.
 - (7) Intentional misrepresentation of any material fact, including family income or composition, in the application for housing, or in any statements submitted to the Landlord.
 - (8) Keeping an animal or other pet in or on the premises in violation of Paragraph 14m.
 - (9) For non PHA-Assisted units, such change in household size or composition as to render inappropriate the Tenant's continued occupancy of the Unit.

- (10) Serious or repeated violation of any of the rules or regulations applicable to the Tenant's dwelling Unit or the premises as posted and in effect from time to time.
- (11) Any criminal activity engaged in by Tenant, a household member or guest that threatens the health, safety or right to peaceful enjoyment of the premises by other tenants or the Landlord's employees, including any drug-related criminal activity on or off the premises. Any criminal activity engaged in by a person under the Tenants control that threatens the health, safety or right to peaceful enjoyment of the premises by other tenants or the Landlord's employees, including any drug-related criminal activity on the premises. Notwithstanding, an incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as a serious or repeated violation of the lease by the victim or threatened victim of that violence and will not be considered good cause for terminating the tenancy or occupancy rights of the victim of such violence.
- (12) Failure to continually meet, or failure to meet after 12 months of being engaged in activities to meet, the property specific requirements listed in sections 3.2 A 1, 6, and 7 of the Admissions and Continued Occupancy Policy with the following exceptions:

If the Tenant has been conditionally admitted because the Management Agent has determined that the Tenant is engaged in activities to meet the Property Specific Requirements pursuant to the ACOP, the Tenant and the Management Agent have memorialized in writing the conditions the Tenant is currently satisfying and must continue to satisfy to show that he or she is engaged in activities to meet the Property Specific Requirements (the "Compliance Plan"). The Compliance Plan shall be attached hereto and made a part of the Lease. The tenant is obligated to use best efforts to comply with the Compliance Plan throughout the first 12 months of conditional tenancy; however, an otherwise lease-compliant tenant will not be terminated during the first year of occupancy for failure to comply with the conditions of the Compliance Plan.

If the tenant or co-head is engaged in activities to meet the Property Specific Requirements in Section 3.2 A 1 of the ACOP but at the start of his/her first year's recertification/lease renewal is not yet employed a minimum of 30 hours a week, such tenant may continue to reside at the development if all members of the household 18 years of age or older, other than the Tenant head or co-head, continue to meet the 30 hours of weekly activity described in Section 3.2 A 1 and the Tenant head or co-head of household can prove to the satisfaction of management that:

- The head or co-head of household is enrolled full-time and is regularly attending a secondary or post-secondary educational program and shows progress in completion of the program. (Passing grades, completion of additional credits in the program, etc. constitute progress.) Additionally, the educational program must be one that, in the determination of management, will lead to fulfillment of the 30 hour employment criterion at its completion, or
- The head or co-head of household is employed for some period of time less than 30 hours a week but is also engaged in one or a combination of the following activities: enrollment and regular attendance in an economic self-sufficiency program, part-time enrollment and regular attendance in a secondary or post-

secondary educational program, participation in a verified active job search or job counseling, enrollment and regular attendance in a basic skills training program, or engagement in verifiable community or volunteer work that, together with the employment, equal not less than 30 hours a week, or

- The head or co-head of household is neither enrolled full-time in a secondary or post-secondary educational program nor is employed but is engaged for a minimum of 30 hours a week in a Service Plan for Self-Sufficiency, which consists of one or a combination of the following activities: enrollment and regular attendance in an economic self-sufficiency program, part-time enrollment and regular attendance in a secondary or post secondary educational program, participation in a verified active job search or job counseling, enrollment and regular attendance in a basic skills training program, or engagement in verifiable community or volunteer work. It is the purpose of the head or co-head of household's participation in this plan to develop employment skills and history that will enable the head or co-head of household to move toward economic self-sufficiency. The head or co-head of household will develop the Service Plan for Self-Sufficiency in cooperation with the local Service Provider and failure to follow the requirements of the Service Plan for Self-Sufficiency will constitute grounds for transfer from the development.

Residents protected under the Relocation Rights Contract (defined in Rider A to the Lease Agreement) have additional rights that are outlined in Section 12 of Rider A to the Lease Agreement.

- d. The Landlord shall give written notice of termination of this Lease Agreement as may be provided by any Federal, State or local law and as explained in Section 19 below.
- e. The notice of Lease Agreement termination to the Tenant shall state specific grounds for termination, and shall inform the Tenant of the Tenant's right to make such reply as the Tenant may wish or to discuss the proposed termination with the Landlord.

19 **NOTICE:**

- a. Except as provided in Paragraph 17, and Paragraph 19(c) below, notice to the Tenant shall be in writing and delivered to the Tenant or to an adult member of the tenant's household residing in the dwelling or sent by prepaid first-class mail, properly addressed to the Tenant. If the tenant is visually impaired, all notices must be in an accessible format.
- b. Notice to the Landlord shall be in writing, delivered to the Landlord's office or sent by prepaid first-class mail, properly addressed to the Landlord's office.
- c. Any notice to terminate tenancy must be served by delivering a written or printed, or partly written and printed, copy thereof to the tenant, or by leaving the same with some person of the age of 13 years or upwards, residing on or in possession of the premises; or by sending a copy of the notice to the tenant by certified or registered mail, with a returned receipt from the addressee; and in case no one is in the actual possession of the premises, then by posting the same on the premises.

20 **REMOVAL OF TENANT'S PERSONAL PROPERTY ON TERMINATION:**

Tenant agrees to remove all furniture and other personal property from the premises immediately upon the termination of this Lease Agreement and, if applicable, any court case where Tenant loses possession of the unit. Any property left on the premises once Tenant relinquishes possession of the unit will be deemed abandoned and will be disposed of by Landlord as allowed by section 5-10-130 (e) and (f) of the Residential Landlord and Tenant Ordinance.

21 **ABANDONMENT OF PROPERTY:**

If Tenant and all other persons entitled under this rental agreement to occupy the unit are absent from the Unit, without notice, for thirty-two (32) days and rent for that period is unpaid, Landlord has the right to consider that the Tenant has abandoned the Unit. Any of Tenant's remaining personal property shall be considered abandoned and disposed of by Landlord as allowed by section 5-10-130 (e) and (f) of the Residential Landlord and Tenant Ordinance.

22 **CUMULATIVE RIGHTS:**

Each and every one of the rights and remedies of Landlord and Resident are cumulative and the exercise of any right or remedy does not waive its other rights under the Lease Agreement or the law. The failure to exercise any right or remedy under the Lease Agreement or law shall not be a waiver thereof, but may be exercised later.

23 **CHANGES TO DWELLING LEASE AGREEMENT:**

- a. Schedules of Charges, Pet Policy and other policies and addenda which are incorporated in the Lease Agreement by reference will be publicly posted in a conspicuous manner in the Management Office and shall be furnished to Tenant upon request. Landlord may amend such schedules, rules, policies, etc. at any time, provided that Landlord shall give at least a 30-day written notice to each affected tenant setting forth the proposed policy or addendums and the reasons therefore, and providing the Tenant an opportunity to present written comments which shall be taken into consideration by Landlord prior to the adoption of the proposed policy or addendum. A copy of such notice shall be: (a) delivered directly or mailed to each tenant; or (b) Posted in at least three (3) conspicuous places within the development and affected buildings as well as in a conspicuous place in the Management office.
- b. This Lease Agreement evidences the entire agreement between Landlord and Tenant. No modifications shall be made during the term of this Lease Agreement except in writing and signed by both parties to the Lease Agreement.
- c. The Landlord may amend the form or content of this Lease Agreement in order to reflect changes in the Public Requirements or otherwise; provided, that no amendment to this Lease Agreement shall be effective except upon the commencement of a new term, after at least 60 days' written notice to the Tenant. Public Housing Residents shall be provided an opportunity to present written comments which shall be taken into consideration by Landlord prior to the adoption of the proposed policy or addendum. A copy of such notice shall be: (a) delivered directly or mailed to each tenant; or (b) Posted in at least three (3) conspicuous places within the development and affected buildings as well as in a conspicuous place in the Management office as required by 24 C.F.R. 966.5. The Landlord may require the Tenant to sign a document agreeing to the amendment and may treat the failure to do so as a material lease violation and grounds for eviction. Regardless of whether the Tenant is asked to or does sign any amendment, Tenant agrees to be bound by any such amendment following the effective date of the end of the 30 day comment period, or to quit and vacate.

24 **ACCOMMODATION OF PERSONS WITH DISABILITIES:**

A person with disabilities shall for all purposes under this Lease Agreement be provided reasonable accommodation to the extent necessary to provide the person with an opportunity to use and occupy the Unit in a manner equal to that of a person without disabilities. This paragraph shall constitute notice, as required by 24 CFR sec. 966.7(b), that the Tenant may at any time during the term hereof or any renewal request reasonable accommodation of a disability of a household member, including reasonable accommodation so that the Tenant can meet lease requirements or other requirements of tenancy.

25 **CONTENTS OF THIS AGREEMENT:**

This Lease Agreement and its attachments make up the entire Lease Agreement between the Tenant and the Landlord regarding the Unit. If any Court declares a particular provision of this Lease Agreement to be invalid or illegal, all other terms of this Lease Agreement will remain in effect and both the Landlord and the Tenant will continue to be bound by them. This Lease Agreement shall be deemed to include all provisions of federal or state law or local law which are required to be included herein and which provide the Tenant with rights or with notice thereof, provided that Landlord in fact provides to Tenant, in a separate notice or document, the notice or rights that are required to be provided.

26 **ATTACHMENTS TO THE AGREEMENT:**

The Tenant certifies that he/she has received a copy of this Lease Agreement and the following attachments to this Lease Agreement and understands that these Attachments are part of this Lease Agreement.

- a. Attachment No. 1 - Form HUD-50058, Certification or Recertification of Resident Eligibility, or Tenant Income Certification (TIC) form.
- b. Attachment No. 2 - Initial Unit Inspection Report
- c. Attachment No. 3 - House Rules
- d. Attachment No. 4 - Chicago Landlord Tenant Ordinance Summary

SIGNED:

TENANT:

LANDLORD:

Signature

By:

Date

Date

Signature

Date

DRAFT

Rider A to Lease Agreement
Provisions Relating to PHA-Assisted Units

The rental community in which the Unit is located has received certain assistance from the Chicago Housing Authority (“PHA”) and the Unit is deemed a “PHA-Assisted Unit” under the Regulatory and Operating Agreement governing the community. As a result, the Lease is amended by the following provisions, which supersede any contrary provisions of the main text of the Lease.

1 **LEASE TERM AND RENEWALS.** The Lease Agreement shall be automatically renewed for successive terms of one year, unless:

- a. Tenant has given Landlord 30 days written notice that Tenant does not wish to renew the Lease and vacates the Unit by or at the end of the term;
- b. Tenant or another household member has failed to comply with Community Service Requirements set forth in Sections 11 and 12 of this Rider; or
- c. Tenant or another household member has seriously or repeatedly violated any material term of this Lease Agreement and Landlord has terminated the Lease Agreement in accordance with its terms.

2 **CHARGES.** Any charges referred to in the Lease, including the charges referred to in paragraphs 5 and 10, are not rent and are not due and collectible until fourteen days after the Landlord gives the Tenant written notice of the charges.

3 **ADVERSE ACTIONS; GRIEVANCE PROCEDURE:**

- a. Landlord will notify the tenant of the specific grounds for any proposed adverse action by the Landlord.
- b. All disputes concerning the obligations of the Tenant or the Landlord under this Lease Agreement other than those involving termination of tenancy for (i) criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises of other tenants, the Landlord’s employees, or persons in the immediate vicinity, or (ii) drug-related criminal activities on or off the premises, or (iii) any activity resulting in a felony conviction, shall be processed and resolved pursuant to the Grievance Procedure of the Landlord which is in effect at the time such grievance or appeal arises, and which procedure is posted in the Management Office and incorporated herein by reference. A copy of the Grievance Procedure is provided as an attachment to this Rider. These procedures shall comply with 24 C.F.R. § 966, subpart B.
- c. Before beginning the Grievance Procedure for any grievance involving the amount of rent due, the Tenant must pay the amount of rent due to an escrow account according to the terms of the grievance procedure. Landlord shall waive the requirement for an escrow deposit where required because of a financial hardship exemption or the effect of welfare benefits reduction and will allow the resident to present evidence of a financial hardship or welfare benefits reduction before any grievance is heard provided the presentation does not delay the grievance process. Unless the Landlord waives the escrow requirement because of the Tenant’s financial hardship, the Tenant’s failure to make a payment to the escrow account will terminate the Grievance Procedure.

4 **REPAIRS**

In the event repairs are not made in accordance with paragraph 10(b) of the Lease or alternate accommodations are not provided in accordance with paragraph 10(c) of the Lease, rent shall be abated in proportion to the seriousness of the damage and loss suffered by the Tenant, provided, however, that no abatement of rent shall occur if the Tenant rejects the alternative accommodation or if the damage was caused by the Tenant, the Tenant's household, guests, pets/animals, or person under the Tenant's control.

5 **TRANSFERS**

If the Landlord determines in accordance with Public Housing Requirements that the size of the dwelling Unit is no longer appropriate to the Tenant's needs, and a unit of the appropriate size is available, the Tenant shall be offered said unit and shall move within 30 days unless otherwise authorized by the Landlord. If the Tenant fails to accept the proffered unit, the Landlord may terminate this Lease Agreement. The Tenant shall not be required to move in cases of verified hardship due to employment or health reasons.

In addition, the following transfers shall be available:

- (a) Emergency transfers. These are transfers that are implemented when the unit or building conditions pose an immediate threat to the Tenant's life, health, or safety as determined either by Management or in a legal proceeding (examples: fire, flood, lack of heat). The Tenant may request such a transfer if the Tenant can document such conditions. The Tenant shall receive prior written notice, to the extent practicable for such transfers. However, Management will not provide prior written notice in situations where Management has little or no warning of the condition or situation that results in an emergency.
- (b) Administrative transfers: These are transfers for over/under crowding or to make reasonable accommodations. They are also transfers to respond to threats of a life threatening nature, threat of attack by criminal elements, documented domestic violence, and witness protection orders. Residents shall receive reasonable notice of such moves. Residents may request administrative transfers pursuant to the ACOP section 4.4 (A).

6 **REDETERMINATION OF ELIGIBILITY, RENT AND DWELLING:**

At least once each year, and at other times as described below, Landlord will determine whether Tenant's rental rate should be changed, whether the dwelling unit size is still appropriate for the size and/or composition of the Tenant's household, and whether the Tenant is eligible for continued occupancy, all in accordance with policies which are consistent with the Public Requirements and which are available at the Management Office. The policies are as follows:

- a. Regularly Scheduled Recertifications: Each year, approximately 120 days before the anniversary date of this Lease Agreement, the Landlord will request the Tenant to report the income and composition of the Tenant's household and to supply any other information required by the Public Housing Requirements for the purpose of determining the Tenant's rent and eligibility. The Tenant agrees to provide accurate statements of this information and to do so by the date specified in the Landlord's request. The Landlord will verify the information supplied by the Tenant

through third-party written verification and use the verified information to recompute the amount of the Tenant's rent.

b. Reporting Changes Between Regularly Scheduled Recertifications:

- (1) If any of the following changes occur, the tenant agrees to advise the Landlord within ten days of its occurrence:
 - (a) Any household member moves in or moves out of the Unit.
 - (b) Any adult member of the household who was reported as unemployed on the most recent certification or recertification obtains employment.
 - (c) The household's monthly income increases by \$200 or more.
- (2) The Tenant may at any time report any decrease in income or any change in other factors considered in calculating the Tenant's rent and the Landlord will process an interim adjustment.

c. Failure by a Tenant to truthfully supply the recertification information as and when required by this Lease Agreement or as requested by Landlord, to report any increases in household income during a scheduled rent and income review or to appear for scheduled rent and income reviews will be considered a material violation of the Lease Agreement, may lead to eviction, and will result in any rent increase being effective retroactive to the time the increase would have been made without the provisions of the 30-day notice as otherwise required. The Tenant agrees to reimburse the Landlord for the difference between the rent he/she should have paid and the rent he/she was charged.

d. The Tenant may request to meet with the Landlord to discuss any change in rent or assistance payment resulting from the recertification processing. If the Tenant requests such a meeting, the Landlord agrees to meet with the Tenant and discuss how the Tenant's rent was computed.

e. In the event of any rent adjustment pursuant to the above, the Landlord will mail or deliver a "Notice of Rent" to the Tenant in accordance with Section 19 hereof. In case of a rent decrease, the adjustment will become effective the first of the month following the change in circumstances, provided that the Tenant has timely reported such change. In the case of a rent increase, the adjustment will become effective the first of the next month at least 30 days after delivery of notice to Tenant concerning the change (unless the rent increase is the result of a change in household composition or income which is not reported within 10 days or results from finding of a misrepresentation as provided above).

7 **FLAT RENT.** Instead of an income-based rent, Tenant may choose for each year to pay a "Flat Rent" which is equal to the maximum rent for Tenant's unit under the Low Income Housing Tax Credit Program. On Tenant's request, Landlord will provide sufficient information for an informed choice by Tenant. Tenant may switch from a flat rent to an income-based rent during a lease year only in the event of financial hardship, as determined in accordance with written policies of the PHA.

8 **LEASE TERMINATION**

- a. The Landlord shall give written notice of termination of this Lease Agreement of, at a minimum:
- (1) 14 calendar days in the case of failure to pay rent.
 - (2) A reasonable time commensurate with the exigencies of the situation (no less than 10 days but not to exceed 30 calendar days) in the case of creation or maintenance of a threat to the health or safety of other tenants, the Landlord's employees, or persons residing in the immediate vicinity of the premises, or in the case of any drug-related or violent criminal activity or any felony conviction.
 - (3) 30 calendar days in all other cases, or such shorter period of time as may be provided by any State or local law.
- b. The notice of Lease Agreement termination to the Tenant shall state specific grounds for termination, and shall inform the Tenant of the Tenant's right to make such reply as the Tenant may wish or to discuss the proposed termination with the Landlord. The notice shall also inform the Tenant of the right to examine Landlord's documents directly relevant to the termination or eviction. When the Landlord is required to afford the Tenant the opportunity for a grievance hearing, the notice shall also inform the Tenant of the Tenant's right to request a hearing in accordance with the Landlord's grievance procedure.
- c. A notice to vacate, which is required by State or local law, may be combined with or run concurrently with a notice of Lease Agreement termination.
- d. When the Landlord is required to afford the Tenant the opportunity for hearing under the Landlord's grievance procedure for a grievance concerning the Lease Agreement termination, the tenancy shall not terminate (even if any notice to vacate under State or local law has expired) until the time for the Tenant to request a grievance hearing has expired, and (if a hearing was timely requested by the Tenant) the grievance process has been completed.
- e. When the Landlord is not required to afford the tenant the opportunity for a hearing under the administrative grievance procedure for a grievance concerning the Lease Agreement termination, and the Landlord has decided to exclude such grievance from the grievance procedure, the notice of Lease Agreement termination shall:
- (1) State that the Tenant is not entitled to a grievance hearing on the termination.
 - (2) Specify the judicial eviction procedure to be used by the Landlord for eviction procedure, and state that HUD has determined that this procedure provides the opportunity for a hearing in court that contains the basic elements of due process as defined in HUD regulations.
 - (3) State whether the eviction is for a criminal activity or for drug-related criminal activity as described in HUD regulations.
- f. In deciding to evict for criminal activity, the Landlord shall have discretion to consider all of the circumstances of the case, including the seriousness of the offense, the alleged offender's participation in any drug treatment or rehab program, the extent of participation by family members, the effects that the eviction would have on family members not involved in the proscribed activity, and the extent to which the Leaseholder is involved in the development community. In appropriate cases, the Landlord may impose a condition that family members who engaged in the proscribed activity will not reside in the Unit.

- g. The Landlord shall provide the Tenant a reasonable opportunity to examine, at the Tenant's request, before a grievance panel or court trial concerning a termination of tenancy or eviction, any documents, records and regulations which are in the possession of Landlord, and which are directly relevant to the termination of tenancy or eviction. The Tenant shall be allowed to copy any such documents, records and regulations at the Tenant's expense. A notice of Lease Agreement termination shall inform the Tenant of the Tenant's right to examine Landlord's documents, records and regulations concerning such termination of tenancy or eviction.

9 **TERMINATION FOR CRIMINAL CONDUCT**

- a. The Landlord endorses and enforces the "Termination for Criminal Conduct" policy which provides for zero tolerance of illegal drug use and criminal activity by residents, their households and their guests. It is an express condition of this Lease Agreement that the Tenant, household members and invited guests will refrain from criminal activity as defined below, including illegal drug use. Failure to meet this obligation is a violation of this Lease Agreement and cause for immediate eviction where permitted by state law, even if it is a first offense and even if no household members are aware of the activity.

Notices of termination of tenancy delivered pursuant to this Section 9(a) shall include a statement that the Tenant shall have 10 days from and after the date of such notice delivery to meet with the Landlord to discuss the proposed termination and present any defenses or mitigating circumstances. If the Tenant timely requests such a meeting with the Landlord, the Landlord will schedule a meeting with the Tenant, which shall occur within 10 days of the request. The Landlord will not file suit against the Tenant to terminate the Lease until after the date of the meeting. At this meeting, the Landlord will consider any mitigating circumstances such as the seriousness of the crime, the extent of participation in the crime by the Tenant, the Tenant's involvement in the development community and any other relevant information. In appropriate cases, the Landlord may, in the Landlord's sole discretion, agree to some lesser remedy such as partial eviction (less than all household members), there shall be no waiver of the terms and conditions of this Lease Agreement or of the Landlord's right to enforce such terms on a different occasion.

- b. The following activities are covered by this section:
 - (1) criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents, employees of the Agent, or persons residing in the immediate vicinity of the premises, or any drug-related criminal activity on or off such premises, engaged in by a Tenant or any member of the Tenant's household or guest. (Drug-related criminal activity means the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute, or use of, a controlled substance); or criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents, employees of the Agent, or persons residing in the immediate vicinity of the premises, or any drug-related criminal activity on such premises, engaged in by any other person under the Resident's control;
 - (2) any occupancy in violation of section 576(b) of the Quality Housing and Work Responsibility Act of 1998 (relating to the ineligibility for admission of illegal drug users and alcohol abusers), or the furnishing of any false or misleading information pursuant to section 577 of such Act;

- (3) any illegal use of a controlled substance by a Tenant or household member;
 - (4) any abuse (or pattern of abuse) of alcohol, by a Tenant or household member, where such use of abuse interferes with the health, safety or right to peaceful enjoyment of the premises by other residents;
 - (5) if a Tenant or household member is fleeing to avoid prosecution, or custody or confinement after eviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under laws of the place from which the individual flees,;
 - (6) if a Tenant or household member is violating a condition of probation or parole imposed under Federal or State law;
 - (7) if a Tenant or household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing;
 - (8) if the Tenant or household member is convicted of a crime that subjects them to a lifetime or any registration requirement under a state sex offender registration program, including the 10 year Illinois State Sex Offender Registration Act.
- c. It is the ordinary policy of the Agent, consistent with the policy of HUD and PHA, but subject always to any restrictions on this policy imposed by state law, to evict any Tenant and his/her household for any violation covered by this section, regardless of whether every household member took part in or was aware of the activity and regardless of any other circumstance which might be deemed extenuating. The protection of the entire community is of paramount importance.

10 **PRESERVATION OR TRANSFORMATION OF PUBLIC HOUSING:**

- a. The Landlord's operation of all PHA-Assisted Units, including the Unit, is supported in part by operating subsidies which the PHA is contractually obligated to pay to Landlord. The PHA in turn receives from HUD operating assistance which it uses to pay such operating subsidies. Rent paid by Tenant under the Lease Agreement may be less than the cost of operation of the Unit. If, as a result of a reduction in Congressional appropriations or any other change in applicable law, the PHA is unable to meet its contractual obligation to pay Landlord operating subsidies with respect to all PHA-Assisted Units, the Landlord may be legally permitted under Section 35 of the United States Housing Act of 1937 (the "Act") to deviate, under certain conditions, from the otherwise applicable restrictions under the Act regarding rents, income eligibility, and other areas of public housing management.
- b. Notwithstanding any other provisions of the Lease Agreement, under such circumstances, subject to the limitations described in Section 35 of the Act or any successor provision and in accordance with any implementing HUD regulations, including without restriction any consultation or notice provision contained therein, the Landlord, subject to regulations to be developed by the Secretary of HUD, may take reasonable steps to put the project on a sound financial footing. It is not yet known what procedures and requirements the Secretary of HUD will develop for such deviations, but they may include such actions as increasing the rent up to market levels, upon such notice to the Tenant as is required under state and/or federal law. The Tenant agrees that he/she will take such actions as the Landlord requires of him/her in compliance with Section 35 of the Act or any successor, upon due notice.

c. In the event the Landlord and the PHA enter into a Preservation and Transformation Plan with HUD approval concerning the order and nature of actions the Landlord may take under Section 35 of the Act, the Landlord will comply with such plan in exercising its rights under this section.

11 **COMMUNITY SERVICE REQUIREMENT**

a. Each adult Tenant shall comply with the Community Service Requirements set forth in Section 12(c) of the Housing Act of 1937, as it may be required by HUD. Generally, these requirements require all adult residents who are not employed, elderly, or disabled, or otherwise exempted to contribute 8 hours per month of community service, or participate in an economic self-sufficiency program for 8 hours per month. To the extent permitted by applicable law, any tenant who meets the definition of "engaged in activities to meet" the employment criteria as explained in both Section 12 below and in Section 3.2 of the Admissions and Continuing Occupancy Policy (ACOP) will be deemed to meet the Community Service Requirements. Any tenant who meets the employment criteria will be exempt from the Community Service Requirements.

b. Landlord will advise Tenant as to the Community Service Requirements.

c. Thirty days before the expiration of the term of this Lease Agreement and each renewal thereof, Landlord will review and determine the Tenant's compliance with the Community Service Requirements. If the Landlord determines the Tenant has not complied with such requirements, the Landlord will notify the Tenant of the noncompliance; that the finding of noncompliance is subject to administrative grievance procedures; and that unless the Tenant enters into an agreement curing such noncompliance in accordance with Public Requirements, this Lease Agreement will not be renewed and the Tenant will be evicted.

12 **PROPERTY SPECIFIC REQUIREMENTS.**

In addition to the rights and responsibilities listed in Section 18 (c)(13) of the Lease Agreement, Residents protected under the CHA Leaseholder Housing Choice and Relocation Rights Contract 10/1/99 or the CHA Relocation Rights Contract for Families with Occupancy after 10/1/99 (the "Relocation Rights Contract") are subject to the following provisions: Tenant has been conditionally accepted for occupancy because Tenant was compliant with Tenant's prior lease at the time of application and admission and provided evidence sufficient in the Management Agent's discretion that the Tenant either met the Property Specific Requirements or is engaged in activities to meet the Property Specific Requirements, as permitted under Section 3.2 of the Admissions and Continued Occupancy Policy (ACOP).

If the Tenant is engaged in activities to meet the Property Specific Requirements other than those in Section 3.2 A 1 of the ACOP, and, if at the start of his/her first year's re-certification process the Tenant does not meet such Property Specific Requirements, the Management Agent will notify the Chicago Housing Authority ("CHA") to begin looking for a unit for the resident at a property where the Tenant satisfies the occupancy criteria. If the Tenant does not meet the Property Specific Requirements (other than those in Section 3.2 A 1 of the ACOP) within one year of Tenant's move-in date at annual recertification, the Management Agent shall notify the CHA, and CHA shall transfer the Tenant to a unit outside the Development or provide the Tenant with a Section 8 Housing Choice Voucher, in accordance with the Relocation Rights Contract. If Tenant refuses to accept the transfer to a unit outside the Development or the Section 8 Housing Choice Voucher, the Management Agent may terminate the tenancy.

If the Tenant or co-head of household is not continually employed a minimum of 30 hours a week, and fails to satisfy the exceptions described in Section 18(c)(13) of the Lease Agreement, the Management Agent shall notify the CHA, and CHA shall transfer the Tenant to a unit outside the Development or provide the

Tenant with a Section 8 Housing Choice Voucher, in accordance with the Relocation Rights Contract. If Tenant refuses to accept the transfer to a unit outside the Development or the Section 8 Housing Choice Voucher, the Management Agent may terminate the tenancy.

13. ATTACHMENTS TO THE AGREEMENT:

The Tenant certifies that he/she has received a copy of this Rider A to the Lease Agreement and the following attachments to this Rider and understands that these Attachments are part of this Lease Agreement.

- a. Attachment 1.....Grievance Policy

SIGNED:

TENANT:

LANDLORD:

Signature

By:

Date

Date

Signature

Date

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1.0 PURPOSE

This Policy governs admission and occupancy of units at the former Maplewood Courts housing development, herein after referred to as “City Gardens” in the City of Chicago. City Gardens is a mixed income community consisting of 76 apartments. There will be 55 low-income tax credit units LIHTC Units, 25 of which will receive public housing assistance (“PHA-Assisted Units”), and 21 market rate units (“Market Rate Units” and together with the LIHTC Units and the PHA-Assisted Units, the “units” and each “unit”).

This policy is subject to the United States Housing Act of 1937, as amended, Title VI of the Civil Rights Act of 1964, and all other civil rights requirements, regulations promulgated by the U.S. Department of Housing and Urban Development (“HUD”), Annual Contributions Contract (“ACC”), Regulatory and Operating Agreement, Section 42 of the Internal Revenue Code of 1986, and state and local laws, the CHA Leaseholder Housing Choice and Relocation Right’s Contract (hereinafter “RRC”) and CHA Relocation Rights Contract for Families with Initial Occupancy After 10/01/1999. Applicants for occupancy of units (referred to herein as “Applicants” or an “Applicant”) who are governed by the Relocation Rights Contract (as defined in that contract) will be referred to as “RRC Applicants”.

The Agent will not discriminate on the basis of race, color, creed, national origin, religion, age, (when age eligibility is not a factor), sex, disability, sexual orientation (including gender identity), order of protection status, military discharge status, source of income status, or familial status in any phase of the occupancy process. The occupancy process includes, but is not necessarily limited to, application processing, leasing, transfers, access to management and services, access to common facilities, treatment of residents and termination of occupancy.

2.0 DEFINITIONS

Definitions are identified in appendix A.

NOTE: Definitions may be modified from time to time because of issuance of Federal, State or local regulations.

3.0 DETERMINATION OF ELIGIBILITY AND SUITABILITY

Prior to the execution of any lease between the Agent and the Applicant, the Agent will certify in writing that the family meets, or, in the case of an RRC Applicant, is engaged in activities to meet, all conditions governing eligibility and suitability. The specific requirements for eligibility and suitability are critical to the success of the property and are outlined below.

3.1 Eligibility for Admission

Eligibility for PHA-Assisted Units:

- A. Applicant must qualify as a “family” as defined in Appendix A;
- B. All of the PHA-Assisted Units are also LIHTC Units. As such, they are regulated by Tax Credit Requirements and must also meet the eligibility requirements for LIHTC Units listed below.

Eligibility for LIHTC Units:

- A. **Income.** The income limits used by the Agent for admission are established by HUD and usually change on an annual basis. In no case will an Applicant be admitted to a LIHTC Unit if the Applicant family’s income exceeds the LIHTC income limits. Additionally, an Applicant must earn enough gross income to satisfy Agent of an ability to pay the rental amount. Generally, except for persons who are using a housing choice voucher to rent units or Applicants for PHA-Assisted Units, each Applicant must earn at least 3 times the rental amount. The Agent, based on market conditions, may adjust this amount from time to time.
- B. **Students.** Applicants whose household, in its entirety, consists of full-time students any of whom do not meet one of the exemptions listed below will not be considered eligible for housing. For the purposes of Section 42 of the Internal Revenue Code, a full-time student is one who attends, or plans to attend during the next twelve months, an educational organization which normally maintains a regular facility and curriculum for a minimum of five months per calendar year and is considered a full-time student by the institution.

Exemptions Include:

- 1) Any one of the students filing a joint federal income tax return. A copy of the joint federal tax return must be included in the Applicant's file;
- 2) A household consisting of a single parent (with custody) and a school age child or children, both of whom are not dependents of a third party;
- 3) A household receiving assistance under Title IV of the Social Security Act;
- 4) A student who was previously under the care and placement of the State agency responsible for administering a plan under part B or part E of Title IV of the Social Security Act;
- 5) A household receiving Temporary Assistance for Needy Families; or
- 6) A member of the household enrolled in and receiving assistance under the Job Training Partnership Act or similar governmental job training program.

Eligibility for Market Rate Units:

Applicant must earn enough gross income to satisfy Agent of an ability to pay the unrestricted rental amount. Generally, except for persons who are using a housing choice voucher to rent the unit, the Applicant must earn at least 3 times the rental amount. The Agent based on market conditions may adjust this amount from time to time.

3.2 Screening, Verification, Selection of Applicants

A. Screening (Property Specific Requirements)

Eligible Applicants will be screened, and those who meet the screening criteria will be considered suitable for housing. In the effort to determine which Applicants meet the screening criteria, the Agent shall work closely with the Applicants to ensure they receive complete information on the history the Applicant has on each of the screening criteria. The Agent shall consider all information received

prior to making a determination on the eligibility of each Applicant.

If a determination has been made that the Applicant is eligible and satisfies all requirements for admission, the Applicant shall be notified of the approximate date of occupancy insofar as that date can be reasonably determined.

The Agent shall not deny admissions to any Applicant on the basis that the Applicant is or has been a victim of domestic violence, dating violence or stalking, if the Applicant otherwise qualifies for assistance or admissions, and nothing in this section shall be construed to supersede any provisions of Federal, state or local law that provide greater protection for victims of domestic violence, dating violence or stalking.

The following property specific requirements apply for initial determination of suitability. Property specific requirements for continued occupancy are discussed under section 5.0 "Continued Occupancy".

1. Employment.

Applicants who are employed a minimum of 30 hours per week shall meet the employment requirement. An Applicant means Head of Household or coHead of Household. Additionally, all family members ages 18-61, other than the employed head or co-Head of Household, must be working 30 hours per week, be enrolled full-time and regularly attending secondary or post secondary education program or involved in at least 30 hours per week of any combination of (1) employment; (2) enrollment in and regular attendance in an economic self-sufficiency program; (3) enrollment in and regular attendance in a regular program of education including GED classes, secondary or post-secondary education, or English proficiency or literacy classes; and (4) a verifiable employment search or employment counseling.

Notwithstanding the foregoing, a member of a household shall not be required to comply with the employment requirements when such member of the household is: (a) age 62 or older; (b) blind or

disabled as defined under 42 U.S.C. 416(i)(1) or 42 U.S.C. 1382c and provides third party verification of same; (c) the primary caretaker of such a blind or disabled individual; (d) the primary caretaker of a minor and there is at least one additional adult member of the household who is employed at least 30 hours per week; or (e) retired and receiving a pension.

2. Criminal Background Screening.

- a. The Agent shall prohibit admission of Applicant families with members:
 - i. Who were evicted from federally assisted housing for drug related criminal activity for three years following the date of eviction unless:
 - 1. The family can demonstrate that the person who engaged in the drug related activity has been rehabilitated;
 - 2. The circumstances leading to the eviction no longer exist; or
 - 3. The alleged perpetrator is no longer a member of the household; or
 - ii. Who are currently engaging in illegal use of a drug; or
 - iii. If the Agent has reasonable cause to believe that a household member's illegal use or pattern of illegal use of a drug may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents; or
 - iv. Who are subject to a lifetime registration or any registration requirement under a sex offender program, including a 10 year registration requirement under the Illinois Sex Offender Statute; or
 - v. If the Agent has reasonable cause to believe that a household member's abuse of alcohol or pattern of abuse of alcohol may threaten the health, safety or right to

peaceful enjoyment of the premises by other residents; or

vi. Who have ever been convicted of arson; or

vii. Who have ever been convicted of manufacture or production of methamphetamine on the premises of federally assisted housing or any premises.

b. The Agent may prohibit admission of Applicant families with members:

i. Who have any history of criminal activity, including arrest or conviction, in the past ten years involving violence to a person; or

ii. Who, in the past five years, have any history of arrest or conviction involving drug activity, violence to a person, theft, illegal use or possession of a weapon, or damage to property; or any pattern of such activity in the past 10 years.

c. In the event of receipt of unfavorable information regarding conduct of the Applicant, the Owner shall give consideration to mitigating circumstances as outlined in section 3.2 D below.

3. Drug Screening

As a condition of application approval, all Applicants 18 years of age and older must submit to and pass a drug screening test. To pass, Applicants must be found to have no traces of illegal drug use.

4. Credit History

Applicants who are current in their rent and utilities or are currently up to date on any payment plan for outstanding rent or utilities, have no record of

having filed for bankruptcy within the last three (3) years and have no more than four (4) outstanding obligations over 90 days past due, exclusive of medical related charges and student loans (and excluding those obligations where an Applicant is current in a payment plan) shall meet the credit history requirement, provided that a credit history covering the last 5 years will be used to conduct an overall review of an Applicant's credit and current ability to pay rent. Telephone bills, cable bills and retail credit card accounts for \$300 or less will not be counted. Applicants whose bankruptcy filing date is within the last three (3) years will receive further consideration in the case of mitigating circumstances such as excessive medical bills, loss of employment for an extended period, student loans, divorce and consideration for bankruptcies where bankruptcy debts do not include rental and utility payments. Such a review includes consideration of payment history, landlord judgments, consumer debt, and prior debts owed to public housing programs.

5. Landlord Reference

Applicants who, during their tenancy with their current landlord or the landlord immediately preceding their current landlord, have no history of rent delinquencies, conflict with other residents, damage to property, violations of lease provisions, or complaints in Landlord/Tenant court shall meet the landlord reference screening requirement.

6. Childcare

Applicants who can demonstrate their school-aged children attend school regularly and that there is adequate supervision of children under the age of 13 when school is not in session shall meet the childcare screening requirement. If a child legally withdraws from school, that child must be engaged in at least 30 hours per week of any combination of (1) employment; (2) enrollment in and regular attendance in an economic self-sufficiency program; (3) enrollment in and regular attendance in a program of education such as GED classes,

English proficiency or literacy classes; and (4) a verifiable employment search or employment counseling.

7. Housekeeping Habits

Applicants must pass a housekeeping inspection. If an inspection conducted reveals no signs of poor health habits, physical abuse of the facilities, negligent dependent care, unauthorized occupants, or habits that could be detrimental to the property or other residents such as poor care of appliances, plumbing fixtures, etc at their current residence, that Applicant shall meet the housekeeping habit screening requirement.

The housekeeping inspection will look for poor housekeeping habits that could lead to an unhealthy environment for the Applicant and other residents , for example: food left open or out; dirty dishes left unattended; dirty floors and/or fixtures; excessive dirt and/or grease on stove; mold and/or mildew build up in kitchen or bathroom; excessive dirt on floors, walls, ceilings, cabinets or doors; excessive clothing or belongings strewn about in a disorderly fashion.

B. Engaged in Activities to Meet Property Specific Requirements.

Those RRC Applicant families who do not meet the screening criteria may be considered suitable for housing after the processing of all Priority 1 RRC Applicants (as defined in the RRC) who meet the property specific requirements, if they are determined to be engaged in activities to meet the property specific requirements or if they can demonstrate the circumstances set forth below.

The Agent will promptly notify Applicant families that they have been determined to be engaged in activities to meet property specific requirements (such Applicants are referred to herein as "working to meet"). When requested in writing by a working to meet Applicant, the Agent shall provide such Applicant, within 10 days of the written request, with an opportunity for an informal hearing to

present information the Applicant may wish the Agent to consider in re-evaluating their designation. The Agent shall notify the Applicant within 10 days of the informal hearing of the Agent's determination to uphold their initial determination (classifying such tenants as "working to meet") or overturning their initial determination.

The "working to meet" designation shall only be available to RRC Applicant families. Any Applicant families selected from any Chicago Housing Authority ("CHA") waitlist may not avail themselves of the "working to meet" designation.

Employment

The Head of Household or co-Head of Household of an RRC Applicant engaged in at least 30 hours of (1) employment; (2) enrollment in and regular attendance in an economic self-sufficiency program; (3) enrollment in and regular attendance in a regular program of education including GED classes, secondary or post-secondary education, or English proficiency or literacy classes; and (4) a verifiable employment search or employment counseling.

All other members of an RRC Applicant household between the ages of 18 and 61 engaging in one or a combination of the following activities for 30 hours each week: (1) employment; (2) enrollment in and regular attendance in an economic self-sufficiency program; (3) enrollment in and regular attendance in a regular program of education including GED classes, secondary or post-secondary education, or English proficiency or literacy classes; and (4) a verifiable employment search or employment counseling.

Notwithstanding the foregoing, a member of a household shall not be required to comply with the employment requirements when such member of the household is: (a) age 62 or older; (b) blind or disabled as defined under 42 U.S.C. 416(i)(1) or 42 U.S.C. 1382c and provides third party verification of same; (c) the primary caretaker of such a blind or disabled individual; (d) the primary caretaker of a minor and there is at least one additional adult member of the

household who is employed at least 30 hours per week;
or (e) retired and receiving a pension.

Credit History

RRC Applicants who can demonstrate, to the satisfaction of the Agent, successful completion of a budgeting course and/or efforts, over the course of at least one year, to repay outstanding balances or other activities that demonstrate, to the Agent's satisfaction, that the family is working towards meeting the credit history requirement.

Childcare

RRC Applicants who can demonstrate, to the satisfaction of the Agent, successful completion of parenting classes and/or documentation of improved attendance record at school showing no significant absences of the Applicant's child(ren) or other activities that demonstrate, to the Agent's satisfaction, that the family is working towards meeting the childcare requirement.

Housekeeping Habits

RRC Applicants who can demonstrate, to the satisfaction of the Agent, that they have successfully completed a housekeeping training course and can demonstrate improvement in their housekeeping habits or other activities that demonstrate, to the Agent's satisfaction, that the family is working towards meeting the housekeeping habits requirement.

C. Rejection and Grievance Hearings

If the Agent determines the Applicant is ineligible, the Agent shall promptly notify the Applicant. When requested, and within 10 days after the receipt of the notice, the Applicant shall be provided an opportunity for an informal hearing to discuss the reason(s) for their ineligibility and to hear any other mitigating circumstances the Applicant may wish the Agent to consider relating to their application for housing. The Agent shall notify the Applicant within 10 days of the informal hearing of their determination to uphold their initial determination of

ineligibility or to overturn their initial determination of ineligibility.

RRC Applicants shall have the additional right to a grievance hearing with an independent hearing officer, in accordance with CHA's Grievance Procedure.

D. Mitigating Circumstances

In the event an ineligible Applicant requests an informal hearing as described in section 3.2 C above, the Owner shall give consideration, on a case by case basis, to any mitigating circumstances presented by the Applicant at the informal hearing, focusing on the concrete evidence of the seriousness and recentness of the unfavorable information, to the time, nature, and extent of Applicant's conduct, and to factors that might indicate a reasonable probability of favorable future conduct or financial prospects in determining eligibility of the Applicant. Factors to be considered in such a case will include, but are not limited to, one or more of the following:

1. Evidence of rehabilitation;
2. Evidence of Applicant family's participation in or willingness to participate in social service or other appropriate counseling service programs and the availability of such programs;
3. Evidence of the Applicant's willingness to attempt to increase family income and the availability of training or employment programs in the locality; and,
4. Evidence that any negative Landlord/Tenant court complaint was not caused by actions of the Applicant or the Applicant's family but was due to other factors involving their tenancy.

Criminal History

In the event an Applicant is rejected for admission because of criminal history, the Owner may consider admitting the Applicant based on mitigating factors which indicate a reasonable probability of future favorable conduct, compliance with the obligations of

tenancy, the likely impact on City Gardens and the danger to the health and safety of residents and staff. No consideration will be given to households if any member of the household is subject to lifetime registration or any registration as a sex offender, or was convicted for the manufacture or production of methamphetamine on the premises of federally assisted housing or any other housing. Examples of mitigating factors include:

1. The culpable household member no longer resides in the household and is not expected to reside in the household in the future.
2. The incident occurred at a relatively distant time in the past.
3. The offense was an isolated incident, and is not part of a pattern of excludable behavior.
4. The seriousness or nature of the offense was minor.
5. The conduct was caused by a disability, and it is verified that the Applicant is not likely to engage in excludable behavior in the future.
6. The Applicant can provide evidence of rehabilitation, such as current involvement in counseling or the Community and Supportive Services Program or family Self-Sufficiency Program, if available, Alcoholics Anonymous, Narcotic Anonymous, successful completion of treatment, compliance with or successful completion of conditions of parole or probation.

Credit History

The Owner may consider mitigating circumstances or factors that indicate that the Applicant is actively engaged in credit improvement activities that establish a reasonable probability of future favorable conduct and lease compliance. In considering such mitigating circumstances, the Owner will take into account:

1. The age of the debts.

2. Whether the Applicant made and kept arrangements to pay back unpaid bills.
3. Whether the Applicant's poor credit was caused by disability or illness.
4. Whether the poor credit was caused by family break-up.
5. Whether the poor credit is related to involuntary displacement, involuntary unemployment or some other involuntary change in income.
6. Satisfactory completion of credit counseling.
7. The presence of other events beyond the control of the Applicant.

E. Verification

In conjunction with the application process, the Agent shall require whatever documentation is needed to verify information the Applicant has provided. The Applicant (and other family members as the Agent designates) may be required to execute a release and consent form(s) authorizing any person, firm, or association, including any federal, state or local agency to furnish or release to the Agent such information as the Agent determines to be necessary. Verification of eligibility, suitability and preferences, along with any other information, is to be accomplished by thorough evaluation from information submitted by the Applicant or received from third parties, including:

1. Verification of age of family members when the sole factor determining eligibility is age, or to support exemptions claimed for minors;
2. Pregnancy when it is the sole basis for determining eligibility;
3. Full-time student status;
4. Social Security numbers for all members of the household if they have been issued a number. Verification of Social Security numbers will be

done through a Social Security Card issued by the Social Security Administration. If a family member cannot produce a Social Security Card, only the documents listed below showing his or her Social Security number may be used for verification:

A driver's license, identification card issued by a Federal, State or local agency, identification card issued by a medical insurance company or provider (including Medicare and Medicaid), earnings statements or payroll stubs, bank statements, IRS Form 1099, benefit award letters from government agencies, retirement benefit letter, life insurance policies, and verification of benefits or Social Security Number from Social Security Administration;

5. Disability, veteran, or serviceman status when they are a factor in determining eligibility. For persons who claim disability but are not recipients of benefits under Section 223 of the Social Security Act or Section 102(b)5 of the Developmental Disabilities Services and Facilities Construction Amendment of 1970, a doctor's certification as to the degree and possible length of such disability shall be required. The receipt of veteran's benefits for disability, either service incurred or otherwise, does not automatically establish eligibility for disability; and

6. Eligible immigration status.

4.0 ADMISSION AND SELECTION

4.1 PHA-Assisted Units

Agent will continuously set aside 25 units, which will initially contain a total of 55 bedrooms, in the Development as PHA-Assisted Units during the term of this Agreement. Provided that Agent continues operating the PHA-Assisted Units in accordance with the United States Housing Act of 1937 as amended from time to time and in accordance with the terms of the Regulatory and

Operating Agreement, such PHA-Assisted Units shall be eligible to receive Operating Subsidy Payments (as defined in the Regulatory and Operating Agreement) from CHA. The PHA-Assisted Units shall initially comprise the following mixture of unit sizes and descriptions:

<u>Unit Size</u>	<u>Number of Units</u>	<u>Total Dev. Count of Bdrms</u>
1 Bedroom	5	5
2 Bedrooms	12	24
3 Bedrooms	6	18
4 Bedrooms	2	8

The PHA-Assisted Units shall, to the extent feasible, be scattered evenly throughout the development, and within structures within the development. PHA-Assisted Units and non-PHA-Assisted Units shall be maintained and operated without distinction, excepting such differences in admissions procedures, lease terms and other conditions as are mandated by Public Housing Requirements or intended by Agent and CHA to effectuate public housing requirements and/or benefit the PHA-Assisted Units.

4.2 Applications

- A. An Application for Admission is required for a person to be considered for admission. Applications for Admission will be accepted between the hours of 9:00 a.m. and 5:00 p.m. on Monday through Friday, except designated holidays, at the following address:
- B. The location, facilities and circumstances for accepting applications will afford persons the greatest opportunity to apply.
- C. Periodically, Agent will attempt to contact each person on the waiting list to determine if they are still in need of assistance.
- D. All RRC Applicants shall be referred by CHA with corresponding Housing Offer Process ("HOP") numbers in accordance with the RRC. RRC Applicants will be required to complete an application form that will be entered on the waiting list in sequential order of their HOP number. RRC Applicants will be processed in order of their HOP number. Once all of the RRC priorities have been processed or in concurrence with the RRC HOP list,

the Agent will begin accepting referrals from CHA's public housing Applicant waiting list. If no such waiting list exists, the Agent shall create a waiting list in conformance with all applicable public housing requirements. Prior to creation of an Agent site-based waitlist for ACC-Assisted Units, the Agent must obtain CHA's permission and submit referrals from the Agent's site-based waiting list to CHA for screening. As applications are received, the date and time the application is received should be noted on the application form. All data is subject to verification. Each adult member of the family must sign the completed application.

- E. The Agent will keep a copy of each resident's application for admission in the resident's file. Any other occupancy information the Agent collects must be retained for at least three (3) years or in accordance with Federal Regulations. This will include data on current Applicants, residents, and applications from families who were never admitted.

4.3 Record of Applications / Waiting List

CHA has approved, through the Regulatory and Operating Agreement, the establishment of a site-based waiting list for public housing residents. The Agent will maintain a site based waiting list for public housing residents subject to the following requirements:

- A. The Agent will maintain a list of potential tenants to lease the PHA-Assisted Units. The list will be comprised of referrals from former Rockwell Gardens residents covered by the RRC to fill the 25 PHA Assisted Units. The Agent will engage in outreach from the referral list.
- B. The RRC Applicants on the waiting list for PHA Assisted Units shall be processed pursuant to the RRC, including the priorities detailed in the RRC and the HOP numbers given to each resident according to the RRC.
- C. Upon the exhaustion of all RRC Applicants, Applicant names supplied from CHA's public housing Applicant waiting list will be placed on the waiting list based on the date and time the application is received by the Agent.

- D. The Agent will maintain the waiting list by the required number of bedrooms. The Agent also will indicate on the waiting list the following about each Applicant's family:
1. Race / ethnicity;
 2. Determination of eligibility or ineligibility for selection and screening (including, for RRC Applicants, information that the resident is engaged in activities to meet the screening requirements);
 3. Preference determination;
 4. Date assigned to dwelling unit and identification of unit to which assigned, or date and unit offered and rejected with reason for the rejection noted; and
 5. Reason for removing Applicant from consideration for housing; i.e., upon Applicant's request, failure to communicate continued interest, or Applicant no longer qualifies.
- E. Consistent with the objectives of Title VI of the Civil Rights Act of 1964, the Regulatory and Operating Agreement, other statutory requirements, and HUD regulations and policies, offers from the waiting list to appropriate sized units will be made after preferences are applied. Preferences for housing will be applied in accordance with the terms outlined in section 4 d. of the Relocation Rights Contract for all RRC Applicants awaiting PHA Assisted Units. Upon exhaustion of the RRC Applicants, preference for PHA -Assisted Units shall be determined in accordance with both current CHA policy and this Policy. There will be no preferences for housing applied for other LIHTC Units or Market Rate Units.

4.4 Transfers

The Agent shall maintain a centralized list of PHA -Assisted families (by number of bedrooms) that request to be or need to be transferred. The family name shall be placed on this list on the day the Agent becomes aware of a family composition change or receipt of a transfer request from the family Head of Household. Transfers will be made without regard to race, color, creed, national origin, religion, age, sex, disability (except when necessary to comply with ADA regulations), or familial status.

Transfers of PHA Assisted families may be approved for the following reasons:

A. Under Housed

If, upon re-examination, it is found that the size or composition of a family or household has changed so that the unit occupied by the family contains a number of rooms less than necessary to provide decent, safe and sanitary accommodations, in accordance with local regulations and codes, and state and federal laws, to the extent applicable, management may reassign or transfer residents to other dwelling units.

B. Over Housed

If, upon re-examination, it is found that the size or composition of a family or household has changed so that the unit occupied by the family contains a number of rooms greater than necessary to provide decent, safe, and sanitary accommodations, in accordance with local regulations and codes, and state and federal laws, to the extent applicable, management may reassign or transfer residents to other dwelling units.

C. Medical

A resident may be transferred upon request for medical reasons when a transfer to another unit would eliminate or decrease the advancement of a medical condition or is required in order to be closer to available and necessary medical treatment. A doctor's statement verifying the need for such transfer may be required.

D. Emergency

An adult family member may be transferred upon request if an abusive situation exists within the household (i.e. battered spouse) that warrants emergency housing elsewhere. Transfer may be made only after proper verification and/or investigation. Children may accompany the custodial parent.

E. Natural Disaster

A resident family may be transferred because of a natural disaster (i.e. tornado, fire, flood), which makes the existing unit uninhabitable.

F. Section 504 Compliance

Any resident who requires a mobility accessible unit or sensory accessible unit may be transferred upon request. Verification of such need may be required. Agent, however, shall not deny a reasonable accommodation request but may grant such request if the need is readily apparent.

Additionally, any resident who does not require a mobility accessible unit or sensory accessible unit but who resides in such a unit may be transferred if the need for such a unit arises, but only after sufficient notice as defined in the Lease Addendum for Accessible Unit Availability.

G. Safety / Security

If a resident living alone should die while residing on the Agent's premises, all their personal belongings should be appropriately readied for a family member to collect and the apartment secured.

H. Home Ownership

When a Public Housing family is eligible for and desires to participate in a Home Ownership Program, a transfer may occur as long as that resident meets all eligibility requirements and a unit can be made available to him/her.

I. Other - For Good Cause

Situations may arise which are not included in items A-H whereby in the judgment of the Agent and/or designee determine that it is in the best interest of a resident and/or other residents of the community that a transfer be approved. For example: Continual resident conflict that undermines peaceful community living. Such transfer shall only be approved if both the resident and Agent agree to the transfer.

J. PRIORITY

Families under housed shall be given preference over families over housed in the transfer process. Families needing special consideration because of disability, medical conditions or emergency cases shall be accommodated before over housed families whenever possible.

Normally, transfers for hardship reasons shall have priority over new Applicants. The Agent will not require a family residing in a unit too large for its need to transfer into a smaller unit unless the waiting list reflects a need for the occupied unit.

K. GENERAL TRANSFER REQUIREMENTS

1. Families who are requesting permission to transfer in situations described in 4.4 (A), (B) and (H) above shall be in “Good Standing” under the terms of their lease. All other transfers, which are transfers based on the health and well being of the Tenant, can occur regardless of the status of the Tenant provided, however, that the transfer does not waive any of the Landlord’s rights to pursue an eviction action against the Tenant. All Tenants must leave the premises in a condition satisfactory to management.
2. The remaining adult member of a resident family, legally on the lease, will be allowed to remain in occupancy but will be required to transfer to an appropriate size and type of unit. The new Head of Household for a PHA-Assisted Unit must meet both CHA’s Applicant screening criteria and the Agent’s Applicant screening criteria. Foster care adults and live-in-aides do not have any rights under the lease.
3. Resident initiated transfer requests during the first twelve (12) months of tenancy will be for Medical, Natural Disaster, Safety and Security, Section 504 Compliance, and Emergency situations only and will require the approval of the Agent.
4. The number of units offered to a family transferring will be one unless there is a hardship situation as determined by the Agent.

L. TRANSFER PROCEDURE:

1. Each person who desires to transfer shall submit an Application for Transfer to the appropriate Site Manager.

It will be the responsibility of the Site Manager to verify the reason for and approve such transfer. The Application of each person shall be dated and time stamped when submitted, and if approved, shall be placed on a Transfer Waiting List within each category of each unit size for which the family is eligible.

2. Persons who apply for transfer under this plan shall not be required to re-establish their eligibility for public housing, but shall be required to provide information on their Transfer Application to include name, address, number of persons in family, the sex and age of each family member and reasons for the transfer request along with any supporting documentation deemed necessary by Agent. Transfers involving PHA-Assisted Units require final approval by CHA.

4.5 Income Limits

The income limits used by the Agent for admission are established by HUD and usually change on an annual basis. In no case will an Applicant be admitted to a LIHTC unit if the Applicant family's income exceeds the LIHTC income limits. No minimum income limits are established for PHA-Assisted Units.

In accordance with the income restrictions required by sources of funding for the development, the following unit mix will be maintained.

- a. The 25 Public Housing Units shall be rented to Applicants whose income at the time of their admission is at or below 50% of area median income.
- b. Five (5) of the 30 non PHA-Assisted LIHTC Units shall be rented to Applicants whose income at the time of their admission is at or below 50% of area median income.
- c. The 25 remaining non-PHA-Assisted LIHTC Units shall be rented to Applicants whose income at the time of their admission is at or below 60% of the area median income.

In no event shall any Applicant be admitted to a PHA-Assisted Unit or LIHTC Unit whose income exceeds the maximum income allowable under Tax Credit and Other Requirements.

4.6 Resident Rent Charges

Residents of the PHA-Assisted Units are to be charged Resident Rent in accordance with 24 CFR §960.253, 24 CFR § 5.628, and the earned income disallowance procedures of CHA or any other established and approved policy of CHA.

Residents of LIHTC units will be charged a rent established by the Agent but in no case shall the LIHTC rent exceed the maximum rent allowable under section 42 of the Internal Revenue Code of 1986, as amended.

The Agent shall establish rental rates for the MarketRate Units.

4.7 Other Charges

The resident will be charged for special goods and services and for the cost of all repairs and damages caused by carelessness, misuse, or neglect on the part of the resident or guest. Such charges will be for the actual cost of the materials and labor required. A standard list of charges shall be posted in the rental office.

4.8 Occupancy Standards

To avoid overcrowding and prevent wasted space, LIHTC Units are to be leased in accordance with the occupancy standards set forth below. However, in the event that there are units which cannot be filled with families of appropriate size and type after all possible efforts have been made to stimulate applications, eligible families of the most nearly appropriate size will be housed in the next larger size unit and will be moved to units of the proper size at the earliest possible date. In no case will a family be given initial occupancy to a unit that results in an overcrowded situation.

A. Dwellings shall generally be assigned as follows:

1. Other than husband and wife, legally recognized partnerships or legally consensual protected relationship, persons of the opposite sex may not occupy the same bedroom.
2. For reasons of health (old age, physical disability, etc.) separate bedrooms may be provided for such individual family members as verified.

3. Living rooms will not regularly be used as a bedroom.
- B. Housing units shall be so assigned by taking into consideration every family member, regardless of age, who is to be counted as a person. An unborn child is not counted as a family member; however, Agent will consider size of household with unborn child included.

<u>No. of Bedrooms</u>	<u>Number of Persons</u>	
	<u>Minimum</u>	<u>Maximum</u>
0	1	2
1	1	2
2	2	4
3	3	6
4	5	8

These standards regarding the minimum and maximum number of persons who will occupy a unit will be applied within the restraints of financial solvency and program stability. The Agent, based on individual family needs, will determine assignments of families within the unit ranges indicated above. When it is found that the size of the dwelling is no longer suitable for the family in accordance with these standards, the family will be required to transfer when the appropriate size unit becomes available.

4.9 Dwelling Lease

A dwelling lease shall be prepared by the Agent subject to approval of CHA and following the provisions of the RRC.

4.10 Misrepresentation on Application for Admission

If misrepresentations on the Application for Admission result in housing an ineligible or unsuitable family, the family may be required to vacate, even though currently eligible. If misrepresentation or failure to provide facts has resulted in payment of a lower total resident payment than should have been paid, the family will be required to pay the difference between the total resident payment paid and the amount that should have been paid. In justifiable cases, the Agent may take such other action as deemed reasonable.

5.0 CONTINUED OCCUPANCY

5.1 Property Specific Requirements

- A. Resident families who were offered housing based on meeting the property specific requirements or those resident families who were offered housing based on the determination that they were engaged in activities to meet the property specific requirements and who have subsequently met the requirements, are required to meet the property specific requirements at all times during their occupancy.
- B. In the event a family fails to meet the property specific requirements, in order to continue in occupancy, the household must show evidence of activities to meet the property specific requirements and meet such requirements within one (1) year except for those families who fail to meet the requirements in Section 3.2(A)(1) (such families can follow the procedures set out in Section 5.1 E below). The Agent shall retain the discretion to provide any family engaged in activities to meet the property specific requirements additional time to meet such requirements.
- C. If the Tenant has been conditionally admitted because the Agent has determined that the Tenant is engaged in activities to meet the Property Specific Requirements pursuant to the Section 3.2B, the Tenant and the Agent shall memorialize in writing the conditions the Tenant is currently satisfying and must continue to satisfy to show that he or she is engaged in activities to meet the Property Specific Requirements (the "Compliance Plan"). The Compliance Plan shall be attached and made a part of the Lease. The tenant is obligated to use best efforts to comply with the Compliance Plan throughout the first 12 months of conditional tenancy; however, an otherwise lease-compliant tenant will not be terminated during the first year of occupancy for failure to comply with the conditions of the Compliance Plan.
- D. If the Tenant is engaged in activities to meet the Property Specific Requirements other than those in Section 3.2 A 1 of the Admission and Continued Occupancy Policy (ACOP), and, if at the start of his/her first year's re-certification process the Tenant does not meet such Property Specific Requirements, the Agent will notify CHA to begin

looking for a unit for the resident at a property where the Tenant satisfies the occupancy criteria. If the Tenant does not meet the Property Specific Requirements (other than those in Section 3.2 A 1 of the ACOP) within one year of Tenant's move-in date at annual recertification, the Agent shall notify CHA, and CHA shall transfer the Tenant to a unit outside the Development or provide the Tenant with a Section 8 Housing Choice Voucher, in accordance with the Relocation Rights Contract. If Tenant refuses to accept the transfer to a unit outside the Development or the Section 8 Housing Choice Voucher, the Agent may terminate the tenancy.

- E. If the tenant or co-head is engaged in activities to meet the Property Specific Requirements in Section 3.2 A 1 of the ACOP but at the start of his/her first year's recertification is not yet employed a minimum of 30 hours a week, such tenant may continue to reside at the development if all members of the household 18 years of age or older, other than the Tenant head or co-head, continue to meet the 30 hours of weekly activity described in Section 3.2 B and the Tenant Head of Household or coHead of Household can prove to the satisfaction of management that:
1. The Head of Household or co-Head of Household is enrolled full-time and is regularly attending a secondary or post-secondary educational program and shows progress in completion of the program. (Progress may constitute passing grades, completion of additional credits in the program, etc.) Additionally, the educational program must be one that, in the determination of the Agent, will lead to fulfillment of the 30 hour employment criterion at its completion, or
 2. The Head of Household or co-Head of Household is employed for some period of time less than 30 hours a week but is also engaged in one or a combination of the following activities: enrollment and regular attendance in an economic self-sufficiency program, part-time enrollment and regular attendance in a secondary or post-secondary educational program, participation in a verified active job search or job counseling, enrollment and regular attendance in a basic skills training program that, together with the employment, equal not less than 30 hours a week, or

3. The Head of Household or coHead of Household is neither enrolled full-time in a secondary or post-secondary educational program nor is employed but is engaged for a minimum of 30 hours a week in a Service Plan for Self-Sufficiency, which consists of one or a combination of the following activities: enrollment and regular attendance in an economic self-sufficiency program, part-time enrollment and regular attendance in a secondary or post secondary educational program, participation in a verified active job search or job counseling, or enrollment and regular attendance in a basic skills training program. It is the purpose of the Head of Household's or co-Head of Household's participation in this plan to develop employment skills and history that will enable the Head of Household or co-Head of Household to move toward economic self-sufficiency. The Head of Household or co-Head of Household will develop the Service Plan for Self-Sufficiency in cooperation with the local Service Provider and failure to follow the requirements of the Service Plan for Self-Sufficiency will constitute grounds for transfer from the development.

5.2 Community Service Work Requirements

The Agent shall comply with Notice PIH-2003-17 (and any subsequent regulations or notices) in implementing the Community Service Requirements. Generally, these requirements require all adult public housing residents who are not employed, elderly, or disabled, or otherwise exempted to contribute 8 hours per month of community service, or participate in an economic self-sufficiency program for 8 hours per month. All public housing residents who are not exempt from this requirement may use any of those activities that they are engaged in to meet the property specific requirements that qualify to also meet the community service requirements.

5.3 Re-Examination of Resident Eligibility and Rental Adjustments

- A. As required by Public Housing and LIHTC regulations, the Agent will annually re-examine the status of each resident family, of a LIHTC or Public Housing unit, relating to eligibility for continued occupancy, the rent charged, the meeting of property specific requirements, and the size of the apartment required. Residents will be re-examined

each year on the anniversary date established by the occupancy date of their lease.

- B. The Agent will require a written release of information from each family, signed by the Head of Household and/or the spouse, and any other adult member which will allow the release of all data and information necessary to enable the Agent to determine:
 - 1. whether the family meets the requirements of eligibility for continued occupancy;
 - 2. the rent to be charged; and
 - 3. the size of the unit required.
- C. Residents, who, at the time of application for continued occupancy, are deemed ineligible by failure to meet the continued occupancy requirements shall be notified in writing of such ineligibility, the reason therefore, and for PHA-Assisted families, be advised of their right to request a grievance hearing.
- D. Rents will be reviewed at the time of the annual re-examination and, if appropriate, be changed to conform to the approved rent.
- E. A PHA-Assisted family must report changes in income and the household composition. Once total resident payment is established, such payment rate shall remain in effect until the next annual re-examination or an interim rent adjustment for a change in family income or family composition. Decreases in family income should be reported so that rent may be adjusted accordingly.

Increases in PHA-Assisted family income must be reported which would raise the total resident payment.
- F. Increases in rent resulting from rent reviews for PHA-Assisted Units are effective the first of the second month following the notice of the change.
- G. Decreases in rent for PHA-Assisted Units are effective the first of the month following the reported change.
- H. If, upon re-examination, it is found that the size or composition of a PHA-Assisted family or household has changed so that the apartment occupied by the family

contains a number of rooms less or greater than necessary to provide decent, safe, and sanitary accommodations as described in the occupancy standards, management shall give notice of at least thirty (30) days to the resident that the resident may be required to move to another unit.

- I. At the time of re-examination or change in income and/or family composition each family in a PHA-Assisted Unit will be given the option of choosing (1) flat rent established by Agent based on the value of the unit; or (2) income-based rent, which will be the greatest of 30 percent of adjusted income or 10 percent of monthly income. The Agent will give the family information on both types of rent so that the family can make an informed decision as to which type of rent it prefers.
- J. In the event the Head of Household of a PHA-Assisted Unit dies or leaves the unit, continued occupancy by remaining household members is permissible only if there is one or more adult authorized household members on the lease and living in the household. Additionally, after the death or departure of the original Head of Household, the Agent may permit an adult not on the lease to join the household as a new Head of Household. In giving approval for such an arrangement, the Agent will consider whether there is any remaining member capable of executing a lease and the ability of the family to stay together if the new household member is allowed to stay. The new Head of Household must meet both CHA's and the Agent's Applicant screening criteria.

5.4 Restriction on Eviction of Families Based Upon Income

The Agent shall not commence eviction proceedings or refuse to renew a lease based on the income of a PHA-Assisted Unit family except: (i) as provided in a Preservation and Transformation Plan adopted in accordance with and any applicable HUD requirements per 42 USC § 1437 and section 35 of the United States Housing Act of 1937, as amended from time to time, or (ii) as required by All Applicable Public Housing Requirements.

5.5 Misrepresentation at Annual Re-Examination

If the re-examination discloses that the family at time of admission, or at any previous re-examination, made misrepresentations that resulted in the family's classification of

eligible, when in fact ineligible, the family may be required to vacate even though currently eligible. Furthermore, if at the time of re-examination it is found that the misrepresentations or failure to provide facts resulted in a lower rent being charged, the family will be required to pay the difference between the rent paid and the amount that should have been paid. In justifiable cases, the Agent may take such other action as deemed reasonable. If the Agent is unable to complete the annual re-examination because of the fault of the family, the effective date of any change will be the re-examination anniversary date.

If, by no fault of the family, the Agent is unable to complete its annual re-examination, the effective date of any increase in total resident payment will be the first of the second month following completion of re-examination; the effective date of any decrease in total resident payment will remain the re-examination anniversary date, and the family will be given the appropriate total resident payment credits for overpayment.

5.6 Collections

A. Resident Rent Charges

Rent is due and payable in advance without notice at the office of the Agent on the first day of each month. If not received by close of business on the 5th day of the month, and the resident has not contacted the Agent, the Agent will mail or deliver a notice of delinquent rent to the resident's address. Such notice will remind the resident of the lease obligation and will designate a deadline, by which the resident is to contact the Agent office and make arrangements for payment. If there is a good reason for an extension of time to pay the delinquent rent, the Agent may, at its sole discretion, enter into an agreement with the resident. Such agreement will be in writing, signed by both parties, and require the resident to make future rent payments in full no later than the fifth (5th) of the month during which they become due. The agreement will specify the due dates and dollar amounts of periodic payments to be made toward settlement of the past-due balance. Failure to reach an agreement, or failure of the resident to abide by the terms of the agreement, will lead to the Agent filing for eviction. All terminations shall be processed in accordance with the requirements of the lease, state law, and federal regulations. For those residents who derive all or part of their income from a government benefit, such as SSI

payments, and whose benefit payment arrives after the first of the month, rent will not be considered late until seven days after the date of such payment. It is the responsibility of the resident to document the date of the payment to have late fees waived.

B. Other Charges

Charges other than rent, such as utility charge and resident-caused damages, shall become due and payable 14 days after the Agent gives written notice of such charges. Such notice constitutes a notice of adverse action and must meet the requirements governing a notice of adverse action including advising the Resident of any right to grieve the action. A schedule of standard charges will be posted in the management office.

5.7 Inspections

- A. The dwelling unit and premises shall be inspected jointly (when possible) by the Applicant or resident and Agent. Both parties will agree on the condition of the unit by signing an inspection check sheet. The original move-in inspection sheet will be kept by the Agent, and a copy will be given to the resident.
- B. The inspection will serve as a guide in the determination of needed maintenance or repairs and to assess damage over and above normal wear and tear. Failure to maintain a safe, decent, and sanitary dwelling unit and premises may result in lease termination.
- C. Inspections shall be made:
 - 1. At move-in, prior to occupancy;
 - 2. Periodically, every six (6) months;
 - 3. Follow up inspections will be scheduled within fifteen (15) days if housekeeping practices or other circumstances require. Appropriate notice to the resident shall be given prior to any inspection which shall be in accordance with the lease; and
 - 4. At move out. Inspections should be done with resident unless the resident has previously vacated the unit and is unavailable. In the latter case, the Agent will conduct an independent inspection.

After the initial move-in inspection, the Agent will provide all residents 48 hours notice of any scheduled inspection as required by section 5-12-050 of the Chicago Residential Landlords and Tenants Ordinance.

6.0 SECURITY DEPOSITS

Each family is required to pay a security deposit in an amount determined by the Agent. RRC Applicants' security deposit will be transferred by CHA in accordance with the RRC. Payments must be made prior to occupancy, unless other arrangements are made otherwise. The security deposit, and any interest due on the deposit, will be returned to the resident within thirty (30) days after move-out, provided, however, that the landlord may deduct from the security deposit:

- A. Any unpaid rent which has not been validly withheld or deducted pursuant to state or federal law or local ordinance, and;
- B. A reasonable amount necessary to repair any damage caused to the premises by the tenant or any person under the tenant's control or on the premises with the tenant's consent, excluding damages caused by normal wear and tear. In case of such damage, the landlord may only deduct such amounts provided that the landlord delivers or mails to the last known address of the tenant within 30 days an itemized statement of the damages allegedly caused to the premises and the estimated or actual cost for repairing or replacing each item on that statement, attaching copies of the paid receipts for the repair or replacement. If estimated cost is given, the landlord shall furnish the tenant with copies of paid receipts or (if the work was performed by the landlord's employees) a certification of actual costs of repairs of damage within 30 days from the date the statement showing estimated cost was furnished to the tenant.

The security deposit may not be used to pay charges during occupancy.

The amount of security deposit required is specified in the approved dwelling lease and the pet policy if applicable.

7.0 COMPLAINTS OF DISCRIMINATION

A Fair Housing and Equal Opportunity poster containing information on filing discrimination complaints by those persons believing themselves to be subjects of discrimination, will be posted conspicuously in complex offices for public information and inspection.

8.0 EVICTIONS

Failure of a family to comply with the provisions of the resident's lease shall cause the Agent to begin eviction proceedings in accordance with federal, state and local law. Violations of the Lease may include, but are not limited to, criminal activity, non-payment of rent, failure to provide Agent with required information for recertification, fraud regarding income and family composition, failure to maintain unit and surrounding area in a safe and sanitary condition, destruction of Agent property, violation of pet policy, or any serious or repeated violations of the terms of the Lease.

Residents of PHA-Assisted Units are entitled to utilize provisions of CHA's Grievance Procedure to attempt settlement of disputes with the Agent.

Upon notice of termination, a resident has 14 days to file for a grievance hearing. Failure to request a grievance hearing will result in the resident waiving their rights to a grievance hearing.

9.0 PET POLICY

The Agent in accordance with the Quality Housing and Work Responsibility Act of 1998, has adopted a pet policy. Pets must be kept in accordance with the provisions of the lease and the policy adopted. All residents must consult with the Agent and enter into a formal pet agreement prior to housing a pet within their unit.

10.0 CONFLICT WITH FEDERAL STATUTE, REGULATION, OR HUD POLICY

This policy is to be interpreted in accordance with federal statutes and regulations and in compliance with HUD policy; and any conflict between this Policy and federal statutes, Section 42, regulations, CHA Moving to Work Agreement with HUD or HUD Handbook provisions will be resolved in favor of federal law and policy. Further, any conflicting provisions between this Policy and CHA's Admissions and Continued Occupancy Policy shall be resolved in favor of the latter.

11.0 NO-SMOKING POLICY

The premises known as City Gardens to be occupied by resident and members of resident's household, have been designated a smoke-free living environment. Resident and members of resident's household shall not smoke anywhere in the unit rented by resident, or in the common areas of the building where the resident's dwelling is located, including but not limited to the lobby, reception areas, vestibule, hallways, elevators, stairwells, community rooms, bathrooms, laundry rooms, and offices. Additionally, no smoking is permitted within 25 feet of the building's entry ways, porches and patios. This policy applies to all residents, guests, visitors, service personnel and employees. Residents are responsible for the actions of their household, their guests and visitors. If you are observed in violation of this No Smoking Policy it will constitute both non-compliance of a material provision of the lease agreement and a serious violation of the lease agreement. In addition, the resident will be responsible for all costs to remove smoke odor or residue upon any violation of this No Smoking Policy.

Appendix A

DEFINITIONS

NOTE: Definitions may be modified from time to time because of issuance of Federal, State or local regulations.

Adjusted Income (as defined in the “Public Housing Occupancy Guidebook”)

Annual income less:

- A. \$480.00 for each dependent;
- B. \$400.00 for an elderly or disabled family;
- C. Any reasonable child care expenses necessary to enable a family member to be employed or to further his or her education; and

The sum of the following items, to the extent that the sum exceeds 3 percent of Annual Income:

- D. Unreimbursed medical expenses for any elderly or disabled family; and
- E. Unreimbursed reasonable attendant and auxiliary apparatus expenses for each member of the family who is a person with a disability needed to enable an adult family member (including the member who is a person with disabilities) to work, but this allowance may not exceed the earned income of the family member age 18 and over who are able to work because of such attendant care or apparatus.

Annual Income

- A. Annual income includes all amounts, monetary and non-monetary, that go to, or on behalf of the family head or spouse (even if temporarily absent) or to any other family member or are anticipated to be received from a source outside the family in the 12 months following admission or the effective date of the annual reexamination. Annual income includes amounts derived from assets to which any member of the family has access that are not specifically excluded by Federal regulations.

B. Income includes, but is not limited to:

1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses and other compensation for personal services.
2. The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line decline, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only for straight-line depreciation. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. If the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current national passbook savings rate, as determined by HUD.
4. The full amount of periodic amount received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic payment (except as provided in paragraph 10.1 Amounts Excluded from Annual Income (c) under income exclusions).

5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided under paragraph (c) 10.1 Amounts Excluded from Annual Income).
6. Welfare assistance. If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

the amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities, plus

the maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is radically reduced from the standard of need by applying a percentage, the amount calculated shall be the amount resulting from one application of the percentage.

Imputed welfare income based on the amount of income not actually received by a family member due to a reduction of benefits because of fraud or failure to comply with economic self-sufficiency programs. The Agent shall follow CHA's imputed welfare income procedures.
7. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions of gifts received from organizations or from persons not residing in the dwelling.
8. All regular pay, special pay and allowances of a member of the Armed Forces (except for hostile fire pay, which is excluded below).

C. Annual income does not include the following: **(24 CFR § 5.609(c))**

1. Income from employment of children (including foster children) under the age of 18 years;
2. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
3. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (e) above);
4. Amounts received by the family that is specifically for, or in reimbursement of, the cost of medical expenses for any family member;
5. Income of a live-in aide, as defined in Section 2.2 Definitions of Eligible Families;
6. The full amount of student financial assistance paid directly to the student or to the educational institution;
7. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
8.
 - (i) Amounts received under training programs funded by HUD;
 - (ii) Amounts received by a person with a disability that are disregarded for a limited time for the purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Achieve Self Sufficiency (PASS);
 - (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
 - (iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for CHA or Owner, on a part-time basis, that enhances the quality of life in the

development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of CHA's governing board. No resident may receive more than one such stipend during the same period of time;

(v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment-training program.

9. Temporary, nonrecurring, or sporadic income (including gifts);
10. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
11. Earnings in excess of \$480 for each full-time student 18 years of age or older (excluding the Head of Household and spouse);
12. Adoption assistance payments in excess of \$480 per adopted child;
13. Deferred periodic amounts from Supplemental Security Income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts; a lump sum payment covering the period from application to determination of eligibility;
14. Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;
15. Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment

needed to keep the developmentally disabled family member at home; or

16. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in the above list of excluded income apply. The following list of benefits is excluded income:

- The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977 [7 USC 2017 (h)];
- Payments to volunteers under the Domestic Volunteer Service Act of 1973 [42 USC 5044 (g), 5088]; Examples of programs under this Act include but are not limited to:
 - the Retired Senior Volunteer Program (RSVP);
 - Foster Grandparent Program (FGP);
 - Senior Companion Program (SCP);
 - the Older American Committee Service Program; and
 - National Volunteer Antipoverty Programs such as VISTA, Peace Corps, Service Learning Program, and Special Volunteer Programs.
- Small Business Administration Programs, such as the National Volunteer Program to Assist Small Business and Promote Volunteer Service to Persons with Business Experience, Service Corps of Retired Executives (SCORE), and Active Corps of Executives (ACE);
- Payments received under the Alaska Native Claims Settlement Act [43 USC 1626 (a)];
- Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes [25 USC 459e];
- Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program [42 USC 8624 (f)];

- Payments received under programs funded in whole or in part under the Job Training Partnership Act [29 USC 1552 (b)] ;
- Income derived from the disposition of funds of the Grand River Band of Ottawa Indians [Pub.L. 94-540, 90 Stat 2503-04]; and
- The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims [25 USC 1407-08], or from funds held in trust for an Indian Tribe by the Secretary of Interior [25 USC 117 (b), 1407].

17. Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs [20 USC 1087 (uu)]. Examples of Title IV programs include but are not limited to:

- Basic Educational Opportunity Grants (Pell Grants), Supplemental Opportunity Grants, State Student Incentive Grants, College Work Study, and Byrd Scholarships.
- Payments received from programs funded under Title V of the Older Americans Act of 1965 [42 USC 3056 (f)]: Examples of programs under this act include but are not limited to:
 - Senior Community Services Employment Program (CSEP);
 - National Caucus Center on the Black Aged;
 - National Urban League;
 - Association National Pro Personas Mayors;
 - National Council on Aging;
 - American Association of Retired Persons;
 - National Council on Senior Citizens; and
 - Green Thumb.
- Payments received after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established in the Agent Orange product liability litigation;

- Payments received under the Maine Indian Claims Settlement Act of 1980 (Pub. L. 96-420, 94 Stat. 1785);
- The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 [42 USC 9858 (q)];
- Earned income tax credit refund payments received on or after 1/1/91 [26 USC 32 (j)];
- Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation;
- Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990;
- Any allowance paid under the provisions of 38 USC 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran;
- Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the Applicant under the Victims of Crime Act; and
- Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998.

18. Disallowance of increase in annual income (24 CFR § 960.255). The Agent shall follow CHA's Income Disallowance Procedure (appendix D of CHA's A and O policy).

Application for Admission

A written form to be signed and dated by all adult members of the family that includes information the Agent needs to determine whether the family can be admitted in accordance with Section 4.0. The format for this basic information is developed by the Agent and approved by CHA.

Child Care Expenses

Amounts anticipated to be paid by the family for the care of children 12 years of age and younger during the period for which annual income is computed but only where such care is necessary to enable a family member to be gainfully employed or to further his/her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for childcare, and in the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment.

Community (or Site)

A term used to identify units located in the City Gardens development.

Dependent

A member of the family household (excluding foster children) family head or spouse, co-head, legally recognized partner, or boyfriend/girlfriend of head, who is a minor or is a person with disabilities, or is a full-time student.

A Person with Disabilities

A person with a disability as defined in Section 233 of the Social Security Act (42 USC 423) or in Section 102 of the Development Disabilities Services Facilities Construction Amendments of 1970 (42 USC 2691 (1)).

Disability Assistance Expense

Reasonable costs that are anticipated, during the period for which annual income is computed, for live-in aides and auxiliary apparatus for a family member with disabilities and that are necessary to enable a family member to work.

Displaced Person

A person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to federal disaster relief laws.

Elderly Family

A family whose head or spouse (or sole member) is elderly or a person with disabilities. It may include two or more elderly, disabled, or individuals with disabilities living together or one or more of these persons living with one or more live-in aides.

Elderly Person

A person who is at least 62 years of age.

Near-Elderly

A person who is at least 50 years of age, but less than 62 years of age.

Family

A family includes:

All families as defined by 24 C.F.R. 5.403, including elderly family, near-elderly family, disabled family, displaced family, remaining member of a tenant family, and a single person or two or more persons related by blood, marriage, adoption, or other operation of law, or two or more persons who are not so related but who will live together in a stable relationship and share resources.

Flat Rent

The established rent based on the rental value of each PHA-Assisted Unit (as determined by the Agent and CHA) designed so as not to create a disincentive for continued residency by families who are attempting to become economically self-sufficient through employment or who have attained a level of self-sufficiency through their own efforts. In no event will the flat rent for a LIHTC unit exceed the permissible rent under the LIHTC program. Each tenant family occupying a PHA-Assisted Unit must elect annually whether its tenant rent will be calculated as a “flat rent” or as an “income based rent”.

Full-Time Student

A person who is carrying a subject load that is considered full-time under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.

Head of Household

The head of household is an adult member or an emancipated minor, who is a member of the family and who is responsible for supplying the needs of the family.

Individual with Disabilities

A person having a physical or mental impairment that:

- A. is expected to be a long-continued and indefinite duration;
- B. substantially impedes his/her ability to live independently; and
- C. is of such a nature that such ability could be improved by more suitable housing conditions.

Live-In Aides

A person who resides with an elderly person or a person with disabilities who:

- A. is determined by the Agent to be essential to the care of well being of the person;
- B. is not obligated for support of the person; and
- C. would not be living in the unit except to provide necessary supportive services.

Lower Income Family

A PHA-Assisted family whose annual income does not exceed 80 percent (80%) of the median income by family size for the area, as determined by HUD.

Medical Expenses

Those medical expenses, including medical insurance premiums, which are anticipated during the period for which annual income is computed, and that are not covered by insurance or reimbursed.

Minimum Rent

In accordance with Section 507 of the Quality Housing and Work Responsibility Act of 1998, minimum rent requirements have been set at \$75 for Public Housing Residents in City Gardens units. The act also requires the Agent to waive minimum rents for an indefinite period of time for Public Housing families with a long-term financial hardship (over 90 days). The resident must provide Agent with reasonable documentation to substantiate the financial hardship.

A financial hardship includes the following situations:

1. The family is awaiting an eligibility determination to receive federal, state or local assistance (includes legal aliens entitled to receive assistance under the INA).
2. The family's income decreases due to changed circumstances, loss of employment or a death in the family.
3. The family will be evicted as a result of non-payment of the minimum rent.

Financial hardship status will be granted immediately to Public Housing families requesting a hardship exemption for a period of 90 days. When the family requests a hardship exemption, the minimum rent requirement will be immediately suspended until a determination can be made by Property Management as to the validity of the hardship exemption and whether it is temporary or long term. A short-term hardship is defined as any hardship lasting 90 days or less. A long-term hardship is defined as any hardship lasting 91 days or longer. Whenever a Tenant is placed on minimum rent, Management will remind the Tenant of his or her right to claim financial hardship status.

Monthly Adjusted Income

One-twelfth (1/12) of adjusted income.

Monthly Income

One twelfth (1/12) of annual income.

Net Family Assets

Net cash value after deducting reasonable costs that would be incurred in disposing of real and personal property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and equity of personal property such as furniture and automobiles shall be excluded. (In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under Section 2.2.) In determining net family assets, the Agent shall include the value of any assets disposed of by an Applicant or resident for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two (2) years preceding the date of application for the program or re-examination, as applicable, in excess of the consideration received therefore. In the case of a disposition as a part of the separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the Applicant or resident receives important consideration not measurable in dollar terms.

Owner

The owner of the City Gardens mixed-income rental community located at [_____], Chicago, Illinois.

Reasonable Accommodation

Reasonable accommodation is making alterations or adaptations to provide access to otherwise qualified person with disabilities in the use of the program and facilities, without causing undue hardship or substantially altering the program or activity, in compliance with ADA Regulations

Resident Rent

The amount payable monthly by the family as rent to the Agent for occupancy of a unit. Some utilities and other essential housing services are not supplied by the Agent, and the cost thereof is not included in the amount paid as rent. Income based Resident Rent for Public Housing Residents equals total resident payment less the utility allowance. Resident Rent for LIHTC units will be determined by the Agent but shall not exceed the maximum rent allowed under Section 42 of the Internal Revenue Code of 1986.

Section 42

Section 42 of the Internal Revenue Code of 1986, as amended, and any implementing regulations.

Single Person

A single person is a person living alone or intending to live alone, and who does not qualify as an elderly family, near-elderly, or a disabled person or a displaced person as defined in this Section, or as the remaining member of a resident family, or who is not a single, pregnant woman.

Spouse

The husband, wife, or legally recognized partner of the Head of Household.

Tax Credit Requirements

Any and all matters required by Section 42 or any other agreement made as a condition of receipt of tax credits, whether or not such requirement is explicitly stated in section 42 or regulations thereunder.

Total Resident Payment

The monthly amount calculated for a PHA-Assisted Unit under “A” below. Total resident payment does not include charges for excess utility consumption or miscellaneous charges.

A. Total Resident Payment for a family whose initial lease is effective on or after August 1, 1982, shall be the highest of the following, rounded to the nearest dollar:

1. 30 percent (30%) of monthly adjusted income; or
2. 10 percent (10%) of monthly income.
3. Minimum Rent.

Or if elected;

4. Flat Rent

Utilities

Utilities are water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection, and sewage services. Telephone and cable television service are not included as utilities.

Utility Allowance

If the cost of utilities (except telephone and cable television) and other housing services for a PHA-Assisted Unit is not included in the resident rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by the Agent or HUD, under 24 CFR Part 965, of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances should be consistent with the requirements of a safe, sanitary, and healthful living environment.

Utility Reimbursement

The amount, if any, by which the utility allowance for the unit, if applicable, exceeds the total resident payment for the family occupying the unit.

Very Low-Income Family

A family whose annual income does not exceed 50 percent (50%) of the median income by family size for the area, as determined by HUD.

Veteran

Veteran is a person who served in the active military, naval, or air service, and who was discharged or released under honorable or general conditions.

Welfare Assistance

Welfare or other payments to families, based on need, that are made under programs funded, separately or jointly, by federal, state or local governments.

