

Chapter 9

LEASING [24 CFR 966.4]

INTRODUCTION

It is the PHA's policy that all units must be occupied pursuant to a dwelling lease agreement that complies with HUD's regulations [24 CFR Part 966]. This Chapter describes pre-leasing activities and the PHA's policies pertaining to rental agreement execution, security deposits, other charges, and additions to the rental agreement.

A. RENTAL AGREEMENT ORIENTATION

Prior to execution of the rental agreement, a PHA representative will provide a rental agreement orientation to the family head and spouse. The orientation may be conducted with more than one family.

The family must attend an orientation before taking occupancy of the unit.

Orientation Agenda

When families attend the rental agreement orientation, they will be provided with:

- A copy of the Rental Agreement
- A copy of the PHA's lease and grievance procedure
- A copy of the House Rules
- House Keeping

Topics to be discussed will include, but are not limited to:

- Applicable deposits and other charges
- Provisions of the Rental Agreement
- Orientation to the community
- Unit maintenance and work orders
- Explanation of occupancy forms
- Terms of occupancy

B. EXECUTION OF RENTAL AGREEMENT

The rental agreement shall be executed by the head of household, spouse and by an authorized representative of the PHA, prior to admission.

The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head.

An appointment will be scheduled for the parties to execute the rental agreement. One executed copy of the rental agreement will be given to the tenant, and the PHA will retain one in the

tenant's file. The rental agreement is incorporated into this policy by reference. The rental agreement document will reflect current PHA policies as well as applicable Federal, State and Local law.

The following provisions govern rental agreement execution and amendments:

- A rental agreement is executed at the time of admission for all new tenants.
- A new rental agreement is executed at the time of the transfer of a tenant from one PHA unit to another with no change in reexamination date.
- If, for any reason, any signer of the rental agreement ceases to be a member of the household, the rental agreement will be amended by drawing a line through the party's name and both parties will be required to initial and date the change.
 - Rental agreement signers must be persons legally eligible to execute contracts. If no member of the household is qualified to sign a rental agreement, a legal guardian may co-sign the rental agreement, subject to PHA approval.
- The names and date of birth of all household members are listed on the rental agreement at initial occupancy and on the Application for Continued Occupancy each subsequent year. Only those persons listed on the most recent certification shall be permitted to occupy a dwelling unit.
- Changes to tenant rents are made upon the preparation and execution of a "Notice of Rent Adjustment" by the PHA, which becomes an attachment to the rental agreement. Documentation will be included in the tenant file to support proper notice.
- Households that include a Live-In Attendant are required to execute a rental agreement addendum authorizing the arrangement and describing the status of the attendant.
- Households that include a Live-In Attendant will contain file documentation that the Live-In Attendant is not a party to the rental agreement and is not entitled to PHA assistance, with the exception of occupancy while serving as the attendant for the participant family member.

The PHA may modify its form of rental agreement from time to time, giving tenants an opportunity to comment on proposed changes and advance notice of the implementation of any changes. A tenant's refusal to accept permissible and reasonable rental agreement modifications, or those modifications required by HUD, is grounds for termination of tenancy.

C. ADDITIONS TO THE RENTAL AGREEMENT

Requests for the addition of a new member of the household must be approved by the PHA, prior to the actual move-in by the proposed new member.

Following receipt of a family's request for approval, the PHA will conduct a pre-admission screening, including the Criminal History Report, of the proposed new member. Only new members approved by the PHA will be added to the household.

Factors determining household additions:

1. Household additions subject to screening:
 - Resident plans to marry;
 - Resident desires to add a new family member to the lease or have a live-in aide; and
 - A unit is occupied by a remaining family member(s) under age 18 (not an emancipated minor) and an adult who was not a member of the original household requests permission to take over as the head of household.
2. Factors determining household additions which are not subject to screening:
 - Children born to a family member, whom a family member legally adopts, where a court has awarded custody of the child to a family member, or foster child(ren) - children under 18 are exempt from the pre-screening process.
 - A minor child or children who is domiciled with the family based on written or unwritten permission from the legal parent or other person having custody of the minor, such as a hanai relationship; or a minor child or children domiciled with the family and the family is in the process of securing legal custody of the minor child or children.
3. Except for the additions to the family that are due to marriage, birth, adoption, court-awarded custody, a minor child or children becoming domiciled with the family based on written or unwritten permission from the legal parent or other person having custody of the minor, such as a hanai relationship, or a minor child or children becoming domiciled with the family and the family is in the process of securing legal custody of the minor child or children, if the addition will result in the household exceeding the maximum occupancy allowable by the applicable local housing, zoning, building, health or fire codes and therefore affect the bedroom size required by the family, the PHA may not approve the addition. The PHA can, however, require the family to move to a dwelling unit more appropriate to its size, as may be required, or be more in line with any requirement provided by law.
4. The PHA will not approve adding a family consisting of more than one member to the lease. Such applicants will be encouraged to apply to the waiting list.
5. Residents who fail to notify the PHA of additions to the household, or who permit persons to join the household without undergoing screening, are in violation of the lease.

Such persons are considered to be unauthorized occupants by the PHA, and the entire household will be subject to eviction [24 CFR 966.4(f)(3)].

6. Family members age 18 and over who move from the dwelling unit to establish new households shall be removed from the lease. The tenant must notify the PHA of the move-out within three (3) days of its occurrence.

These individuals may not be readmitted to the unit and must apply as a new applicant for placement on the waiting list.

The PHA in making determinations under this paragraph will consider medical hardship or other extenuating circumstances.

7. The manager may authorize overnight visitors provided the visit does not exceed thirty (30) days.

The family must request PHA approval prior to visitors arriving who will be in the unit in excess of one (1) day in a year.

Visitors who remain beyond this period shall be considered trespassers, and their presence constitutes a breach of the lease.

If an individual other than a leaseholder is representing to an outside agency that they are residing in the lessee's unit, the person will be considered an unauthorized member of the household.

8. Roomers and lodgers are not permitted to occupy a dwelling unit, nor are they permitted to move in with any family occupying a dwelling unit.

Residents are not permitted to allow a former tenant of the PHA who has been evicted to occupy the unit for any period of time.

Residents must advise the PHA when they will be absent from the unit for more than [3] days and provide a means for the PHA to contact the resident in the event of an emergency. Failure to advise the PHA of extended absences is grounds for termination of the lease.

D. LEASING UNITS WITH ACCESSIBLE OR ADAPTABLE FEATURES [24 CFR 8.27(a)(1)(2) and (b)]

Before offering a vacant accessible unit to a non-disabled applicant, the PHA will offer such units:

- First, to a current occupant of another unit of the same development, or other public housing developments under the PHA's control, who has a disability that requires the special features of the vacant unit.

- Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

The PHA will require a non-disabled applicant to agree to move to an available non-accessible unit within 30 days when either a current resident or an applicant needs the features of the unit and there is another unit available for the applicant. This requirement will be a provision of the lease agreement.

E. UTILITY SERVICES

Tenants responsible for direct payment of utilities must abide by any and all regulations of the specific utility company, including regulations pertaining to advance payments of deposits.

Failure to maintain utility services during tenancy is a rental agreement violation and grounds for eviction.

Non-payment of excess utility charge payments to the PHA is a violation of the rental agreement and is grounds for eviction.

F. SECURITY DEPOSITS

Security Deposit

New tenants must pay a security deposit to the PHA at the time of admission.

The amount of the security and/or pet deposit required is specified in the rental agreement.

The PHA will hold the security deposit for the period the tenant occupies the unit.

The PHA will refund to the Tenant the amount of the security deposit, less any amount needed to pay the cost of:

- Unpaid Rent;
- Damages listed on the Move-Out Inspection Report that exceed normal wear and tear;
- Other charges under the Rental Agreement.

The PHA will refund the Security Deposit less any amounts owed, within 15-30 (State Law) days after move out and tenant's notification of new address.

The PHA will refund the Pet Deposit to the tenant, less any damage caused by the pet to the dwelling unit, upon removal of the pet or the owner from the unit.

The PHA will return the Pet Deposit to the former tenant or to the person designated by the former tenant, less any damage caused by the pet to the dwelling unit, in the event of the former tenant's incapacitation or death.

The PHA will provide the tenant or designee identified above with a written list of any charges against the security or pet deposits. If the tenant disagrees with the amount charged to the

security or pet deposits, the PHA will provide a meeting to discuss the charges.

The resident must leave the dwelling unit in a clean and undamaged (beyond normal wear and tear) condition and must furnish a forwarding address to the PHA. All keys to the unit must be returned to the Management upon vacating the unit.

The PHA will not use the security deposit for payment of rent or other charges while the tenant is living in the unit.

If the tenant transfers to another unit, the PHA will transfer the security deposit to the new unit. The tenant will be billed for any maintenance or other charges.

Pet Deposit

(See chapter on Pet Deposit policy.)

G. RENT PAYMENTS

The tenant rent is due and payable at the PHA-designated location on the seventh (7th) of every month. If the seventh (7th) falls on a weekend or holiday, the rent is due and payable on the first business day thereafter.

If the PHA does not receive payment by the agreed-upon date, a delinquent rent notice will be sent.

H. FEES AND NONPAYMENT PENALTIES

If the tenant fails to make payment by the seventh (7th) day of the month, and the PHA has not agreed to accept payment at a later date, a Notice to Vacate will be issued to the tenant with a fourteen (14) day notice period for failure to pay rent, demanding payment in full or the surrender of the premises.

A charge of twenty five dollars (\$25) will be assessed against the tenant for checks which are returned for non-sufficient funds (NSF), or checks written on a closed account. If the check is not redeemed and the rent satisfied by the end of the month, the rent will be considered unpaid.

The PHA will always consider the rent unpaid when a check is returned as NSF or a check is written on a closed account.

If the PHA has not agreed to accept payment at a later date, a *Notice to Vacate* will be issued for failure to pay rent.

Any payment received will be applied to the oldest charges in the resident's account with the exception of debts currently under a payment agreement.

I. SCHEDULES OF SPECIAL CHARGES

Schedules of special charges for services, repairs, utilities and rules and regulations which are required to be incorporated into the rental agreement by reference shall be publicly posted in a conspicuous manner in the project office, and they will be provided to applicants and tenants upon request.

J. MODIFICATIONS TO THE RENTAL AGREEMENT

Schedules of special charges and rules and regulations are subject to modification or revision. Tenants will be provided at least thirty days written notice of the reason(s) for any proposed modifications or revisions, and they will be given an opportunity to present written comments. Comments will be taken into consideration before any proposed modifications or revisions become effective.

A copy of such notice shall be posted in the central office, and:

- Mailed by first class mail to the tenant.

Any modifications of the rental agreement must be accomplished by a written addendum to the rental agreement and signed by both parties.

K. CANCELLATION OF THE RENTAL AGREEMENT

Cancellation of the tenant's rental agreement is to be in accordance with the provisions contained in the rental agreement and as stated in this policy.

L. INSPECTIONS OF PUBLIC HOUSING UNITS

Initial Inspections

The PHA and the family will inspect the premises prior to occupancy of the unit in order to determine the condition of the unit and equipment in the unit. A copy of the initial inspection, signed by the PHA and the tenant, will be kept in the tenant file.

Any adult member may sign the inspection form for the head of household.

Vacate Inspections

The PHA Inspection Department will access the Vacate Report prepared by housing management staff and will perform a move-out inspection when the family vacates the unit, and will encourage the family to participate in the move-out inspection.

The purpose of this inspection is to determine necessary maintenance and whether there are damages that exceed normal wear and tear. The HA will determine if there are tenant caused damages to the unit. Tenant caused damages may affect part or all of the family's security deposit.

The move-out inspection also assists the HA in determining the time and extent of the preparation and repairs necessary to make the unit ready for the next tenant.

The resident is encouraged to participate in the move-out inspection.

Annual Inspections

- The PHA will inspect all units annually using HUD's minimum Uniform Physical Conditions Standards (UPCS) as a guideline.

- Residents who "fail" the inspection due to housekeeping or tenant-caused damages will be given seven (7) days to correct noted items. Another inspection will be conducted.
- Residents will be issued a copy of the inspection report with required corrections.
- If necessary to bring the unit into UPCS compliance, needed repairs will be completed by the HA.
- All inspections will include a check of all smoke alarms to ensure proper working order.
- Inspection report will indicate whether required corrections are to be charged to the resident or covered by the HA.
- Required corrections will be repaired by the HA within 14 of the inspection date.
- Resident will be notified at least two (2) days before the date of the required repairs.
- Damages beyond "normal wear and tear" will be billed to the tenant.
- Residents who repeatedly "fail" the inspection or cause excessive damage to the unit may be in violation of their rental agreement.
- Residents who are in violation of their rental agreement due to repeated failed inspection will be scheduled for a rental agreement violation conference.

Quality Control Inspections

The housing management staff will conduct periodic quality control inspections to determine the condition of the unit and to identify problems or issues in which the PHA can be of service to the family.

The PHA Inspection staff will conduct quality control inspections on all units in which housing management staff **requested** an inspection:

- where repairs were made to vacant units generated by move-out inspections
- that are under general contract maintenance or contracted out to low bid contractors

The purpose of these quality control inspections is to assure that repairs were completed at an acceptable level of craftsmanship and within an acceptable time frame.

The PHA inspection staff will conduct quality control inspections for five (5) % of units receiving a preventive maintenance inspection within 14 days of the preventive maintenance inspection.

PHA Inspection Supervisor conducts quality control inspections for five (5) % of the preventive maintenance inspections conducted.

The property manager will conduct periodic inspections to determine the condition of the unit and to identify problems or issues in which the PHA can be of service to the family.

Special Inspections

Housing management staff may request the inspector to conduct a special inspection for housekeeping, unit condition, or suspected rental agreement violation.

HUD representatives or local government officials may review PHA operations periodically and as a part of their monitoring may inspect a sampling of the PHA's inventory.

Other Inspections

The PHA inspector will periodically conduct windshield and/or walk-through inspections to determine whether there may be rental agreement violations, adverse conditions or local code violations.

Playground inspections are conducted quarterly to determine playground safety.

Building exterior and grounds inspections are conducted at all Public Housing properties to determine hazardous conditions as well as to assist in budget preparation.

Emergency Inspections

Housing management staff, including PHA inspectors may initiate an emergency inspection report to generate a work order if they believe that an emergency exists in the unit or on a Public Housing site. In addition, the inspector may conduct an emergency inspection without a work order and generate a work order after the inspection has been conducted (see Entry of Premises Notice in this chapter.) Repairs are to be completed within 24 hours from the time the work order is issued.

Emergency Repairs to be Completed in Less than 24 Hours

The following items are to be considered emergency in nature and require immediate (less than 24 hour) response:

- Lock-out (with proper identification of resident)
- Broken lock which affects unit security
- Broken window glass which affects unit security, is a cutting hazard, or occurs within inclement weather (to be secured or abated)
- Escaping gas
- Plumbing leaks which have the capacity to create flooding or cause damage to the unit
- Natural gas leaks or smell of fumes
- Backed-up sewage
- Electrical hazard

Units with elderly residents have the following additional standards for repairs to be conducted in less than 24 hours:

- Inoperable PHA-owned air conditioner/heater (seasonal) or refrigerator

Inoperable smoke detectors will be treated as a 24-hour emergency and will be made operable by the PHA if the smoke detector is in need of repair.

Residents who disengage smoke detectors for convenience purposes will be cited. (See "Housekeeping Citations" below)

Entry of Premises Notices

The PHA will give prior written notice for non-emergency inspections. Non-emergency entries to the unit will be made during reasonable hours of the day.

The PHA will provide the family with 48 hour notice prior to entering the unit for non-emergency reasons other than the annual inspection.

An adult family member must be present in the unit during the inspection and be required to show identification.

If no person is at home, the inspector and another staff member will enter the unit and conduct the inspection.

If no one is in the unit, the person(s) who enters the unit will leave a written notice to the resident explaining the reason the unit was entered and the date and time.

Where the HA is conducting regular annual examinations of its housing units, the family will receive at least two (2) weeks notice of the inspection to allow the family to prepare and be able to pass the inspection.

Reasons the PHA will enter the unit are:

- Inspections and maintenance
- To make improvements and repairs
- To show the premises for leasing
- In cases of emergency

The family must call the PHA at least 24 hours prior to the scheduled date of inspection to reschedule the inspection, if necessary.

The HA will reschedule the inspection no more than once unless the resident has a verifiable medical reason which has hindered the inspection. The HA may request verification.

Repairs requested by the family will not require prior notice to the family. Residents are notified in the rental agreement that resident-requested repairs presume permission for the HA to enter.

Non-Inspection Emergency Entry

The PHA staff will allow access to the unit to proper authorities when issues of health or safety

of the tenant are concerned.

Family Responsibility to Allow Inspection

The HA must be allowed to inspect the unit at reasonable times with reasonable notice. Forty eight (48) hour written notice will be considered reasonable in all cases.

The resident is notified of the inspection appointment by mail. The family must call the HA at least twenty four (24) hours before the inspection date to reschedule the inspection, if necessary.

The HA will reschedule the inspection no more than once unless the resident has a verifiable medical reason which has hindered the inspection. The HA may request verification.

If the resident refuses to allow the inspection, the resident will be in violation of the rental agreement and the HA will notify the family of its intended action.

If the resident refuses to allow the inspection, the resident will be in violation of the rental agreement.

Housekeeping Citations

Residents who "fail" an inspection due to housekeeping will be issued a Housekeeping Citation, and a reinspection will be conducted within seven (7) working days by housing management staff.

If the family fails to comply with the reinspection it can result in rental agreement termination. Or if the family is issued another Housekeeping Citation within **seven (7)** days of the reinspection, the family **will be** summoned for a **rental agreement** violation conference.

Citations will be issued to residents who purposely and for convenience disengage the unit's smoke detector.

More than one (1) such citations will be considered a violation of the rental agreement.

Tenant Damages

Repeated failed inspections or damages to the unit beyond normal wear and tear may constitute serious or repeated rental agreement violations.

"Beyond normal wear and tear" is defined as items which could be charged against the tenant's security deposit under state law or court practice.