

ADMINISTRATIVE PLAN



ADMINISTRATIVE POLICIES AND PROCEDURES

of the

PALM DESERT HOUSING AUTHORITY

for the Management and Operation of its

AFFORDABLE HOUSING RENTAL UNITS

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ABOUT THE AUTHORITY

“The mission of the Palm Desert Housing Authority is to serve the citizens of Palm Desert by providing decent, safe, sanitary, and affordable housing to qualifying households whose incomes are very low to moderate including public-private partnerships.”

The Palm Desert Housing Authority (Authority) was established in December of 1997 by the Palm Desert City Council to operate certain affordable rental properties located in Palm Desert acquired by the former Palm Desert Redevelopment Agency from the Riverside County Housing Authority (RCHA). Prior to the Agency’s acquisition, the RCHA owned and operated the 725 affordable units for Palm Desert. In 2012, California law eliminated redevelopment agencies throughout the state, and the City of Palm Desert designated the Authority as the successor housing entity. The Authority, as successor, now owns over 1,000 affordable rental units. The income levels range from very low (20 percent of the Riverside County Area Median Income) to moderate (up to 120 percent of the Riverside County Area Median Income). The City Council members were appointed as the Authority Board. The Authority Board established a Housing Commission comprised of members of the community to review and advise on matters to come before the Authority Board.

The Authority works hand in hand with the City toward sustaining the goals and policies contained in the City’s approved Housing Element:

Goal 1: A variety of housing types that meet all the needs of all income groups within the City.

Goal 2: The preservation and maintenance of the City’s high quality affordable housing supply.

Palm Desert’s affordable housing programs are successful in part because of the solid foundation of policies, procedures and regulatory provisions that have been established. Palm Desert’s rental properties as well as other housing programs have guidelines that provide for all residents to be treated fairly under fair housing laws, and equitably based on income and family size. The rental properties, through a coordinated effort with staff, are managed by a contracted professional property management company in accordance with this Administrative Plan.

The policies, guidelines and standards set forth in this Administrative Plan shall apply to rental properties owned, operated or controlled by the Authority, and are intended to encourage, maintain and preserve the supply of affordable housing in the City, the condition of affordable housing in the City, and the level of compatibility within the community that is expected by the City Council and the Authority Board.

NOTICE: *This Plan is intended to establish policies where the Authority has discretion under the applicable law. This Plan does not purport to change any of the requirements of Federal or State Law. In the event any discrepancy between this Plan and applicable law, the law will prevail.*

Section 1. DEFINITIONS

Capitalized terms used herein shall have the following meanings unless the context in which they are used clearly requires otherwise. Code Sections or statutes that are referenced herein may be amended from time to time and shall be subject to the then current law unless stated otherwise.

Section 1.1 Adjusted for Family Size – shall mean a standardized household size for the purposes of renting units appropriate for family size pursuant to Health and Safety Code Section 50052.5, which is one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, four persons in the case of a three-bedroom unit, and five persons in the case of a four-bedroom unit.

Section 1.2 Affordable Housing Cost – shall mean a housing cost, as defined by Title 25 CCR Section 6920, which is calculated pursuant to California Health and Safety Code Section 50052.5, as such regulations may be amended from time to time.

Section 1.3 AMI – shall mean the Area Median Income for Riverside County, as determined and published annually by the Department of Housing and Community Development for the State of California (“HCD”), pursuant to California Health and Safety Code Section 50093, and the regulations promulgated thereunder, or if such agency shall cease to publish such an index, then any comparable index published by any other federal or state agency which is approved and/or accepted by the Authority or as established by funding source. The AMI shall be adjusted for family size in accordance with state regulations adopted pursuant to California Health and Safety Code Section 50052.5, as amended from time to time.

Section 1.4 Applicant – shall mean a person or household that desires to apply for tenancy at an Authority Property. See also: Interested Household, Wait List Eligible Household, and Qualified Household.

Section 1.5 Assets – see Household Assets.

Section 1.6 Authority – shall mean the Palm Desert Housing Authority.

Section 1.7 Authority Board – shall mean the governing body for the Authority.

Section 1.8 Caretaker – see Live-in Aide.

Section 1.9 CCR – shall mean the California Code of Regulations.

Section 1.10 CFR – shall mean the Code of Federal Regulations.

Section 1.11 Child – see Minor.

Section 1.12 Child Care Expenses – shall mean a reasonable amount paid by the

Household for the care of Minors under 13 years of age where such care is necessary to enable a family member to be employed.

Section 1.13 City – shall mean the City of Palm Desert.

Section 1.14 City Manager – shall mean the City Manager for the City of Palm Desert or his or her designee.

Section 1.15 County – shall mean the County of Riverside, California.

Section 1.16 Disability – shall mean a physical or mental impairment that substantially limits one or more of the major life activities; a record of such impairment; or being regarded as having such an impairment, as such terms are defined by, and interpreted in accordance with, the Americans with Disabilities Act.

Section 1.17 Disability Program Participant – shall mean a Household member who has been determined by the Commissioner of Social Security to be unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that has lasted or can be expected to last for a continuous period of not less than 12 months or as more particularly defined under Section 223 of the Social Security Act.

Section 1.18 Elderly Household – shall mean a Household that consists of one or two persons, one of which is a Senior, or otherwise is qualified in accordance with California Civil Code Section 51.11.

Section 1.19 Emergency Condition – shall mean any condition in the Restricted Unit or applicable Property that poses an immediate, verifiable threat to the life, health or safety of the Resident that cannot be repaired or abated within 24 hours.

Section 1.20 Exceptional medical or other expenses – shall mean medical expenses, and/or unusual expenses, as defined in this Section, which exceed 25 percent of the gross annual income.

Section 1.21 Executive Director – shall mean the Executive Director of the Palm Desert Housing Authority.

Section 1.22 Family – shall also mean ‘Household’ within the Plan unless otherwise stated. See also Household.

Section 1.23 Grievance – A Resident’s or Applicant’s right to seek review of a decision by an impartial panel concerning the Management Company’s action or failure to act in accordance with the individual Resident’s lease or the Authority’s policy and procedures herein described that adversely affect the individual’s rights, duties, welfare, or status.

Section 1.24 HCD – shall mean the Department of Housing and Community Development for the State of California.

Section 1.25 HOME funds – shall mean monies allocated under a block grant funding program made available through HUD through allocations and reallocations, to strengthen public-private partnerships and to expand the supply of decent, safe, sanitary and affordable housing with target emphasis on very low-income and low-income families in accordance with the HOME Investment Partnerships Program regulations provided in 24 CFR Part 92.

Section 1.26 Household – shall mean one or more persons intending to occupy or occupying the same Restricted Unit, as more particularly described in the Occupancy Standards Policy. Household shall also mean ‘Family’ within the Plan unless otherwise stated.

Section 1.27 Household Assets – shall mean those Assets defined under Title 25 CCR Section 6914 includable as monthly income as prescribed therein.

Section 1.28 HUD – shall mean the U.S. Department of Housing and Urban Development.

Section 1.29 Income – shall mean income that a person or Household has received or is expected to receive as more particularly categorized and described below:

Section 1.29.1 Annual Income – shall mean the anticipated total annual income of a Household from all sources for the 12-month period following the date of determination of income, computed in accordance with Title 25.

Section 1.29.2 Household Income – shall mean the total of all income received by a Household which is included under Title 25 CCR Section 6914 less deductions and exemptions specified therein.

Section 1.29.3 Gross Income – shall have the meaning ascribed to such term in Title 25 CCR Section 6914, as such regulations may be amended from time to time.

Section 1.29.4 Maximum Household Income – shall mean the Household income calculated based on family size that may be equal to but does not exceed 120 percent of the Riverside County AMI. Household incomes exceeding 120 percent of the Riverside County AMI will not be eligible for the Authority’s program.

Section 1.29.5 Net Income – for the purpose of determining Affordable Housing Cost or affordable rent, "net income" shall be computed as provided by Title 25 CCR Section 6916, as such regulations may be amended from time to time, as follows: the annual gross income less \$300 for each minor and medical expenses which exceed 3 percent of the annual gross income and unusual expenses, all divided by 12.

For the purposes of this Plan, “Income” shall not include the income of Live-In Aides.

For the purposes of this Plan, “Income” shall include any employment, benefits, family support and additional bank deposits provided to any member of the Household,

except for items listed under subdivision (b) of Title 25 CCR Section 6914, as such regulations may be amended from time to time.

For the purposes of this Plan, “Income” shall include net income from the operation of a business or profession (including self-employment).

For the purposes of this Plan, expenditures for business expansion or amortization of capital indebtedness shall not be deducted to determine the net income from a business owned by any Household member.

See also, Income by Unit Allocation, Income Category, Income Level, Low Income Household, Very Low Income Household, Moderate Income Household, and Qualified Household.

Section 1.30 Income by Unit Allocation – shall mean the allocation provided by the Authority to the Management Company for the purposes of blending the Qualified Household and resident incomes among the properties.

Section 1.31 Income Category – shall mean the average income percentages within each income level. In the case of Very Low Income shall include Household incomes from 20 percent up to 50 percent in the following categories: 20-24, 25-29, 30-34, 35-39, 40-44, 45 up to 50 percent; in the case of Low Income shall include Household incomes from 51 percent up to 80 percent in the following categories: 51-55, 56-60, 61-65, 66-70, 71-75, 76-80 percent; and in the case of Moderate Income shall include Household incomes from 81 percent up to 120 percent as one category.

Section 1.32 Income Level – shall mean a Household determined by income to be either very low, low or moderate income pursuant to the definitions prescribed herein.

Section 1.33 Interested Households – shall mean a person or Household that desires to apply for tenancy at a Property that contains Restricted Units. See also: Applicant.

Section 1.34 Jurisdiction – shall mean the legal jurisdiction of the Authority, which is the city limits of the City of Palm Desert.

Section 1.35 Live-in Aide – shall be defined as provided in Title 24 CFR Section 5.403, and shall mean a person who resides with one or more Seniors or persons with disabilities, who is verified by the Authority to be providing essential services to the care and well-being of such person(s), is not obligated for the support of the person(s), and would not be living in the Restricted Unit except to provide supportive services. Any person serving as a Live-in Aide in a Restricted Unit shall (1) execute an affidavit certifying annually that he or she qualifies as a Live-in Aide under Title 24 CFR Section 5.403; (2) consent to a back-ground check conducted by the Management Company; and (3) execute an acknowledgement that he or she only has a right to the Restricted Unit as long as the applicable Resident needs supportive services and remains a Resident.

Section 1.36 Low Income Household – shall mean persons and families meeting the income qualification limits set forth in California Health and Safety Code Section 50079.5

and Title 25 of the California Code of Regulations Section 6910, et seq., as the case or context may require, as such statutes and regulations may be amended from time to time.

Section 1.37 Management Company – shall mean the contracted property management company for the Authority.

Section 1.38 Medical Expenses – shall mean those medical expenses not included as extraordinary or unusual expenses, which are to be anticipated during the 12-month period for which the gross income is computed, and which are not covered by insurance (however, premiums for such insurance may be included as medical expenses). Medical expenses defined herein shall be deducted for households with a Disability Program Participant and Elderly Households only.

Section 1.39 Minor – shall mean a member of the Household other than the head of household or spouse, who is under 18 years of age.

Section 1.40 Moderate Income Household – shall mean persons and families meeting the income qualification limits set forth in California Health and Safety Code Section 50093 and Title 25 of the California Code of Regulations Section 6910, et seq., as the case or context may require, as such statutes and regulations may be amended from time to time.

Section 1.41 Notice of Denial – shall mean the notice provided to the Household when it is ineligible, not qualified or is no longer qualified.

Section 1.42 Occupancy Standards Policy – shall mean the occupancy standards for residential units owned, operated and restricted by the Palm Desert Housing Authority set forth in Resolution No. HA-84 adopted December 14, 2017, as may be amended from time to time.

Section 1.43 Plan – shall mean this Administrative Plan (also referred to as the Plan).

Section 1.44 Property – shall mean a multi-family or senior residential apartment community, or any part thereof, that is owned, operated or controlled by the Authority, including but not limited to those properties listed in Exhibit A, as may be amended from time to time.

Section 1.45 Property Manager – shall mean the person assigned by the Management Company to supervise day-to-day operations for a specific affordable residential property.

Section 1.46 Public Housing Agency – shall mean any State, County, municipal or other government entity or public body (or agency or instrumentality thereof) that is authorized to engage in or assist in the development or operation of housing for Very Low, Low, or Moderate Income Households.

Section 1.47 Qualified Household – shall mean a person or Household whose total household income does not exceed the limits established by the Plan and who have

provided documentation as required herein to demonstrate he, she or it is qualified to occupy a Restricted Unit.

Section 1.48 RCHA – shall mean Riverside County Housing Authority.

Section 1.49 Rent – shall mean the amount charged as a fee for occupancy for a particular Restricted Unit pursuant to the Rental Rate Policy, or any amendment hereto, and categorized below:

Section 1.49.1 Affordable Rent – shall mean rent calculated in accordance with Health and Safety Code Section 50053 for a Very Low, Low or Moderate-Income Household. Affordable rent shall include a reasonable allowance for utilities.

Section 1.49.2 Maximum Rent – shall mean the maximum rental rate set for a particular type of unit at a specific Property, without regard to utility allowance, based on a bi-annual market survey. Such rate shall be adjusted in the non-surveyed year by the AMI percentage change as more particularly described in the Rental Rate Policy or any amendments thereto.

Section 1.49.3 Resident Rent – shall mean the total monthly resident payment to the Authority as determined by certification, recertification, or outside assistance. Resident Rent may or may not be the total paid as Unit Rent for a particular unit.

Section 1.49.4 Unit Rent – shall mean the total rent charged for a particular Authority owned, operated or controlled unit, including those amounts accepted from a third party for the purposes of rental assistance or housing expense.

Section 1.50 Rent Burdened – shall mean a Household that is paying more than 30 percent of Household Income for rent and utilities.

Section 1.51 Rental Rate Policy – shall mean the rental rates for residential units owned, operated and restricted by the Palm Desert Housing Authority set forth in Resolution No. HA-84 adopted December 14, 2017, as may be amended from time to time.

Section 1.52 Resident – shall mean a person or Household that has signed a residential lease to occupy or is currently occupying a Restricted Unit.

Section 1.53 Restricted Units – shall mean an affordable housing unit that is owned by the Authority.

Section 1.54 Senior – shall mean a person who is at least 55 years of age or older.

Section 1.55 Successor Agency – shall mean the Successor Agency to the Palm Desert Redevelopment Agency

Section 1.56 Title 25 – shall mean Title 25 of the California Code of Regulations Section 6910, et seq., as it pertains to income and household size for Households whose income is very low, low or moderate, as may be amended from time to time.

Section 1.57 Unusual expenses – shall be as defined in 25 CCR Section 6912, and shall mean amounts paid by the Household for the care of minors under 13 years of age or for the care of disabled or handicapped household members, but only where such care is necessary to enable a Household member to be gainfully employed, and the amount allowable as unusual expenses shall not exceed the amount of income from such employment.

Section 1.58 Utilities – shall include electricity, gas, other heating (including hot water heating), refrigeration and cooking fuels not paid by the Authority. Utilities may include water, trash and sewer if not paid by the Authority. Telephone, Cable, Digital Services and Internet Connection costs are not included as utilities.

Section 1.59 Utility Allowance – shall mean the amount, updated annually, equal to the estimate established by the RCHA of the monthly cost of a reasonable consumption of such utilities and other services described in Title 25 CCR Section 6918(c) for the Restricted Unit by an energy-conservative Household consistent with the requirements of a safe, sanitary, and healthful living environment applicable for each unit type and equipment.

Section 1.60 Veteran – shall mean a person who has served in the active armed services of the United States at any time and who shall have been discharged or released there from under conditions other than dishonorable, as verified by the Veterans Administration.

Section 1.61 Veterans Preference – shall mean the preference that enables a Wait List Eligible Household that includes a Veteran to be placed on the applicable priority waiting list.

Section 1.62 Very Low Income Household – shall mean persons and families meeting the income qualification limits set forth in California Health and Safety Code Section 50105 and Title 25 of the California Code of Regulations Section 6910, et seq., as the case or context may require, as such statutes and regulations may be amended from time to time; provided, however, that such income is at least 20 percent of AMI.

Section 1.63 Wait List Eligible Households – shall mean persons and families who have provided the documentation and/or information required demonstrating that they meet the minimum eligibility requirements to be placed on a waiting list. (See Section 3.3)

Section 2. ABOUT THE PLAN

Section 2.1 PURPOSE OF THE PLAN. The purpose of the Administrative Plan (the Plan) is to establish program guidelines, policies and procedures as they pertain to Authority owned, operated or controlled properties. This plan serves as the management plan for the rental, improvement, preservation, maintenance and affordability of Authority Restricted Units.

Section 2.2 APPLICABILITY OF THE PLAN. The Plan shall apply to all members of Interested Households, Wait List Eligible Households, Qualified Households, Applicants and Residents applying for or residing in properties identified in Exhibit A and any others that may be subject to the jurisdiction of or managed by the Authority from time to time. Unless otherwise specified in the Federal or State funding guidelines, the processes outlined herein shall also apply to the Residents occupying an Restricted Unit who receive Federal or State funding either directly or indirectly. Federal and State laws shall prevail in the event the policies and processes set forth herein are inconsistent with any existing or enacted applicable law.

Section 2.3 ADMINISTRATOR OF THE PLAN. The administrator of the Plan shall be the Authority regardless of funding source or ownership of the Restricted Units. The Executive Director shall have the authority to implement and administer the Plan in accordance with the terms herein. In matters where the Authority has discretion, waivers of existing policy shall be determined by the Executive Director or his or her designee.

Section 2.4 FISCAL RESPONSIBILITIES. Before the beginning of each fiscal year or as soon as possible after an acquisition of property, the Authority Board will adopt the property budget. The budget will include a projection of revenue and all expenditures including professional property management fees prior to being expended. The Authority will follow procurement procedures in accordance with the City's policies and/or applicable law.

Section 2.5 EQUAL OPPORTUNITY. It is the policy of the Authority and its agents to comply fully with all federal, state, and local anti-discrimination laws, including but not limited to: Title VI of the Civil Rights Act of 1964; Title VIII and Section 3 of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974); Executive Order 11063 as strengthened by Congress in 1992; the Fair Housing Act of 1968, as amended; the Age Discrimination Act of 1975; the Americans with Disabilities Act (ADA) of 1990; the U.S. Department of Housing and Urban Development regulations governing fair housing and equal opportunity; and any legislation protecting the individual rights of Residents, Applicants or staff which may be subsequently enacted.

It is the Authority's policy to post required notices in conspicuous, public locations throughout the property as required by such notice.

It is the Authority's policy to ensure meaningful access to limited English proficient (LEP) persons. The Authority may translate certain documents related to the Plan as well as those required by law to assist persons with LEP. Notwithstanding this provision, the English version of all documents signed by the Resident will govern. Reasonable, necessary steps will be provided in order to make certain that no eligible person has their assistance denied, decreased or terminated simply because they face challenges communicating in English.

Section 2.6 PROPERTIES. Properties include those properties currently owned and operated by the Authority, listed in Exhibit A as well as any property or development that comes under the direction, control or is acquired by the Authority. Several of the Authority's properties are restricted to Seniors and serve only Elderly Households. All other properties operated by the Authority are to be open and made available to all Qualified Households.

Section 3. RESIDENT SELECTION AND WAITING LIST PROCEDURES

The Authority has found that the demand for its affordable rental housing exceeds supply. In order to identify Households that have interest in Restricted Units, waiting lists will be established for each property as herein described. Wait List Eligible Households will be assigned a position on the waiting list by income category, household size, and any allowable preference or preferences.

Section 3.1 WAITING LIST INTEREST REGISTRATION FORM. All **Interested Households** must complete an interest registration form referred to as a “Guest Card”. The purpose of the form is to allow the Authority to determine placement on the waiting list based on the information provided by the Interested Household. Interest registration forms will be accepted by phone, by mail or email, or by physical delivery to the individual property management office.

Section 3.2 ESTABLISHMENT OF WAITING LISTS. For each property except Palm Village, Santa Rosa, and Carlos Ortega Villa, waiting lists will be maintained for each Income Category at or below 120 percent of the Riverside County AMI. Waiting lists will be maintained for Palm Village, Santa Rosa, and Carlos Ortega Villas for each Income Category at or below 80 percent of the Riverside County AMI. Waiting lists for transfers will also be separately maintained for each property in accordance with this Section 3.

Section 3.3 ELIGIBILITY FOR WAITING LIST. In order for an Interested Household to become a **Wait List Eligible Household** and be placed on the waiting list, the Interested Household must meet income eligibility requirements based on the Riverside County AMI. The Interested Household will also be required to meet additional permissible criteria established by the Authority pursuant to Title 25 that include but are not limited to the following:

Section 3.3.1 Must provide Income and Assets for all Household members over the age of 18 (except for Live-In Aides), which in aggregate does not exceed the current published Maximum Household Income for the Household size.

Section 3.3.2 Must provide names and ages of all Household members.

Section 3.3.3 Must disclose any allowable preferences and accommodations at time of interest.

Section 3.3.4 Current address and contact information.

Section 3.4 PLACEMENT ON THE WAITING LIST. All Wait List Eligible Households will be placed on the appropriate affordable waiting list according to allowable preferences, current income, and in the date/time order in which the Guest Card was filed and received. Wait List Eligible Households must update the information provided to the Management Company as necessary during the wait list period in order to remain a Wait List Eligible Household.

Section 3.5 NOTIFICATION OF AVAILABLE UNIT. Once the Management Company identifies a Restricted Unit that will become available, Wait List Eligible Households will be notified by phone or email. In the event that the Management Company cannot reach the Wait

List Eligible Household by phone or email, the Management Company will provide notification by U.S. mail. The Wait List Eligible Household will have five (5) business days to respond to this notification. Failure of the Wait List Eligible Household to respond within the above time frame above will result in removal from the waiting list. In accordance with this Section, it is the Wait List Eligible Household's responsibility to keep the waiting list information current at all times. In the event contact is not possible due to insufficient or out of date information on file, the Wait List Eligible Household will no longer be deemed 'eligible' and will be removed from the waiting list without further notice.

Section 3.6 NOTIFICATION BY WAIT LIST ELIGIBLE HOUSEHOLD OF INCOME OR HOUSEHOLD CHANGES. During the wait list period, any changes to the information provided by the Wait List Eligible Household must be provided to the Property Manager of the individual property to ensure its placement on the waiting list under the correct income category and/or Household size. At the time the updated information is provided, if the revised household income changes the income category for the Wait List Eligible Household but remains under 120 percent of the AMI, the Household will remain 'eligible' but will be placed at the 'bottom' of the new income category list and notified of the change.

Section 3.7 WAITING LIST MAINTENANCE AND NOTIFICATION OF CONTINUED INTEREST. Applicants on the waiting list shall confirm every two years that all information is current and timely. The Wait List Eligible Household must notify the individual property management office not less than five days (but not more than 60 days) prior to the two-year anniversary of placement on the list, that the Household wishes to remain on the list (continued interest). Failure to notify the property management office within the time frame will result in removal from the waiting list. The Wait List Eligible Households will not be removed from the waiting list unless: the Household has been on the waiting list for two years and has not declared its continued interest in the program; the Household fails to respond to a written request for information; the Household fails to keep the information current (and therefore makes it impossible for the property management to contact the Household); the Household misses a scheduled appointment without prior notification to reschedule; the Household requests in writing or via telephone that the Household's name be removed; the Household's income or size has exceeded the limits of the program; or any information or documentation that deems a Wait List Eligible Household to be ineligible (includes the lack of documentation proving eligibility).

Section 3.8 ALL UNITS ARE AFFORDABLE. No Restricted Units will be intentionally rented to families above moderate income as defined herein. In the event Restricted Units are no longer required to be affordable, then the Restricted Units that are identified as above moderate income, will be rented on a first come, first served basis regardless of income and family size, at the maximum rent as established by the Rental Rate Policy. Policies of the Plan apply to all Residents regardless of income or family size.

Section 3.9 PREFERENCES. Each Wait List Eligible Household will be placed on the applicable affordable waiting list according to income category, household size, the Veterans Preference, and any other preference required under state or federal law. Such preferences must be disclosed at such time as the Interested Household has completed the interest registration form or upon eligibility for said preference, whichever occurs first. An existing Resident that qualifies for an Emergency Transfer, Disabled Person Accommodation, Required

Transfer, or Medical Transfer pursuant to Section 3.10.4 shall have priority over an Waiting List Eligible Household.

Section 3.10 SELECTION FROM THE WAIT LIST UPON UNIT AVAILABILITY. Notwithstanding Section 3.10.4 herein, when a vacancy occurs, a Restricted Unit becomes available after restoration, or a Resident submits a 30 day notice, a Wait List Eligible Household will be selected to apply as an **Applicant** for tenancy in the following manner: first from the appropriate income waiting list that satisfies the property's Income by Unit Allocation, then by household size appropriate for the Restricted Unit in accordance with the Occupancy Standards Policy.

The household income of an Applicant at the time a Restricted Unit becomes available will be used to determine the appropriate income category for the Applicant. If at the time a Restricted Unit becomes available, the Applicant's income is different than the waiting list income category they are selected from, they will be returned to a 'Wait List Eligible Household' status and placed on the appropriate income category waiting list in accordance with the waiting list procedures. The Household will be placed at the 'bottom' of the new income category list and notified of the change.

If there are no Wait List Eligible Households in the appropriate income category for the available Restricted Unit, the next Wait List Eligible Household will be selected from the next lower income category or an income category of need for housing.

Upon being selected to apply for tenancy the Applicant will then be required to complete the application process to determine whether they are a **Qualified Household** under the Plan as more particularly described in Section 4 and 5.

Section 3.10.1 Property Income Composition and Income by Unit Allocation. From time to time the Authority may modify the Resident Income composition of the property so as to not concentrate a higher percentage of one income level at one property. The Authority will select Residents by Income in a manner to ensure decent, safe and sanitary housing and create a suitable living environment that fosters economic and social diversity in the Resident body as a whole by preparing an allocation for this purpose (Income by Unit Allocation).

Section 3.10.2 Unit Under/Over Utilization. To avoid overcrowding and prevent underutilization of Restricted Units, Households will be selected in accordance with the Occupancy Standards Policy.

Section 3.10.3 Offer and Acceptance of a Restricted Unit. Once an Applicant is deemed a Qualified Household, the Household will be offered an available Restricted Unit appropriate for the household composition. The Qualified Household has an option to accept or decline the Restricted Unit, one time, without any effect on its position on the waiting list. A Qualified Household that declines more than one Restricted Unit will be removed from the waiting list, except to the extent the Qualified Household declines due to a disability or other reasons protected by law.

The Authority will take into consideration the needs of the individual Household's composition and Fair Housing guidelines when identifying Restricted Units that become available to the selected Household.

Upon acceptance of the Restricted Unit, the Qualified Household will be notified, by telephone, email and/or in writing of the anticipated date the Restricted Unit will be available for occupancy. Upon acceptance of the Restricted Unit by the Qualified Household, the Qualified Household will be removed from the waitlist on all other Authority Communities.

Section 3.10.4 Unit Availability and Transfers. The type of Restricted Unit that becomes available will determine whether the next Wait List Eligible Household is selected or other special accommodation is made including an existing Resident transfer. An existing Resident that requests and qualifies for an Emergency Transfer, Disabled Person Accommodation, Required Transfer, or Medical Transfer to the available Restricted Unit shall have priority over an Waiting List Eligible Household. Emergency Transfers will have first priority when an appropriate Restricted Unit becomes available. If no existing Resident requests and qualifies for an Emergency Transfer when an appropriate Restricted Unit becomes available, Disabled Person Accommodations, Required Transfers and Medical Transfers will have priority in that respective order. Requested Transfers will be added to the bottom of the appropriate waiting list for the requested property unless the request is being considered both by management and the Resident for purposes of mutual benefit to the parties.

3.10.4.a Emergency Transfer: A transfer of an existing Resident that is necessary due to an Emergency Condition.

3.10.4.b Disabled Person Accommodation: A reasonable accommodation made in accordance with the Americans with Disabilities Act, Section 503 of the Rehabilitation Act of 1973, the Fair Housing Act or applicable state disability law.

3.10.4.c Required Transfer: A transfer that is necessary when a Resident's Restricted Unit is no longer suitable in accordance with the Authority's occupancy standards, rehabilitation, demolition, construction and Authority required. Required Transfers are mandatory for the Resident and may require alternate options, i.e., transfer to temporary option or permanently to another available Restricted Unit.

3.10.4.d Medical Transfer: A transfers that is necessary when a Resident provides a verifiable medical reason for such transfer.

3.10.4.e Requested Transfers: A transfer that is requested by an existing Resident to avoid hardship by, among other things, reducing the distance between the Restricted Unit and the Resident's workplace or any other requested transfer wherein the Resident demonstrates acceptable immediate need for the household at the Authority's discretion. All costs associated with a Restricted Transfer will be borne by the Resident.

Section 3.11 Conflicts Prohibited. No employee, contractor, subcontractor, or agent of the Authority who formulates policy or who influences decisions with respect to the Properties and programs governed by this Plan, or any immediate family member of such person, may, during the period of employment and for one year thereafter, apply for or occupy a Restricted Unit in the Properties or obtain any other benefit under the programs governed by this Plan. For purposes of this Section 3.11, "immediate family member" means spouse, domestic partner, cohabitant, child, stepchild, grandchild, parent, stepparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, great grandparent, brother, sister, half-brother, half-sister, stepsibling, brother-in-law, sister-in-law, aunt, uncle, niece, nephew, or first cousin (that is, a child of an aunt or uncle).

Section 4. APPLICATIONS AND HOUSEHOLD QUALIFICATION

Once a Wait List Eligible Household is selected as an Applicant in accordance with Section 3, the Applicant must submit a completed application in the form acceptable to the Management Company that includes the requirements, documentation, verifications, authorizations and certifications required by this Section.

Section 4.1 APPLICATION. The completed application will require that the Applicant provide the following:

Section 4.1.1 Contact Information. Current address and contact information for the Applicant.

Section 4.1.2 Income. Income information for all Household members over the age of 18 (except for Live-In Aides), which includes but is not limited to tax returns, pay stubs, bank statements, unemployment earnings statements, disability or social security earnings statements, and any other Income documentation the Authority reasonably requests of Applicant. Income from regular contributions or gifts received from persons outside the Household must be documented in an affidavit (recertified annually) that lists any such contributions or gifts received in the 12 months prior to the submittal of the completed application.

Section 4.1.3 Assets. Asset information for all Household members over the age of 18 (except for Live-In Aides) which includes but is not limited to documentation of any interest in real property other than a primary residence, savings accounts records, and records of stocks, bonds, and other forms of capital investments.

Section 4.1.4 Affordable Requirements. Necessary documentation to verify affordable criteria has been met by all Household members in accordance with Section 4.3.

Section 4.1.5 Applicant Lease Requirements. Necessary documentation to verify applicant lease requirements have been met by all Household members in accordance with Section 4.2.

Section 4.1.6 Identification. Proof of identification, birth documents for each family member, and a current driver's license, or equivalent, for copying.

Section 4.1.7 Consent/Verification Forms. All Household members over the age of 18 must authorize the Authority, through written authorization or signed consent form, to verify or obtain information regarding Income, Assets, Resident history, conduct background checks (including criminal) and obtain credit reports. All Household members who authorize the release of information or background checks have the right to privacy in accordance with federal law.

Section 4.1.8 Application Fee. Except as provided in that certain Stipulation for Entry of Judgment, Riverside County Superior Court Case No. INDIO 51124, each Applicant and every Household member over 18 years or older shall pay a non-refundable one-time application fee. The Executive Director shall establish the

application fee annually concurrently with the annual rental rates as more particularly described in the Rental Rate Policy.

Section 4.1.9 Other Information. Any other information reasonably deemed necessary by the Authority to determine eligibility.

Section 4.2 APPLICANT LEASE REQUIREMENTS. The following lease requirements will apply to all members of Interested Households, Wait List Eligible Households, and Applicants:

Section 4.2.1 Age Requirements. Lease holder(s) must be 18 years or older. All household member(s) 18 years or older (except for Live-In Aides) must sign the lease for the Restricted Unit and comply with all requirements of the Plan.

Section 4.2.2 Income History/Verification. Except for retired persons, Disability Program Participants or other persons receiving similar governmental assistance, lease holder(s) must be employed for at least one full year prior to the submittal of the completed application and must provide at least one month of pay stubs for Income verification. Lease holder(s) that cannot demonstrate at least one full year of employment prior to the submittal of the completed application (and are not exempt from this requirement) must pay an additional security deposit of \$350 for a studio, \$400 for a one-bedroom unit and \$450 for a two-bedroom unit, provided that the total security deposit required from any Applicant shall not exceed the limitations imposed under Civil Code Section 1950.5(c) as amended from time to time.

Section 4.2.3 Self-Employment. Lease holder(s) that are self-employed must provide a complete copy of the previous year's personal tax returns and copies of business and personal bank statements for the six months prior to the submittal of the completed application.

Section 4.2.4 Lease Income Requirement. Notwithstanding Income requirements in Section 4.3.1, Income must be at least 2 ½ times (250 percent) the rental rate for the Restricted Unit at the time of application, but not less than 20 percent of the AMI, in order to be considered for occupancy.

Section 4.2.5 Rental History. Must provide 3 years of verifiable rental history. Rental history can be verified by a notarized letter from a prior landlord, proof of payment (i.e., cancelled checks), or similar documentation.

Section 4.2.6 Criminal Background. A state and nationwide criminal background check will be conducted for every Household member over 18, to ensure that Applicants meet minimum criteria in accordance with Exhibit B. The Authority has a Zero Tolerance Policy for drug-related activity and violent criminal activity (see Exhibit E). Any conviction for criminal, violent behavior or drug activity is grounds for denial. Applications will also be denied for any activity that could prove to be detrimental to the health and safety or right to peaceful enjoyment of the other Residents.

Section 4.3 AFFORDABLE QUALIFICATION REQUIREMENTS. All Households must meet the affordable qualification requirements listed in this Section as well as those lease requirements listed under Section 4.2 in order to become a Qualified Household under this Plan.

Section 4.3.1 Household Income Criteria. Households applying for tenancy in a Restricted Unit must have a Household Income (not including that of Live-in Aides) of not less than 20 percent of the AMI and not more than 120 percent of the AMI. Household Income will be categorized as very low, low, or moderate pursuant to the definitions applied herein.

Section 4.3.2 No Ownership in Real Property or Mobilehomes. No intended occupant of the Restricted Unit may have owned real property that includes a habitable dwelling unit within the last two years. The only allowable exception is where the Applicant has filed court documents for dissolution of marriage or legal separation. Proof of the court's disposition as to the habitable dwelling unit must be submitted to the Management Company upon receipt by Applicant. Proceeds from the sale of real property will be considered as part of the Household Income pursuant to Title 25.

Section 4.3.3 Certification And Recertification Of Eligibility. Applicants and/or Residents must agree to provide the documentation prior to lease signing and again prior to lease renewal to certify that the Household remains eligible within these guidelines.

Section 4.3.4 Proof Of Income. Proof of Income is required of all occupants over the age of 18 (except for Live-In Aides).

Section 4.3.5 Changes In Income. Applicants and Residents must agree to notify management of any increase or decrease in monthly Household Income in excess of 30 percent.

Section 4.3.6 Primary Residence Requirement. Applicants must agree that the Restricted Unit will be the primary and sole residence of all occupants listed on the lease agreement.

Section 4.3.7 Other Housing Assistance. Any Applicants, Residents, or Households receiving other housing assistance must disclose the source and amount at the time of application or immediately upon receipt of such assistance whichever occurs first. Resident rent will be adjusted accordingly. Households covered by this Section will follow the same policies and procedures to be placed on the wait list.

Section 4.4 CREDIT CHECKS, BACKGROUND CHECKS, AND DOCUMENTATION VERIFICATIONS. Pursuant to Section 4.1.7, all Household members over the age of 18 are required to sign documents authorizing the Management Company to complete a review of the requirements of this Section.

Section 4.4.1 Applicant Certifications and Verifications:

4.4.1.a Authorization for Release of Information Form;

4.4.1.b Application and/or Resident Income Certification;

4.4.1.c Certification that all prospective Household members over the age of 18 have read and understand the eligibility requirements in this Plan;

4.4.1.d Certification that all information is true and complete, that all changes in Income and/or Household composition will be reported, that all relevant prior housing assistance has been reported, and that the Restricted Unit will not be a duplicate residence, and acknowledging the potential for criminal and administrative actions for false information;

4.4.1.e Release of information at current or prior addresses for rental verification(s);

4.4.1.f Certification that no child support Income is received or, for Households that receive child support Income, a certification that all Income from child support has been disclosed;

4.4.1.g Certification that all alimony, family support, or any additional bank deposits provided to any member of the Household has been disclosed and supplemented with appropriate documentation, when applicable; and

4.4.1.h Any other certification or verification form deemed necessary by the Management Company to satisfy a requirement of this Plan.

Section 4.4.2 Credit Reports/Background Checks. Credit reports and background checks will be obtained for every family member aged 18 years or older in accordance with Exhibit B. Information provided in such reports will be used in determining eligibility for a Restricted Unit and any one or more of the following findings for any of the intended occupants will result in the denial of the rental application or continued tenancy:

4.4.2.a Amounts owed to any Public Housing Authority, Federal, State or Local housing assistance program.

4.4.2.b Fraud in connection with any Public Housing Authority, Federal, State, or Local housing assistance program.

4.4.2.c An eviction from any Agency property, Authority property, Public Housing Authority, or property by which the Agency, Authority or Public Housing Authority has or had control at the time of tenancy.

4.4.2.d An eviction from any rental housing.

4.4.2.e Any conviction for activity that would be a violation of the Authority's Zero Tolerance Policy (attached as Exhibit E).

4.4.2.f A person who is subject to a lifetime registration requirement under a Federal, State or County sex offenders' registration program. Due to the

location of Restricted Units near schools and playgrounds, a person subject to a registration requirement for a stated period of time will be denied during such registration period.

4.4.2.g Falsification of identification, which includes but is not limited to the following: birth certificates, government issued identification or documents, identification cards or licenses, social security numbers or cards.

4.4.2.h Falsification or concealment of Income, Assets or documentation for the purpose of obtaining assistance.

4.4.2.i False statements or willful omissions made at any time during eligibility, qualification, the application process, or subsequent leasing and tenancy for the purpose of obtaining assistance.

4.4.2.j Any outstanding judgments, or bankruptcy filing within 2 years prior to the submittal of the completed application.

Section 4.5 ADDITIONAL DOCUMENT SUBMITTAL. Once the application has been submitted, any additional documents reasonably required by the Management Company must be submitted within ten days from the date the additional documents were requested. If the Eligible Household is unable to obtain documents within the specified time frame, an extension of ten days may be requested. Failure of the Applicant to provide, obtain or authorize necessary documentation or background checks will be cause for the application to be denied. After a denial pursuant to this Section, the Household would be required to contact the Property Manager and request that it be added to the bottom of the appropriate waiting list as an Interested Household.

Section 4.6 APPLICATION ACCURACY. All information in the completed application is required to be as accurate as possible to prevent any discrepancies and/or cause a denial of application.

Section 4.7 APPLICATION APPROVAL/DENIAL. Upon receipt of a completed application, the Management Company will process the application including verifications of Income, Assets, rental histories, background checks and credit reports. Upon satisfactory review of all documentation required by this Section, the Applicant will be notified via phone, mail, or email of approval for tenancy (with written confirmation later sent to the Applicant). If the application is approved, the Household shall be deemed a Qualified Household. If the application is denied, the Applicant shall receive written notice of ineligibility including the reasons for the denial. If the Applicant disputes the reason for the denial, the Applicant must respond within ten days of mailing of the denial. If the Applicant does so, the Management Company will conduct an individualized assessment of the Applicant's claims to ensure that (1) the application was evaluated in a fair, transparent manner, and (2) the denial is based on accurate information.

Section 5. LEASING POLICIES AND PROCEDURES

The Authority operates the Restricted Units with leasing standards that will ensure the continued success of our affordable programs as well as comply with fair housing laws. The Authority and its representatives, including Management Company personnel, will not discriminate against any person on the basis of race, creed, color, sex, religion, national origin, familial status, sexual orientation, political beliefs, disability, handicap, or any other status that is protected under federal or state law. Prior to admission into a Restricted Unit, all adult Household members that will be residing in the Restricted Unit must sign a lease.

Section 5.1 RESIDENTIAL LEASE AND ADDENDA. Once an Applicant becomes a Qualified Household, a residential lease will be signed by the Household members required under Section 4. The residential lease may include addenda that satisfy the requirements of this Section and will be considered a part of the residential lease. No Resident will occupy a unit without an executed residential lease. Only at such time as the lease is fully executed will it become enforceable.

The residential lease will include the following information:

Section 5.1.1 Effective dates or term of the lease.

Section 5.1.2 Parties to the lease (i.e., all occupants listed and designated as adults or minors).

Section 5.1.3 The unit location or apartment number.

Section 5.1.4 The maximum occupancy.

Section 5.1.5 The terms including but not limited to the rental rate and date due, late charges, returned check charges, methods of payments, location where rental payments are accepted, prorations, deposit requirements and allowable uses, cable cost, gate access, utility payment requirements or adjustments, assigned parking space designations and any rent incentives in effect.

Section 5.1.6 The policies of the property as updated from time to time, also known as the House Rules and Regulations, which may address – among other things – the following topics:

- | | |
|---|--|
| Noise | Personal property responsibility |
| Waterbeds | Liabilities |
| Housekeeping | Crime/drug free housing |
| Plumbing | Use of patio/balconies |
| Damage | Appliance agreements |
| Vehicles and vehicle parking | Satellite dish and/or antennas |
| Security | Animal Policy |
| Lockout policy | Absences from the Restricted Unit in excess of three (3) weeks including vacations, military duty, medical conditions or to care for a family member not residing at the unit due to serious illness |
| Guest and Visitor occupancies | |
| Amenity Area guidelines | |
| Apartment condition, alterations, and damages | |
| Subletting, Assigning, Subleasing | |
| Unit inspections | |

Residents and all members of the Household over the age of 18 will be required to acknowledge receipt of such rules and regulations.

The Management Company will notify Residents of any violations of the House Rules and Regulations and all other violations of the residential lease in writing, and where applicable noticed in accordance with applicable law governing such violations.

Section 5.1.7 The policies and regulations regarding notices for vacating.

Section 5.1.8 The policies with regard to condemnation.

Section 5.1.9 The policies regarding attorney's fees and costs.

Section 5.1.10 Notice of applicable laws, such as Megan's Law and the regulations governing lead-based paint and mold.

Section 5.1.11 Policies imposed as a part of participating in the Authority's affordable housing program, if applicable (i.e., annual recertification requirements).

Section 5.1.12 Policies on maintenance and entry to Restricted Units, smoke detector/alarm responsibilities, and definitions of normal wear and tear.

Section 5.1.13 Policies on standard maintenance and emergency repairs.

Section 5.1.14 Policies on insurance for renters and personal property.

Section 5.1.15 Signatures of Resident (and all members required to sign) and Management Company's agent.

Section 5.2 LEASE DEPOSITS. Balance of deposit, move-in prorates and the first full month of rent must be in the form of a money order or cashier's check.

Section 5.3 LEASE PAYMENTS AND LATE CHARGES. All payments for rent and late charges will be paid at a location stated in the residential lease.

Section 5.3.1 Rent is due on the first of each month.

Section 5.3.2 Rent is late after the close of business on the fifth of each month at 5:00 p.m. PST unless otherwise provided in the lease.

Section 5.3.3 Late fees will be imposed at 5:01 p.m. PST on the fifth of each month.

Section 5.3.4 All payments of rent, late charges, attorney's fees, cable or any other payments made to management offices are to be made by personal check (*so long*

as there have been no checks returned for non-sufficient funds in the previous three months), money order, or cashier's checks directly to the management office. NO CASH PAYMENTS FOR RENT WILL BE ACCEPTED except for a Three (3) Day Pay or Quit payment.

Section 5.3.5 Payments will be accepted at the location stated in the residential lease, unless notified in writing by the Management Company of an alternate acceptable location ten (10) days prior to rent due date.

Section 5.4 LEASE ADDENDA IN WRITING. All addenda to leases must be in writing and signed by both parties. Oral agreements or modifications will not be enforceable and shall be void unless written and signed by both parties at the time of agreement.

Section 5.5 LEASE MODIFICATIONS. Lease modifications will be made to the residential lease form as necessary to accommodate any changes of the affordable program, clarification to policies or applicable laws.

Section 5.6 PRE-OCCUPANCY INSPECTION. An authorized representative of the Management Company and an adult member of the Household will inspect premises prior to commencement of occupancy. A move-in inspection form indicating the conditions of premises will be made, signed, and filed in applicant file.

Section 5.7 RENTAL RATES.

Section 5.7.1 Setting Rental Rates. Rents will be established annually as set forth in the Rental Rate Policy.

Section 5.7.2 Rental Rents Based on Standard Occupancy. Rents will be established pursuant to California Health and Safety Code Section 50053 as it relates to standardized occupancy based on unit size, which is one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, four persons in the case of a three-bedroom unit, and five persons in the case of a four-bedroom unit. Actual occupancies of each unit will be in accordance with the Occupancy Standards Policy.

Section 5.7.3 Household Rent. Individual Household rent shall be established for a Qualified Household after compilation of all Household members' sources of Incomes, Assets and allowable deductions, and proper notification.

Section 5.8 MAINTENANCE AND ENTRY TO RESTRICTED UNITS.

Section 5.8.1 Inspection. The Management Company or its agent or agents shall be allowed to enter the apartment as provided by state law. Upon 24-hour notice, an authorized representative of the Management Company may enter to inspect the condition of the premises and/or appliances therein. In the event of an emergency, an

authorized representative of the Management Company has the right to enter the Restricted Unit without notice.

Section 5.8.2 Service Request. It is the Resident's responsibility to call in all service requests to the property office location. Residents must allow maintenance staff permission to enter the Restricted Unit to perform a maintenance request in the event the Resident is not home or schedule an appointment during the maintenance hours Monday through Friday, between 8:00 a.m. and 5:00 p.m. All service requests will be responded to within a 24-hour period. After hours emergency service is available.

Section 5.9 LEASE RENEWALS. Leases under consideration for renewal by the Management Company must be renewed prior to the stated expiration of the residential lease or the Resident reverts to a month-to-month tenancy at the maximum rental rate for the Restricted Unit.

Leases under consideration for renewal by the Management Company for Residents that were previously deemed a Qualified Household must recertify their eligibility status annually in accordance with Section 6 below.

Section 5.10 NO SUBLETTING. The leases shall prohibit subleasing of Restricted Units in whole or in part.

Section 5.11 LIVE-IN AIDES. A Live-In Aide will be allowed, provided he or she is essential to the care and well-being of an elderly or disabled person who resides within a Restricted Unit. The Live-In Aide will be subject to this Plan except where noted and will be required to sign a consent for the purposes of a background check and an affidavit certifying annually that he or she qualifies as a Live-in Aide under Title 24 CFR Section 5.403. The Live-In Aide will also acknowledge acceptance of the terms of occupancy in a Restricted Unit. The addition of a Live-In Aide must not overcrowd the Restricted Unit as prescribed in the Occupancy Standards Policy.

Section 5.12 ANIMALS. The leases shall require Residents to comply with the Animal Policy (attached as Exhibit D).

Section 6. RECERTIFICATION REQUIREMENTS

Section 6.1 REQUIRED ANNUAL RECERTIFICATION. Qualified Households with a current lease will be required to recertify annually to ensure the Household remains a Qualified Household. Failure to recertify will result in the termination of tenancy.

Section 6.1.1 Recertification Appointments. The Management Company will set appointments with the Resident to bring in the necessary documentation for Income and Household recertification. The Management Company will set the appointment with the Resident in advance of the lease renewal date so as to give proper notice to the Residents of any rental rate adjustment. A Resident that does not provide all the proper documentation within two weeks from the date of the request for the documentation by the Management Company will be given notice of discontinuation of assistance and return to the maximum rental rate for the Restricted Unit at the end of the lease term. Upon the expiration of the residential lease, the Resident will revert to a month-to-month tenancy at the maximum rental rate for the Restricted Unit for a period of not more than six (6) months at which time, with proper Notices having been given, the Resident will vacate.

Section 6.1.2 Recertification Documentation. The Management Company will request the necessary documentation for the purpose of recertifying the Household as a Qualified Household, including but not limited to:

6.1.2.a Updated Income documentation for all household members over the age of 18 (except for Live-In Aides), including but not limited to tax returns, pay stubs, bank statements, unemployment earnings statements, and disability or social security earnings statements.

6.1.2.b Updated Assets documentation for all Household members over the age of 18 (except for Live-In Aides), including but not limited to documentation of any interest in real property, savings accounts, stocks, bonds, and other forms of capital investments.

6.1.2.c Documentation necessary to verify affordable criteria as listed in Section 4.3 have been met by all Household members.

6.1.2.d Documentation necessary to verify Applicant lease requirements in Section 4.2.1 through 4.2.6 have been met by all Household members.

6.1.2.e All members of the Household must provide proof of identification that complies with Exhibit B below for copying.

6.1.2.f Authorization and/or signed consent forms to verify or obtain Income, Assets, identification and employment information for all Household members

over the age of 18. All Household members who authorize release of information or background checks have the rights to privacy under federal privacy laws.

6.1.2.g Any other information reasonably deemed necessary by the Management Company to determine eligibility.

Section 6.1.3 Annual Recertification Confirmation as a Qualified Household.

Upon receipt of all required recertification documentation required by this Section, the Management Company will confirm that based on the updated documentation provided by the Household that the Household remains qualified. In the event the Household Income requires that the Income Category of the Household be changed in either direction, the Management Company will adjust the terms of the new lease to reflect the change in Income Category. (The Management Company will re-lease Restricted Units according to the Income by Unit Allocation through vacancies to accommodate the change in Household Income during recertification.) In the event that a Household no longer can be deemed a Qualified Household after recertification, the Resident will revert to a month-to-month tenancy at the maximum rental rate for the Restricted Unit for a period of not more than six months at which time, with proper notices having been given, the Resident will vacate.

Section 6.2 CIRCUMSTANTIAL OR INTERIM RECERTIFICATION. A circumstantial or interim recertification may be conducted upon submission of appropriate documentation by a Household on a case-by-case basis when deemed necessary by the Management Company. Such recertification may initiate a new anniversary date for the revised or amended lease on a case by case basis. This review may occur for either of the following reasons:

Section 6.2.1 Changes in Household Size. Any increase or decrease in Household size. Changes will only be processed if they are anticipated to continue for 60 or more days.

Section 6.2.2 Change of Household Income. Any increase or decrease in monthly Household Income in excess of 30 percent. Changes will only be processed if they are anticipated to continue for 60 or more days.

Section 6.2.3 Temporary Recertification. Recertification may be done on a monthly or quarterly basis upon declaration by a Resident that the Household Income has temporarily decreased due to unemployment or disability. Proof of unemployment or disability will be required.

Section 6.3 ANNUAL INSPECTIONS. At least once annually, an inspection will be conducted by the Management Company to verify that the Residents occupying the Restricted Unit have maintained the Restricted Unit in good condition. Such inspections will be by appointment, but may or may not require the Resident to be present.

Section 6.4 FALSE STATEMENTS AND WILLFUL OMISSIONS. False statements or willful omissions made during any recertification process may result in denial of assistance or in the recapture by the Authority of the rental assistance for any period in which the amount of rental assistance was affected by any false statement or willful omission.

Section 7 TERMINATION OF TENANCIES AND MOVE-OUT PROCEDURES

Section 7.1 TERMINATION OF TENANCIES OTHER THAN BY EVICTION. The procedures noted in this Section 7.1 do not apply to evictions.

Section 7.1.1 End of Lease Term. With proper notice, as described in this section, the Management Company or Resident may terminate a tenancy at the expiration of the residential lease without reason or cause.

Section 7.1.2 During a Lease Term. A tenancy may be terminated during a lease term without the termination being deemed an eviction under the following circumstances:

7.1.2.a Death of the sole Resident of a Restricted Unit.

7.1.2.b By abandonment of the premises by the Resident as determined in accordance with Civil Code Section 1951.3.

7.1.2.c By the determination by the Management Company of Resident ineligibility under this Plan.

7.1.2.d By written agreement of both the Management Company and the Resident.

Section 7.1.3 Notices to Vacate for Termination of Tenancies Other Than by Eviction.

7.1.3.a Resident Notices to Vacate. Residents providing a written “*Notice of Intent to Vacate*” must give 30 days written notice to the Management Company, unless a different time period for such notice is prescribed by Civil Code Section 1946 as amended from time to time.

7.1.3.b Management Notices to Vacate. When the Management Company provides a written “*Notice of Termination of Tenancy*”, the Management Company must give notice to the Resident in accordance with applicable law.

Section 7.1.4 Move-out Procedures. At such time as a Resident or Management Company provides a Notice to Vacate as detailed in this Section, inspections may be requested and will be conducted in accordance with Civil Code Section 1950.5(f) as amended from time to time.

Section 7.1.4.a Notice of Option to Request an Initial Inspection. Residents may request an initial inspection of their Restricted Unit upon providing a 30-day vacating notice to the Management Company. All pre-inspections must be requested in writing by the Resident, otherwise the Management Company will not

conduct one.

Section 7.1.4.b Scheduling the Initial Move-out Inspection. The Management Company will attempt to coordinate with the Resident to schedule the initial inspection at a mutually agreeable time and date. It will not be scheduled more than two weeks prior to the Resident vacating or the end of the lease date. Scheduling should allow the Resident ample time to perform repairs and/or cleaning identified during the initial inspection and relayed to the Resident. The Management Company will give Resident at least 48 hours' notice of initial inspection.

Section 7.1.4.c Opting Out of a Pre-Inspection. If the Resident does not request a pre-inspection, the Management Company will not conduct one. Upon the Resident vacating, the Restricted Unit will be inspected to determine the work necessary to prepare the Restricted Unit to market and re-lease. Residents are strongly encouraged to request an initial inspection.

Section 7.1.4.d Inspection Exceptions. The Management Company is not required to perform an initial inspection if the Resident has been served with an eviction notice stating that the Resident has failed to pay the rent, violated a provision of the lease or the rental agreement, materially damaged the property, committed nuisance, or used the property for an unlawful purpose.

Section 7.1.4.e Inspection Findings. All corrections identified during any pre-inspection or final inspection will be noted and a copy will be provided to the Resident as an itemized statement specifying the repairs or cleaning that will be the basis for deductions to the security deposit. Deductions cannot be taken for conditions caused by normal wear and tear during tenancy or previous tenancies, or for cleaning a Restricted Unit that is as clean as it was when the existing Resident moved in.

Section 7.1.4.f Final Inspection. A final inspection will be scheduled at the time of move-out. The final inspection will be made to note any remaining items not addressed by the Resident that are still in need of repair or cleaning.

Section 7.1.4.g Resident Presence. Residents may be present during any of the inspections; however, the inspections may take place in the absence of the Resident if Resident is not present during the scheduled inspection time .

Section 7.1.5 Maintenance and Repairs Necessary Due to Impending Move-out. Any corrections identified during an initial move-out inspection and noted on the itemized statement may be corrected by the Resident by performing any required maintenance as permitted during the period following the initial move-out inspection through the termination of the tenancy in order to avoid deductions from the security deposit.

Section 7.2 TERMINATION OF TENANCY THROUGH EVICTION. This Section 7.2 covers eviction policies and reasons for commencing eviction proceedings.

Section 7.2.1 Reasons for Eviction.

Section 7.2.1.a Violations of the Lease. Violations of any of the lease terms may result in termination of the lease and eviction. These include but are not limited to, violations of the Authority's Zero Tolerance Policy (attached as Exhibit E), use of the Restricted Unit for unlawful purposes, destruction or waste of the Restricted Unit, disruptions of the peaceful enjoyment of other residents in the community, and any condition caused by the Resident which constitutes a nuisance or jeopardizes the health and safety of the Resident or other residents of the community.

Section 7.2.1.b Non-Payment of Rent. Non-payment of rent is grounds for termination of the lease and eviction. Processes for non-payment of rent and the procedures for filing an unlawful detainer will follow the procedures as outlined in the California Code of Civil Procedures and the California Civil Code.

Section 7.2.1.c Misrepresentation of Eligibility Under the Plan. False statements or willful omissions made for the purposes of obtaining or retaining a Restricted Unit may result in termination of the lease and eviction.

Section 7.2.2 Eviction Process.

Section 7.2.2.a Eviction Notice. Once it has been determined that the Management Company will proceed with an eviction, the Management Company will serve the Resident with a notice to vacate the Restricted Unit within the time period provided under California law.

Section 7.2.2.b Verification of Occupancy. After the Resident's Eviction Notice expires, the Management Company will attempt to verify occupancy. If the Restricted Unit is still occupied and no arrangements have been made to vacate, proceedings for a court ordered eviction will commence. If the Resident has vacated, but has an outstanding balance due for the tenancy or unit repairs and the security deposit is insufficient to cover such costs, the Management Company will attempt to collect the balance due and may use any remedies available including court action. In the event there are sufficient monies available within the security deposit to cover any amounts due from the Resident, the deductions and/or refunds shall be made to the security deposit in accordance with Civil Code Section 1950.5 as amended from time to time.

Section 7.2.2.c Unlawful Detainer. An unlawful detainer action may be filed with the superior court in accordance with California law. This provides the Resident the right to pursue a court hearing regarding the merits and legality of the eviction.

Section 7.3 REFUND OF SECURITY DEPOSIT. Security deposit refunds will be processed in accordance with Civil Code Section 1950.5 as amended from time to time.

Section 7.3.1 Notification of Itemized Security Deposit Disposition. After inspection and assessment of the conditions of the vacated Restricted Unit, and after all necessary cleaning and repairs have been performed, the Management Company will notify the Resident of the security deposit disposition within 21 days. The Management Company will mail or deliver a copy of an itemized statement indicating the detailed charges against the security received and the amount to be refunded, if any. Attached to the itemized statement to the Resident shall be copies of invoices and charges incurred in order to clean or repair the Restricted Unit.

Section 7.3.2 Resident's Entitlement to Security Deposit. If Resident is not notified as to the disposition of the security deposit within the required notification period in Section 7.3.1, the Resident shall be entitled to 100 percent of the original security deposit amount.

Section 8 GRIEVANCE PROCESS

Section 8.1 GRIEVANCE APPLICABILITY. This Grievance process shall be applicable to all Applicants and Residents of the Authority. Grievances that may be considered under this process will include actions related to the Resident's tenancy, but does not apply to non-payment of rent and the other matters governed by Section 7.2. Under no circumstance may a Grievance be filed after issuance of any notice in accordance with Section 7.2.2. A copy of this process shall be provided to all Residents prior to occupancy of the Restricted Unit, and shall be provided to any Applicant upon request.

Section 8.2 GRIEVANCES. All Applicants and Residents (hereinafter "Complainant") shall attempt to resolve disputes and complaints directly with the Property Manager before seeking the following remedies outlined in this process.

Section 8.2.1 Informal Grievance. Any Grievance shall be presented to the Property Manager either orally or in writing, within 30 calendar days after the Grievance arose so that the Grievance may be discussed informally and hopefully resolved.

8.2.1.a The Property Manager shall meet with the Complainant within 24 hours, if possible, at which time the Complainant may present oral and written evidence or documentation. Within five business days, the Property Manager will prepare a written summary of this discussion, the Property Manager's decision, the reasons for that decision, and any steps that will need to be taken to resolve the Grievance. A copy of the Property Manager's summary will be provided to the Complainant, and a copy will be filed in the Complainant's file.

8.2.1.b If the Complainant is not satisfied with the Property Manager's decision, the Complainant must submit a written appeal to the Property Manager within 14 calendar days of receipt of the Property Manager's decision. The Management Company's Certification Specialist or his or her designee shall meet with the Complainant within seven business days of receiving the appeal, at which time the Complainant may present oral and written evidence or documentation. Summary of the Certification Specialist's decision and the reasons therefor will be put in writing within five business days, and a copy shall be provided to the Complainant and a copy filed in the Complainant's file.

8.2.1.c If the Complainant is not satisfied with the Certification Specialist's decision, the Complainant must submit a written appeal to the Property Manager within 14 calendar days after receipt of the Certification Specialist's decision. The Management Company's Regional Vice-President or his or her designee shall meet with the Complainant within 14 business days of receiving the appeal, at which time the Complainant may present oral and written evidence or documentation. Summary of the Regional Vice-President's decision and the reasons therefor will be put in writing within 14 calendar days, and a copy shall be provided to the Complainant and a copy filed in

the Complainant's file.

8.2.1.d If the Complainant is not satisfied with the Regional Vice-President's decision, the Complainant must submit a written appeal to the Property Manager within 14 calendar days of receipt of the Regional Vice-President's decision. The Management Company's Corporate Officer or his or her designee shall confer via telephone or other acceptable communication form (i.e., e-mail, written letter) with the Complainant within 21 business days of receiving the appeal, at which time the Complainant may present oral or written evidence or documentation. Summary of the Corporate Officer's decision and the reasons therefor will be put in writing within 21 business days, and a copy shall be provided to the Complainant and a copy filed in the Complainant's file.

Section 8.2.2 Informal Hearing. If the Complainant is not satisfied with the Corporate Officer's decision, the Complainant must submit a written request for informal hearing to the Property Manager within ten calendar days of receipt of the decision from the Corporate Officer, at which time the Management Company will arrange for an impartial, third party arbitration service to hear the matter within 30 business days. The Complainant will be afforded due process safeguards as prescribed by applicable law, including but not limited to the rights to present oral and written evidence and to be represented by an attorney (note: such attorney would be retained at the Complainant's expense). A summary of the arbitration service's decision will be provided to Complainant and a copy to the Authority, which copy shall be filed in the Complainant's file. This decision is final and concludes the Grievance process. An arbitration service that conducts an informal hearing pursuant to this Section 8.2.2 shall not participate in another hearing arranged by the Management Company or Authority for three years following completion of its informal hearing.

EXHIBIT A**PALM DESERT HOUSING AUTHORITY PROPERTIES****MULTI-FAMILY APARTMENTS**

	Project	No. Units	Telephone
1	CALIFORNIA VILLAS 77-107 California Avenue	141	(760) 345-0452
2	DESERT POINTE 43-805 Monterey Avenue	64	(760) 340-6945
3	LAGUNA PALMS 73-875 Santa Rosa	48	(760) 836-1455
4	NEIGHBORS 73-535 Santa Rosa Way	24	(760) 340-6945
5	ONE QUAIL PLACE 72-600 Fred Waring Drive	384	(760) 568-9835
6	PALM VILLAGE APARTMENTS 73-650 Santa Rosa Way	36	(760) 836-1455
7	TAOS PALMS 44-830 Las Palmas Avenue	16	(760) 340-6945
8	SANTA ROSA APARTMENTS 73-625 Santa Rosa Way	20	(760) 836-1455

SENIOR APARTMENTS

9	CANDLEWOOD 74000-74002 Shadow Mountain Drive	30	(760) 568-3640
10	CARLOS ORTEGA VILLAS 77-915 Avenue of the States	73	(760) 345-1500
11	CATALINA GARDENS 73-600 Catalina Way	72	(760) 568-3640
12	LA ROCCA VILLAS 42-135 Golden Eagle Lane	27	(760) 773-9040
13	LAS SERENAS 73-315 Country Club Drive Desert	150	(760) 773-9040
14	THE PUEBLOS 73-695 Santa Rosa Way	15	(760) 568-3640
15	SAGECREST SENIOR 73-811 Santa Rosa Way	14	(760) 568-3640

EXHIBIT B

NON-EXCLUSIVE LIST OF REQUIRED AND PERMISSIVE BACKGROUND CHECK INFORMATION BY TYPE OF FUNDING

SOURCE OF INFO	INFORMATION	FEDERAL FUNDS INVOLVED		FEDERAL FUNDS NOT INVOLVED	
		INVESTIGATION	DISCLOSURE & CONSENT	INVESTIGATION	DISCLOSURE & CONSENT
Law enforcement agencies	Illegal Drug Use	Required	Housing Auth. must require & applicant must consent	May obtain	Must notify applicant, if basis for denial
	Drug Use that Interferes with Health & Safety of Others	Required	Housing Auth. must require & applicant must consent	May obtain	Must notify applicant, if basis for denial
	Sex Offenses	Required	Housing Auth. must require & applicant must consent	May obtain	Must notify applicant, if basis for denial
	"Serious" crimes <ul style="list-style-type: none"> • murder, mayhem, rape, burglary • hate crimes • offenses re firearms / explosives • felonies involving drugs, alcohol • domestic violence 	May obtain	Must notify applicant, if basis for denial	May obtain	Must notify applicant, if basis for denial
	Juvenile Records	Prohibited	N/A	Prohibited	N/A
	Arrests Not Resulting in Conviction	Prohibited	N/A	Prohibited	N/A
State / Federal Government	Social Security Numbers	Required	Housing Auth. must require & applicant must consent	May Obtain	Application must indicate disclosure is voluntary
	Citizenship / Residency Info	Required	Housing Auth. must require & applicant must consent	Prohibited	N/A. But, if Housing Auth. Has unsolicited evidence that applicant is undocumented, it must reject the application
	Income / family composition & tax info, to verify eligibility	Required	Housing Auth. must require &	Required	Housing Auth. must require &

SOURCE OF INFO	INFORMATION	FEDERAL FUNDS INVOLVED		FEDERAL FUNDS NOT INVOLVED	
		INVESTIGATION	DISCLOSURE & CONSENT	INVESTIGATION	DISCLOSURE & CONSENT
			applicant must consent		applicant must consent
Credit Agencies	<i>Investigative Consumer Report</i> <ul style="list-style-type: none"> • Credit History • Character • Reputation • Personal characteristics • Mode of living 	May Obtain	Housing Authority must notify applicant	May Obtain	Housing Authority must notify applicant
	<ul style="list-style-type: none"> • Convictions • Civil Actions • Tax Liens • Outstanding Judgments 	May Obtain, but only if credit agency has verified info within	Housing Authority must notify applicant	May Obtain, but only if credit agency has verified info within	Housing Authority must notify applicant
	<ul style="list-style-type: none"> • Bankruptcies more than 10y prior • Civil judgments more than 7y old 	Prohibited	N/A	Prohibited	N/A
Public Records Obtained From Other Sources; Interviews with Neighbors, Friends & Associates	<i>Relevant background information</i> <ul style="list-style-type: none"> • Creditworthiness • Credit standing • Credit capacity • Civil actions • Convictions • Tax Liens • Outstanding Judgments • Character • General Reputation • Personal characteristics • Mode of Living 	May Obtain	Must notify applicant, if basis for denial. Consent recommended.	May Obtain	Must notify applicant, if basis for denial. Consent recommended.

In addition to credit reporting agencies, background check information may be obtained from Westlaw, Lexis, DataQuick, Merlin, Choice Point, and similar reputable resources.

EXHIBIT C

[RESERVED]

EXHIBIT D

ANIMAL POLICY

Section 1 Definitions

For purposes of this Animal Policy, the following terms shall have the meanings provided in this Section:

Section 1.1. Assistance Animal – shall mean an animal that works, provides assistance, or performs tasks for the benefit of a person with a disability, or provides emotional support that alleviates one or more identified symptoms or effects of a person's disability. Assistance Animals perform many disability-related functions, including but not limited to, guiding individuals who are blind or have low vision, alerting individuals who are deaf or hard of hearing to sounds, providing protection or rescue assistance, pulling a wheelchair, fetching items, alerting persons to impending seizures, or providing emotional support to persons with disabilities who have a disability-related need for such support. Notwithstanding the preceding definition, the companion animal of an Elderly Household shall also qualify as an Assistance Animal.

Section 1.2. Owner – shall mean the person with primary responsibility for the care of a Assistance Animal or Service Animal.

Section 1.3. Service Animal – shall mean any dog that is individually trained to do work or perform tasks for the benefit of an individual with a disability, including a physical, sensory, psychiatric, intellectual, or other mental disability. Other species of animals, whether wild or domestic, trained or untrained, are not Service Animals for the purposes of this definition. The work or tasks performed by a Service Animal must be directly related to the individual's disability. Examples of work or tasks include, but are not limited to, assisting individuals who are blind or have low vision with navigation and other tasks, alerting individuals who are deaf or hard of hearing to the presence of people or sounds, providing non-violent protection or rescue work, pulling a wheelchair, assisting an individual during a seizure, alerting individuals to the presence of allergens, retrieving items such as medicine or the telephone, providing physical support and assistance with balance and stability to individuals with mobility disabilities, and helping persons with psychiatric and neurological disabilities by preventing or interrupting impulsive or destructive behaviors. The crime deterrent effects of an animal's presence and the provision of emotional support, well-being, comfort, or companionship do not constitute work or tasks for the purposes of this definition.

Section 2 Permitted Animals

Section 2.1. Households are allowed to keep Assistance Animals or Service Animals in their Restricted Unit in accordance with this Animal Policy, subject to the following restrictions:

1. No more than one cat or one dog shall be allowed in a Restricted Unit, except as otherwise permitted by the Management Company;
2. No more than two birds shall be allowed in a Restricted Unit;

3. Fish aquariums must not exceed 15 gallons of water;
4. An animal cannot be kept on the premises if it has a venomous bite; and
5. An animal cannot be kept on the premises if it has previously bitten anyone, unless (1) the bite occurred while working as a police or military dog, or (2) the bite victim was partly or wholly at fault for the bite.

Section 2.2. All Assistance Animals and Service Animals must wear a harness, lease or tether when outside of the Restricted Unit unless such equipment would interfere with the Assistance Animal or Service Animal's safe, effective performance of work or tasks, in which case the Assistance Animal or Service Animal must be otherwise under the Resident's control (e.g., voice control, signals, or other effective means).

Section 3 Required Fees and Payments

Section 3.1. The Resident will be responsible for all reasonable expenses directly related to the presence of the animal on the premises, including the cost of repairs and replacement in the Restricted Unit, and the cost of animal care facilities if needed. These charges are due and payable within 30 days of written notification.

Section 3.2. The Resident will not be charged a deposit for any Assistance Animal or Service Animal, but the Resident is liable for any damage caused by that animal.

Section 3.3. All animals shall be spayed or neutered. If an animal is not spayed or neutered and has offspring, the Household is in violation of this rule.

Section 4 Sanitation Standards

Section 4.1. Any animal waste deposited must be removed immediately by the animal's Owner. Residents will take adequate precautions to eliminate any animal odors within or around the Restricted Unit and maintain the Restricted Unit in a sanitary condition at all times. If the Resident fails to comply with this section, the Management Company shall issue a written complaint directing the Resident to eliminate the unsanitary condition(s) in or around the Restricted Unit. If the Resident fails to eliminate the unsanitary condition(s) within 24 hours of receipt of the complaint, the Management Company reserves the right to take any actions necessary to eliminate the unsanitary condition(s) and charge the Resident for any reasonable expenses related to such cleanup.

Section 4.2. All animals are to be fed inside the Restricted Unit. Feeding is not allowed on porches, sidewalks, patios or other outside area.

Section 5 Potential Problems and Solutions

Section 5.1. Residents will not permit any disturbances by their animal(s) that interferes with the quiet enjoyment of other Residents, whether by loud barking, howling, biting, scratching, chirping or other aggressive or disruptive behavior.

Section 5.2. The Management Company may enter the Resident's Restricted Unit to

inspect the premises with notice appropriate to the circumstances, to investigate a complaint that there is a violation, and/or to check on a nuisance or threat to health and safety of other Residents.

Section 5.3. If an animal is threatened by the incapacitation or death of the Owner (or by extreme negligence), the Authority may place the animal in a proper facility for up to 30 days at the Owner’s expense. If there is no other solution at the end of 30 days, the Authority may donate the animal to a humane society. Cost of this professional care will be borne by the Owner.

Section 5.4. Animals, except for Assistance Animals and Service Animals, are not allowed on the premises, unless the Owner of such animal(s) is granted a written waiver of this prohibition and other applicable provisions of this Animal Policy by the Management Company.

Section 5.5. Violation of this Animal Policy by a Resident is subject to:

1. Lease termination proceedings; or
2. Any other penalty determined by the Management Company to be appropriate under the circumstances.

Section 6 Indemnification by Owner

Section 6.1. The Resident shall indemnify, defend and hold harmless the Authority, the Successor Agency and the City from and against any and all claims, actions suits, judgments and demands brought about by actions or damages caused by any Assistance Animal or Service Animal kept by the Resident in accordance with this Animal Policy. Any injury or damage to persons or property caused by the Resident’s animal(s) shall be the liability of said Resident. At the Resident’s discretion and expense, the Resident is responsible for securing liability insurance for such purpose.

This policy is incorporated by reference into the Lease Agreement signed by the Resident, and therefore, violation of the above policy will be grounds for termination of the lease.

Acknowledgement by Resident

Date

Resident Printed Name

Authority Property and Apartment No.

EXHIBIT E

Housing Authority Zero Tolerance Policy

PURPOSE

It is the policy of the Authority that prohibited criminal activity will not be tolerated. “Prohibited criminal activity” includes violent and drug-related criminal activity or any criminal activity that threatens the health, safety or right to peaceful enjoyment of other Residents or others in the immediate vicinity in any housing property and/or program administered by the Authority. A copy of this Zero Tolerance Policy shall be made available to all Applicants and Residents in Authority-administered programs.

POLICY

The Authority will foster crime-free housing by implementing aggressive strategies that will reflect a zero tolerance of prohibited criminal activities by enforcing the following actions:

1. Deny or terminate assistance to any Household containing a member that is currently engaging in, or has engaged in during a reasonable time before applying (as determined by the Authority): (a) drug-related criminal activity; (b) violent criminal activity; (c) other criminal activity that would threaten the health, safety, or right to peaceful enjoyment of the premises or other Residents; or (d) other criminal activity that would threaten the health or safety of any Authority employee, contractor subcontractor or agent of the Authority.
2. Applications will also be denied for any other activity that could prove to be detrimental to the health and safety or right to peaceful enjoyment of the other Residents.
3. Conduct a state and nationwide criminal background check for every Household member over 18, to disclose any criminal background information. Any conviction for criminal, violent behavior or drug activity during a reasonable time before applying (as determined by the Authority) may be grounds for denial.
4. Alert Residents residing in the Authority owned housing properties about their obligation to keep Restricted Units free from prohibited criminal activity.
5. Incorporate an addendum to all leases that includes grounds for termination of tenancy due to criminal activity.
6. Provide management with required guidelines for screening potential and existing Residents, inspecting the premises of the property, and taking action against Residents engaged in criminal activity, fraud, or any nuisances.
7. Work collaboratively with law enforcement agencies to assist in the enforcement of the Zero Tolerance Policy, as well as crime patterns and other potential problems.

Acknowledgement by Resident

Date

Resident Printed Name

Authority Property and Apartment No.

EXHIBIT F

HOUSING AUTHORITY PROPERTIES RESIDENT SERVICES BUILDINGS

“HOUSE RULES”

GROUP USE PRIORITIES

Permission for use of the Resident Services Buildings at any of the Palm Desert Housing Authority (“Authority”) Communities shall be granted to the following on a first-come/first-served basis, subject to the following priorities.

1. Authority Community Leasing Office Activities or Meetings.
2. Authority Community Residents Activities and Programs organized or approved by the Property Manager (may include daily routine activities).
3. City of Palm Desert, Successor Agency to the Palm Desert Redevelopment Agency, and Authority meetings or activities.

RESIDENT SERVICES BUILDINGS

HOUSE RULES

1. Operations Hours are 8:00 a.m. to 5:00 p.m., Monday through Friday, except City observed Holidays which are as follows: New Year's Day, New Year's Eve, Martin Luther King Jr. Birthday, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day, and Christmas Eve. The Executive Director, at his/her discretion, may authorize alternate operating hours from time to time with the proper facility supervision.
2. No disorderly or illegal conduct shall be permitted during any activities or programs offered in or during the use of the Resident Services Buildings.
3. Smoking is prohibited in the Resident Services Buildings and within 40 feet of all entrances or exits.
4. Animals, other than those authorized under the Animal Policy, are not permitted on the Resident Services Buildings property.
5. No food or drink is allowed inside the Resident Services Buildings building except during organized functions.
6. No alcoholic beverages or controlled substances of any kind are permitted on the Resident Services Buildings property.
7. The Resident Services Buildings is not responsible for lost or stolen items. It is strongly recommended that items of value not be brought into the building or on the premises.
8. Access to the Resident Services Building is such that Residents and attendees will be walking through residential communities. Courtesy for the quiet enjoyment of the surrounding Residents should be considered at all times.
9. Prior written approval is required from the Manager for equipment and services brought in and not directly provided by the Resident Services Buildings.
10. All children under the age of 10 must be accompanied by an adult over the age of 18. *Note: accompany means within close proximity (within arm's-distance). Youth organizations (ages 11-18) must have one adult to five minors in attendance who shall remain in the Resident Services Buildings for the duration of the activity.

11. The Resident Services Buildings is provided for gatherings and events in an “as is” condition. “As is” means that the facility user may not remove or displace furniture and/or other fixtures such as tables, chairs, etc. (collectively “fixtures”) or add or bring in additional fixtures not already provided, and therefore such fixtures must stay in the same location as originally provided by the Manager; decorations on walls, tables and other locations, may not be removed, displaced or covered up in any way. If there are any questions regarding this rule, please contact the Manager prior to use of the facility. The Manager has the right to inspect the Resident Services Buildings while in use to ensure compliance with this provision. Failure to comply with this provision, the event is subject to immediate cancellation/revocation at the discretion of the Manager.
12. Tape, nails, tacks, putty, screws, staples, decals, powders, wax, paint, etc., are not permitted in/on the walls, floors, ceilings or fixtures. Rice, birdseed, confetti, glitter and similar materials may not be thrown inside or outside the facility. No smoke/fog machines are allowed to be used. Music devices may be acceptable, however, prior written approval from the Manager is required.
13. All users of the facility shall be aware of the maximum occupancy of **the Resident Service Building** and enforce that it is not exceeded. Doors must remain unlocked during hours of use.
14. In addition to the House Rules and regulations governing the use of the Resident Services Buildings, all users shall also comply with any applicable local ordinances of the City of Palm Desert and state and federal laws. Any user who fails to comply with said rules may be prohibited from entering the premises.
15. Facility users may not list the City of Palm Desert, the Successor Agency, or the Authority as a sponsor of the activity and may not list the Resident Services Buildings phone number as the contact in any written materials associated with any event. The Manager may require copies of all promotional materials used in conjunction with the use of the facility. Failure to comply with such a request may result in cancellation of the event.
16. Parking is not available on-site. All facility users will be required to make their own provision for parking.
17. All users of facility shall be responsible for cleanup after each meeting. Tables and chairs must be wiped clean after any event.
18. The City of Palm Desert, the Successor Agency, and the Authority assume no legal responsibility and are not liable for personal injuries, thefts or losses of private property while on or using the Resident Services Buildings and associated facilities.

- 19. Facilities and equipment are to be left in the same condition as they were prior to the event.
- 20. Violation of any of these rules by any user during occupancy shall be sufficient cause for denying further use of the Resident Services Buildings facility to the organization.
- 21. These House Rules are issued for specific use of the facility and for specific hours and the premises must be vacated as scheduled.
- 22. Failure to observe any rules, regulations, and ordinances of the City of Palm Desert may be sufficient cause for denying further use of the Resident Services Buildings facility.
- 23. Fights, vandalism or unacceptable behavior occurring during an event shall cause immediate cancellation of the event.

I, the undersigned, acknowledge that I have read all the rules listed above regarding the use of the Resident Services Buildings and agree to abide by such rules and regulations as set forth by the Palm Desert Housing Authority.

Resident Signature: _____

Resident (Printed) Name: _____

Authority Property: _____

Apartment Number: _____

Date: _____

EXHIBIT G

SMOKE-FREE POLICY

PURPOSE

Section 1. Findings

Section 1.1 On December 10, 2009 the City of Palm Desert (the “City”) approved Ordinance No. 1200 regulating smoking throughout the City to promote public health, safety, and welfare by discouraging the inherently dangerous behavior of smoking around non-smokers, especially children; and by protecting the public from exposure to secondhand smoke where they live, work, and play.

Section 1.2 In accordance with the purposes of Ordinance No. 1200, the Palm Desert Housing Authority (the “Authority”) has declared all of the owned, operated, restricted or otherwise controlled Authority Properties (“Authority Properties”) to be smoke free communities to insure the quality of air and the safety of its residents.

Section 1.3 Ordinance No. 1200 and this policy recognize there is no constitutional right to smoke.

Section 1.4 The efforts to designate Authority Properties as smoke-free does not make the Authority or any of its managing agents the guarantor of health of any person or the smoke-free condition of any property. The Authority will take reasonable steps to enforce the Smoke-Free Policy but shall not be required to take to take any action unless the Authority or any of its managing agents has actual knowledge of the smoking and the identity of the responsible resident.

Section 2. Definitions

- A. “Affordable Residential Community” means a residential property containing two (2) or more units that are owned, operated and restricted or otherwise controlled by the Authority.
- B. “Authority Property (-ies)” means any community owned, operated restricted or otherwise controlled by the Authority from time to time.
- C. “City” means the City of Palm Desert, and its related entities including the Authority.
- D. “Community” see definition for Affordable Residential Community.
- E. “Reasonable distance” means a distance of twenty (20) feet from the community, or such larger area as the City Manager/Executive Director reasonably determines in writing to be necessary in a given circumstance to ensure that occupants of the

Affordable Residential Community an area in which smoking is prohibited are not exposed to secondhand smoke created by smokers outside the area.

- F. "Resident" means anyone included on a current lease agreement for any unit in an Authority Property.
- G. "Secondhand smoke" means smoke or vapor from tobacco, nicotine products, any weed, plant or product created by the burning, carrying, or operating of any lighted pipe, hookah, cigar, cigarette, cannabis product, other tobacco product, electronic cigarette or similar kind of smoking equipment, and the smoke or vapor exhaled by an individual who engages in smoking.
- H. "Smoke-free Community" means that smoking is prohibited in all areas of the community, including but not limited to community rooms, community bathrooms, lobbies, reception areas, hallways, laundry rooms, stairways, offices and elevators, within the interior of all units, and within the perimeter outside of the buildings including entry ways, porches, balconies, and patios (to be established in accordance with this policy).
- I. "Smoking" or to "Smoke" means holding, possessing, or operating any lighted pipe, hookah, cigar, cigarette, cannabis product, other tobacco product, electronic cigarette or similar kind of smoking equipment that is emitting smoke or vapor from tobacco, nicotine products, any weed, plant or other product.

Section 3. Smoking Regulation

Section 3.1 Smoking is prohibited in all areas of an Affordable Residential Community owned, operated, restricted or otherwise controlled by the Authority.

Section 3.2 "No Smoking" signs will be posted at the entrance area of each Affordable Residential Community.

Section 3.3 All residents of an Affordable Residential Community are required to sign an acknowledgement that they have received and read a copy of this policy and that they will observe all rules related to smoking.

Section 3.4 Residents are responsible for the actions of their household, their guests, and visitors.

Section 3.5 Failure to adhere to any of the conditions of this policy will constitute both a material non-compliance with the rental/lease agreement and a serious violation of the rental agreement.

Section 3.6 Residents will be responsible for all costs to remove smoke, odor, or residue upon any violation of this policy.

Section 3.7 Any resident who smells smoke in an Affordable Residential Community or otherwise observes a violation of this policy should report this to the Authority Property

manager as soon as possible. No person shall harass or attempt to intimidate any person seeking to obtain compliance with this policy.

Section 3.8 This policy does not require residents to quit smoking in order to live in an Authority Property. Authority staff will provide information regarding smoking cessation resources to residents who wish to quit smoking.

Section 4. Implementation Timeline and Procedure

Section 4.1 This policy shall be implemented as follows:

All Affordable Residential Communities owned, operated, restricted or otherwise controlled by the Authority will be 100% smoke free from the date this resolution is implemented, provided the Authority has satisfied all notice requirements provided under the laws of the State of California.

RESIDENT ACKNOWLEDGEMENT

As head of household, I hereby acknowledge that I have received, read, and that I understand the above smoking policy and I agree to abide by the provisions. I understand acknowledge that failure to comply with any part is cause for termination of my lease.

Resident Signature: _____

Resident (Printed) Name: _____

Authority Property: _____

Apartment Number: _____

Date: _____