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Chapter 9

LEASING [24 CFR 966.4]

INTRODUCTION

It is RCRHA'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 RCRHA's policies pertaining to lease execution, security deposits, other charges, and additions to the lease.

A. GENERAL LEASING POLICY

A. General Terms

1. All units must be occupied pursuant to a lease that complies with HUD's regulations.
2. The lease shall be signed by the head, spouse, and/or co-head of the household and by the Executive Director or other authorized representative of RCRHA, prior to actual admission.¹
3. If a resident transfers from one RCRHA unit to another, a new lease will be executed for the dwelling into which the family moves.
4. If at any time during the life of the lease agreement, a change in the resident's status results in the need for changing or amending any provision of the lease, either:
 - (a) A new lease agreement will be executed, or
 - (b) A Notice of Rent Adjustment will be executed, or
 - (c) An appropriate rider will be prepared and made a part of the existing lease.

All copies of such riders or insertions are to be dated and signed by the Resident(s) and by the Executive Director or other authorized representative of RCRHA.

5. Residents must advise RCRHA if they will be absent from the unit for more than 14 days. Residents shall notify the manager, secure the unit and provide a means for RCRHA to contact the resident in an emergency. Failure to advise RCRHA of an extended absence is grounds for termination of the lease.

B. Showing Units Prior to Leasing

1. When offering units, RCRHA will provide the applicant with a brief property description and other information to help orient the applicant to the neighborhood and location in the property. If the offer of a unit is preliminarily accepted by the applicant, RCRHA will contact the applicant to set up a date to show the unit.
2. Once the unit is shown and the applicant accepts the unit, RCRHA will execute a lease. If the applicant refuses the unit, a signed reason for refusal should be obtained from the applicant. The form is then evaluated by RCRHA for a “good cause” determination.
3. No lease will have an effective date before the unit is ready for occupancy ².

C. Occupancy, Additions to the Household and Visitors

1. Only those persons listed on the most recent certification form and lease shall be permitted to occupy a dwelling unit ³.
 - Except for natural births to or adoptions by family members, or court awarded custody, any family seeking to add a new member must request approval in writing before the new member moves in.
 - Also included in requested approval would be situations in which a person (often a relative) comes to the unit as a visitor but stayed on in the unit because the tenant needed support ⁴.
 - All persons listed on the most recent certification form and the lease must use the dwelling unit as their sole residence.
2. When a resident requests approval to add a new person to the lease, RCRHA will conduct pre-admission screening of any proposed new adult member to determine whether the RCRHA will grant such approval.

Children under the age below which Juvenile Justice records are made available, or added through a formal custody award or kinship care arrangement are still required to comply with the pre-admission screening process.
3. Examples of situations where the addition of a family or household **member is subject to screening** are:
 - Resident plans to be married and requests to add the new spouse to the lease;
 - Resident desires to add a new family member to the lease, requests a live-in aide, or take in a foster child(ren) over the age for which juvenile justice records are available;
 - A unit is occupied by a remaining family member(s) under age 18 (who is not an emancipated minor) and an adult, not a part of the original household, requests permission to take over as the head of the household;

4. Residents who fail to notify RCRHA of additions to the household or who permit persons to join the household without undergoing screening are violating of the lease. Persons added without RCRHA approval will be considered unauthorized occupants and the entire household will be subject to eviction ⁵.

5. Visitors may be permitted in a dwelling unit so long as they have no previous history of behavior on RCRHA premises that would be a lease violation.

- Visits of less than seven days need not be reported to or approved by the Manager.
- Visits of more than seven days but less than fourteen days per calendar year are permitted, provided they are reported to the RCRHA within 72 hours and authorized by the RCRHA.
- Visits of more than 14 calendar days per calendar year shall be authorized only by the Executive Director with advance documentation of extenuating circumstances.
- Visitors remaining beyond this period shall be considered unauthorized occupants and the head of the household shall be guilty of a breach of the lease.

6. Roomers and lodgers shall not be permitted to move in with any family. Violation of this provision is ground for termination of the lease ⁶.

7. Residents will not be given permission to allow a former resident of RCRHA who has been evicted to occupy the unit for any period of time. Violation of this requirement is ground for termination of the lease.

8. Family members over age 17 or emancipated minors who move from the dwelling unit to establish new households shall be removed from the lease ⁷.

- The resident shall report the move-out within 10 calendar days of its occurrence.
- These individuals may not be readmitted to the unit and must apply as a new applicant household for placement on the waiting list.
- Medical hardship, or other extenuating circumstances shall be considered by RCRHA in making determinations under this area.

B. LEASE ORIENTATION

Prior to the occupancy of the unit and before the execution of the lease, a RCRHA representative will provide a lease orientation to the family head and spouse. The orientation may be conducted with more than one family.

Orientation Agenda

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

- A copy of the Lease
- A copy of the RCRHA's lease and grievance procedure
- A copy of the House Rules

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

- Applicable deposits and other charges
- Provisions of the Lease
- Unit maintenance and work orders
- Terms of occupancy
- Community Service Requirements
- Pet Policy
- Lead-base paint provisions

C. LEASE REQUIREMENTS

The initial term of the lease will be for 12 months. The month-to-month lease will renew automatically for 12-month terms with the following exception:

RCRHA will not renew the lease if the family has violated the community service requirement (24 CFR 966.4).

Because the community service requirements and other provisions that change in the regulations, the lease does not automatically renews for terms of 12 months, and an annual signing process is required.

The lease further provides for termination and eviction at the end of any 12-month lease term for non-compliance with the community service requirements at 24 CFR Part 960, Subpart F and Chapter 15 of this Admissions and Continued Occupancy Policy.

D. EXECUTION OF LEASE

The lease shall be executed by the head of household, spouse, and by an authorized representative of RCRHA, 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 lease. One executed copy of the lease will be given to the tenant, and RCRHA will retain one in the tenant's file. The lease is incorporated into this policy by reference. The lease document will reflect current RCRHA policies as well as applicable Federal, State and Local law.

The following provisions govern lease execution and amendments:

- A lease is executed at the time of admission for all new tenants.
- A new lease is executed at the time of the transfer of a tenant from one RCRHA unit to another (with no change in reexamination date).
- If, for any reason, any signer of the lease ceases to be a member of the household, the lease will be terminated and a new lease may be executed with the remaining members, so long as they meet the program requirements.
- Lease signers must be persons legally eligible to execute contracts.
- The names and date of birth of all household members are listed on the lease 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 RCRHA, which becomes an attachment to the lease. Documentation will be included in the tenant file to support proper notice.
- Households that include a Live-In Attendant will contain file documentation that the Live-In Attendant is not a party to the lease and is not entitled to RCRHA assistance, with the exception of occupancy while serving as the attendant for the disabled or qualified family member.

RCRHA may modify its form of lease 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 lease modifications, or those modifications

required by HUD, is grounds for termination of tenancy.

E. ADDITIONS TO THE LEASE

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

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

Factors determining household additions:

1. Household additions subject to screening:
 - Resident plans to marry;
 - Resident is awarded custody of a child over the age for which juvenile justice records are available;
 - Resident desires to add a new family member to the lease, employ a live-in aide, or take in a foster child(ren).
 - 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 or whom a family member legally adopts are exempt from the pre-screening process.
3. Residents who fail to notify RCRHA 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 RCRHA, and the entire household will be subject to eviction [24 CFR 966.4(f)(3)].
4. Family members over 17 who move from the dwelling unit to establish new households shall be removed from the lease. The tenant must notify RCRHA of the move-out within 10 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.

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

F. LEASING UNITS WITH ACCESSIBLE OR ADAPTABLE FEATURES

[24 CFR 8.27(a)(1)(2) and (b)]

Accessible units will be offered and accepted by non-mobility impaired applicants only with the understanding that such applicants must accept a transfer to a non-accessible unit at a later date if a person with a mobility impairment requiring the unit applies for housing and is determined eligible.

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

- First, to a current occupant of another unit of the same development, or other public housing developments under the RCRHA'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.

RCRHA 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 is a provision of the lease agreement.

G. 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 lease violation and grounds for eviction.

H. SECURITY DEPOSITS

Security Deposit

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

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

RCRHA may permit installment payments of security deposits when a new tenant demonstrates a financial hardship to the satisfaction of the RCRHA. However all security shall be paid in full by the fifth month. In case the family moves and the security deposit is greater for the second unit, the difference will be collected from the family. Conversely, if the security deposit is less and the tenant leaves no damages, the difference will be refunded to the family.

RCRHA will hold the security deposit for the period the tenant occupies the unit.

RCRHA 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 exceeds normal wear and tear;
- Other charges under the Lease.

RCRHA will refund the Security Deposit less any amounts owed, within 30 days after move out and tenant's notification of new address.

RCRHA 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. RCRHA will return the Pet Deposit to the former tenant or to the person designated by the former tenant in the event of the former tenant's incapacitation or death.

RCRHA 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, RCRHA 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 RCRHA. All keys to the unit must be returned to the Management upon vacating the unit.

RCRHA 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 further billed for any maintenance or other charges.

Pet Deposit

(See chapter on Pet policy.)

I. RENT PAYMENTS

The tenant rent is due and payable at the RCRHA-designated location on the 1st of every month. All rents should be paid at the central office. Reasonable accommodations for this requirement will be made for persons with disabilities. No cash payments will be accepted.

If RCRHA does not receive payment by the close of the 5th business day of the month, a delinquent rent notice will be sent, and the resident will be assessed late fees.

If the resident is experiencing a hardship in the payment of the rent, the resident must provide written notification before the 5th business day of the month and the notification must include an explanation of the circumstances that will delay the tenant's payment, and indicate the date on which full payment will be made.

J. FEES AND NONPAYMENT PENALTIES

If the tenant fails to make payment by the close of the 5th business day of the month, and RCRHA has not agreed to accept payment at a later date, a Notice to Vacate will be issued to the tenant with a 14-day notice period for failure to pay rent, demanding payment in full or the surrender of the premises.

If the tenant fails to make payment by the close of the 5th business day of the month, a late fee of \$15 will be charged.

A charge of \$20.00 will be assessed against the tenant for checks that 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 close of business on the 5th of the month, the rent will be considered unpaid.

RCRHA will always consider the rent unpaid when a check is returned as NSF or a check is written on a closed account. Charges will be assessed for the NSF check. No payment by check will be accepted in the future after one NSF or other cashing problems occurs with a resident.

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

K. SCHEDULES OF SPECIAL CHARGES

Schedules of special charges for services, repairs, utilities and rules and regulations which are required to be incorporated into the lease 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.

L. MODIFICATIONS TO THE LEASE

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:

Posted in at least two conspicuous places within each structure or building in which tenants affected by the modifications or revisions are located.

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

M. CANCELLATION OF THE LEASE

Cancellation of the tenant's lease is to be in accordance with the provisions contained in the lease agreement, HUD regulations, state law, and as stated in this policy.

N. INSPECTIONS OF PUBLIC HOUSING UNITS

Initial Inspections

RCRHA 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 RCRHA staff and the tenant, will be kept in the tenant file.

Vacate Inspections

Housing staff 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. RCRHA 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 RCRHA in determining the time and extent of the preparation and repairs necessary to make the unit ready for the next tenant.

Annual Inspections

RCRHA will inspect all units annually using HUD's Uniform Physical Conditions Standards (UPCS).

Residents who "fail" the inspection due to housekeeping or tenant-caused damages will be given 7 calendar days to correct noted items. Another inspection will be conducted. Residents may be assessed an additional security deposit to potentially cover the cost of damages at the time of vacating the unit.

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 RCRHA.

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 RCRHA.

Required corrections will be repaired by RCRHA within 30 days of the inspection date.

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 will be considered in violation of their lease.

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 RCRHA can be of service to the family.

RCRHA staff will conduct quality control inspections on at least 5% of units or the mandatory minimum per the HUD protocol.

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

Special Inspections

Housing management staff may conduct a special inspection for emergency conditions, housekeeping, unit condition, or suspected lease violation.

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

If a special inspection is conducted, the RCRHA will leave notice that they were in the unit and the reason for the special inspection.

Other Inspections

The RCRHA inspector will periodically conduct windshield and/or walk-through inspections to determine whether there may be lease violations, adverse conditions or local code violations. During routine, preventive, or requested maintenance, notations and violations will be noted for other corrective actions.

Emergency Inspections

Housing management staff may initiate an emergency inspection if they believe that an emergency exists in the unit or on a Public Housing site. (See Entry of Premises Notice in this chapter.) Repairs are to be completed within 24 hours from the time the work order is issued. If an emergency or after hours work order is called into the RCRHA, the head of household or an adult member must be present at the service time.

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:

1. Fires – Call the Fire Department at 911 before contacting Maintenance.
2. Air conditioning and cooling problems in the summer based on the current temperature and other configurations/conditions in the unit.
3. Heating problems in winter based on the current temperature.
4. Electrical failures (affecting more than just a lighting or outlet circuit)
5. Gas leaks.
6. Plumbing stoppages affecting ALL toilets.
7. Breaks in main water lines and major water leaks.
8. Lock-outs – Subject to the resident paying the cost for responding.
NOTE: REQUESTS FOR DUPLICATE KEYS AFTER WORKING HOURS MUST BE APPROVED AND ISSUED BY THE ON CALL PERSONNEL.

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

Entry of Premises Notices

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

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

Reasons RCRHA 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 RCRHA at least 24 hours prior to the scheduled date of inspection to reschedule the inspection, if necessary.

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

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

Non-Inspection Emergency Entry

RCRHA 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

RCRHA must be allowed to inspect the unit at reasonable times with reasonable notice. Forty-eight hour written notice will be considered reasonable in all cases, except emergencies.

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

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

Housekeeping Citations

Residents who "fail" an inspection due to housekeeping will be issued a Housekeeping Notice, and a reinspection will be conducted within 7 calendar days by housing management staff.

If the family fails to comply with the re-inspection, it can result in lease termination. If the family fails an inspection due to housekeeping, the family will be placed on monthly inspections and given the opportunity to correct. If the family fails 3 inspections, the family will be summoned for a lease violation, and if a 4th incident is occurs, the lease shall be terminated.

Violation notices will be issued to residents who purposely disengage the unit's smoke detector.

Repeated notices will be considered a violation of the lease.

Tenant Damages

Serious or repeated failed inspections or damages to the unit beyond normal wear and tear may constitute a lease 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.

¹ 24 CFR § 966.4 (p)

² 24 CFR§ 966.4 (i)

³ 24 CFR §§ 960.205 (b) and 966.4(a)(1)(v)

⁴ 24 CFR § 966.4 (f)(3) & (c)(2)

⁵ 24 CFR § 966.4 (f)(3)

⁶ 24 CFR § 966.4 (f)(2)

⁷ 24 CFR § 966.4 (f)(3)