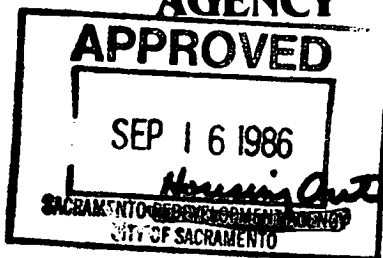




**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



August 25, 1986



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Housing Authority of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: Lease for Locally Owned and Managed Low Income Housing

SUMMARY

A revised lease has been developed to conform to HUD regulations and current administrative practice. Since the lease is a contract between the Housing Authorities and individual residents it has important effects on day-to-day operations. The new lease will provide an improved tool for the Housing Authority to use in carrying out its mission.

BACKGROUND

U.S. Department of Housing and Urban Development (HUD) Housing Program Regulations require that Housing Authorities use leases for conventional low income public housing that conform to certain general principles and some specific requirements. However, HUD does not mandate a particular form of lease, but requires only that it conform to Federal Regulations. The actual drafting of the lease is left to local public housing agencies so they can customize the lease to their particular State laws and local needs.

The lease presently used by the Sacramento Housing and Redevelopment Agency (SHRA) for the City and County Housing Authorities was last revised over eight years ago. Changes in HUD regulations and lease enforcement experience over this period of time has necessitated a major redrafting of the lease although the major section identifications have been retained.

This lease with changes has been presented to the SHRA Tenant Council, the local legal aid offices and the local HUD offices for comment. Some comments were received and some changes were incorporated into the lease after consideration of the comments.

9-16-86
All Districts

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The lease is the primary contract between the Housing Authorities and the nearly 3,000 individual households that live in locally owned dwelling units. As such, it spells out duties and responsibilities of both parties and governs the ability to seek legal remedies. Generally, the revised lease has been written to allow stricter enforcement of nuisance, disturbance and dangerous situations caused by a resident that disturb the peaceful enjoyment of the premises by neighbors or pose a physical threat to others. This sort of "tightening" is not designed so much to be punitive toward the violators as it is to be protective of the rights of other tenants and to recognize the duty of the Housing Authority to preserve the housing for future use and run the housing programs in a financially sound manner.

The complete new lease is attached as Exhibit A. The old lease is attached as Exhibit B. Although the new lease is five pages long, the number of areas that must be addressed require this detail. Even though the old lease was only two pages long, this was achieved at the expense of very fine print which is difficult for many of the elderly and others with visual impairments to read.

A summary of changes and highlights is outlined below, referencing the section numbers affected with paragraph numbers of the new lease cited.

Section Number
(Paragraph Letter)

1. Residence Lease Agreement - no changes
2. Rent Payments
 - (a) Clarifies that rents vary with income according to Federal Regulations.
 - (b) Defines chronic delinquency as receiving six Fourteen Day Notices in a twelve month period. Chronic delinquents will be issued a 30 day notice for breach of lease. (Federal Regulations require a fourteen day notice to pay or quit rather than the three day notice allowed under State law.)

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3. Security Deposit

- (a) Specifies order of Deduction of charges from Security Deposit as the following: unpaid maintenance charges, damage charges, unpaid rent, other charges.
- (b) Specifies that vacating tenant must receive accounting of what was done with security deposit and a refund of any unused balance in 14 days (conforms with State law).
- (c) Provides interest to be paid on Security Deposits at rates established by the Housing Authority (currently 5%) for each full year of occupancy. This is not required by State law or Federal regulations but is a local policy adopted by the Commission in 1975.

4. Utilities

Emphasizes tenant responsibility to arrange for utilities not provided by Housing Authority.

5. Rent Changes

- (a)(3) Establishes a \$50 floor on increases of monthly income before an interim recertification of income is needed to adjust the rent as a percentage of income. This will largely eliminate interim rent increases due solely to cost of living increases for those on fixed incomes. The regularly scheduled increases take effect on an annual recertification date.
- (b) Provides that any retroactive rents due from failure to report increases in income are due in 30 days.
- (e) Rent adjustments resulting in a lower rent are applied the first of the month following a change.

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6. Transfer

Clarifies that tenant must pay own moving expenses upon transfer.

7. Use and Occupancy

Defines stay for guests and visitors as two weeks per year unless written permission for longer stay is given by Housing Authority.

8. Housing Authority Obligations - no change

9. Tenant Obligations

(a) to (i) no change

(j) References charges in the Fees and Charges Schedule as payable by the tenant.

(k) Defines noise disturbances as those which annoy other residents between 10 p.m. and 9 a.m.

(l) Protects rights of other tenants.

(m) Prohibits harmful illegal activities.

(n) Prohibits pets without written permission.

(o) Prohibits parking on lawns or other off pavement areas and permits towing of violators.

(q) Prohibits window bars without prior approval.

(s) Requires tenant to mow and water lawns and plantings belonging to the unit and exempts those with disabilities.

(t) Prohibits keeping of disabled vehicles on premises and permits their removal after 5 days notice.

10. Rules, Regulations and Policies - no change.

11. Defects hazardous to Life, Health, or Safety - no change.

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12. Inspections Made Before Occupancy and at Termination.

Allows tenant ten days after move-in to report defects in unit not found at time of move-in to avoid later assignment of responsibility for the damage to the tenant.

13. Entry of Residence During Tenancy

Prohibits tenant from changing locks to keep management from entering. Reiterates HUD Regulation requirement for two days prior notice except in emergencies.

14. Termination of Lease

(b) The Housing Authority may only terminate for non-payment of rent or good cause consisting of serious or repeated lease violations.

(f) Allows three day notice to vacate when health or safety of other tenants or Housing Authority Employees is threatened.

15. Notice Procedures

(a) Notices given only to signatories of the lease.

16. Grievance Procedure

Eviction disputes not covered, will be resolved by the courts. This change is permitted in recent HUD Regulations.

17. Amendments - changes will be in writing.

A slightly modified version of this lease will be used for Section 8 Set-Aside and CHFA assisted projects as well as locally-owned projects, deleting the portions inapplicable to these projects and adding specialized paragraphs referring to the method of rent calculation specified in these programs.

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FINANCIAL DATA

The revised lease will not have an immediate direct financial impact except for printing costs. In the long run it should assist in improving the financial, physical and social conditions in our housing developments.

ENVIRONMENTAL REVIEW

No environmental review is required for this activity.

POLICY IMPLICATIONS

The lease follows previous policy directions of the Housing Authorities. The implications of the changes in the lease are mostly in procedural areas. It has consistently been the policy of the Housing Authorities to enforce payment of charges and hold tenants accountable for damages and misconduct. The Housing Authority Lease is firm about occupancy rules but fair in enforcement and due process.

VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of September 15, 1986, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES: Glud, Moose, Pettit, Sanchez, Sheldon,
Wooley, Amundson
NOES: None
ABSENT: Lopez

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RECOMMENDATION

It is recommended by staff that the proposed dwelling lease be approved and adopted for HUD low rent and local housing programs. The lease is to be effective for new tenants November 1, 1986 and to be phased in for existing tenants during annual recertifications effective on or after November 1, 1986.

Respectfully submitted,

William H. Edgar

WILLIAM H. EDGAR
Executive Director

TRANSMITTAL TO COUNCIL:

Walter J. Slipe

WALTER J. SLIPE,
City Manager

Contact Person: John Harmon

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RESOLUTION NO. 86-~~XXXX~~

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO
ON DATE OF

September 16, 1986

RESOLUTION APPROVING RESIDENT LEASE AGREEMENT FOR HOUSING AUTHORITY OWNED AND MANAGED RESIDENTIAL PROPERTIES

BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF
SACRAMENTO THAT:

Section 1: The Residence Lease Agreement , Form HM 110
dated September 1986, presented in the Staff Report for this
resolution is hereby approved and adopted.

Section 2: Such Residence Lease Agreement is also
approved as to form for use, in combination with appropriate
amendments in U. S. Department of Housing and Urban Development
Section 8 Set-Aside Programs, California Housing Finance Agency
financed developments and locally owned housing developments.

Section 3: Such Residence Lease Agreement shall be used
for new residents and transfers of present residents beginning on
November 1, 1986.

Section 4: Present residents of the Housing Authority
will be scheduled to enter into the new lease at the time of
their annual recertification of income, beginning with
recertifications effective November 1, 1986 for all residents of
the locally subsidized projects of Las Victorianas and the Oak
Park Manor.

CHAIR

ATTEST:

SECRETARY

0445L



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HOUSING AUTHORITY OF THE _____ OF SACRAMENTO

Project No. _____

Account No. _____

Bedroom Size _____

1. RESIDENCE LEASE AGREEMENT

THE HOUSING AUTHORITY OF THE _____ OF SACRAMENTO, (Housing Authority) does hereby lease to: _____, tenant(s), the residence described below, under the terms and conditions stated in this lease. "Residence" means the premises leased, and includes the dwelling unit and adjoining grounds.

Address: _____

Effective Date: _____

2. RENT PAYMENTS

(a) Tenant agrees to pay monthly rent of \$ _____ for the lease of this residence beginning _____, 19____. Rent shall be due and payable in advance on the first day of each month. Prorated rent for the first partial month of occupancy, if any, shall be \$ _____. The rental amount is calculated according to Federal Regulations and will vary according to changes in family income recertified from time-to-time by the Housing Authority.

(b) When rent is delinquent the Housing Authority may serve the tenant with a Fourteen Day Notice to Pay or Quit. If a tenant is served six Fourteen Day Pay or Quit notices in a 12 month period, he/she will be considered to have committed repeated violations of the material terms of this lease and in breach of this lease. Such repeatedly late paying tenants will be served a 30 Day Notice to Quit for breach of lease.

3. SECURITY DEPOSIT

(a) Tenant agrees to pay \$ _____ as a security deposit. At the termination of this lease, the Housing Authority will deduct outstanding charges in the following order: 1) unpaid maintenance charges, 2) charges for damages to the premises (excepting normal wear and tear), 3) unpaid rent, or 4) other charges owed by the tenant from the security deposit.

(b) The security deposit or the balance remaining, if any, along with an itemized accounting for all deductions, if any, shall be returned to the tenant within 14 days after tenant vacates residence, or if Management was not notified by the tenant of the tenant's date of vacating the premises, 14 days after Management learns of the vacancy.

(c) Interest on security deposits will be credited by the Authority for each full year of occupancy (beginning with March 1, 1975) by the tenant at rates established by the Housing Authority. Such interest will only be payable at move-out if total charges deducted against the security deposit do not exceed the total of the security deposit and interest earned.

4. UTILITIES

Housing Authority agrees to furnish the following utilities:

(a) Water, sewer, refuse collection.

(b) Other _____ (if none, so enter)

Tenant will arrange and pay for all utility services not furnished by Housing Authority.

5. TENANT INFORMATION AND RENT DETERMINATION

(a) Because the amount of rent payment depends on family income and composition, the tenant agrees to furnish accurate information to the Housing Authority regarding the tenant's financial and family circumstances, including total family income, the sources of such income, and family membership. The tenant agrees to furnish such information as required by the Housing Authority and Federal Regulations:

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- (1) upon occupancy;
- (2) when the Housing Authority requests a periodic or interim review of the tenant's circumstances;
- (3) within one month after a sustained increase of \$50 or more in the tenant's monthly family income or any changes in family composition.

(b) If the tenant does not comply with the provisions of paragraph (a) above, and if compliance would have resulted in a higher rent, the Housing Authority shall retroactively recompute the rent which the tenant should have been paying. Any retroactive rent balances established for the tenant's account shall be due and payable within 30 days from notification to the tenant by the Housing Authority.

(c) The Housing Authority shall periodically review the tenant's circumstances to redetermine the tenant's rent, suitability of residence size, and continued eligibility for low rent housing. The Housing Authority shall conduct such a periodic review annually for all tenants.

(d) In the interim between periodic review, the Housing Authority may require the tenant to furnish current information regarding the tenant's circumstances if the Housing Authority reasonably believes the tenant's circumstances may have changed. This provision does not relieve the tenant of responsibility for reporting increases in income or changes in family composition described in 5(a)(3) above within one month after such change occurs.

(e) The Housing Authority may increase or decrease a tenant's rent after an interim or periodic review based on a change in circumstances.

- (1) Rent adjustments resulting in a higher rent shall be effective on the first of a month following a 30 day written notice except where tenant has failed to report changes as described in 5(b) above.
- (2) Rent adjustments resulting in a lower rent to the tenant based on interim changes reported by the tenant are subject to the following terms:
 - (a) Such adjustments must be for a permanent change in the tenant's circumstances and not a result of seasonal or cyclical employment or temporary or sporadic fluctuations of income.
 - (b) Tenant must supply independent written verification from the source of income in a form acceptable to the Housing Authority showing the date(s) of change and amount(s) of income involved. No change shall be effective unless such written verification or other reasonable means of verification satisfactory to the Authority is obtained.
 - (c) Rent adjustment, if any, based on changes in the tenant's circumstances, shall become effective the first day of the month following the reporting and verification of such a change.
 - (d) Such rent adjustment shall only be effective after written notification from the Housing Authority to the tenant.
 - (e) If, based on an interim re-examination, a tenant's rent has been decreased pursuant to this section all increases in income are to be reported within 30 days regardless of amount.

6. TRANSFER

The Housing Authority may require the tenant to transfer to a different size residence if the tenant's family membership changes. The Housing Authority shall give 30 days notice unless otherwise agreed upon by the tenant and the Housing Authority. Tenant shall be responsible for their own moving expenses.

7. USE AND OCCUPANCY

Tenant and the members of tenant's family named in tenant's application shall have the right to exclusive use and occupancy of the residence. Such use and occupancy includes reasonable accommodation of guests and visitors, not to exceed two weeks in a calendar year, without the written consent of the Housing Authority.

8. HOUSING AUTHORITY OBLIGATIONS

The Housing Authority agrees:

- (a) to maintain the premises and the project in a decent, safe and sanitary condition;

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(b) to comply with applicable requirements of building codes, housing codes, and HUD regulations materially affecting health and safety;

(c) to make necessary repairs to the premises;

(d) to keep project buildings, facilities, and common areas, not otherwise assigned to the tenant for maintenance and upkeep, in a clean and safe condition;

(e) to maintain in good and safe working order and condition electrical, plumbing, sanitary, heating, ventilating, and air conditioning equipment, appliances, and elevators supplied by the Housing Authority;

(f) to provide and maintain appropriate receptacles and facilities, except containers used exclusively by the tenant, for the collection of garbage, rubbish and other waste removed from the premises by the tenant;

(g) to supply running water and reasonable amounts of hot water, and reasonable amounts of heat at appropriate times of the year; this obligation does not apply to situations in which heat and/or hot water is supplied by a direct utility connection controlled by the tenant and such utility connection is interrupted through the tenant's action or inaction.

9. TENANT'S OBLIGATIONS

The tenant agrees:

(a) not to assign this lease or sublease all or any part of the residence;

(b) not to provide accommodations for boarders or lodgers;

(c) to use the residence solely as a private dwelling unit for the tenant and the tenant's family members who are approved by the Housing Authority and recorded on the tenant's application, and not to use or permit its use for any other purpose;

(d) to comply with all obligations imposed upon tenants by applicable provisions of health, fire, building and housing codes materially affecting health and safety;

(e) to keep the residence and such other areas as may be assigned to the tenant for the exclusive use of the tenant in a clean and safe condition;

(f) to dispose of all ashes, garbage, rubbish and other waste from the residence in a safe and sanitary manner;

(g) to use in a safe manner all electrical, plumbing, sanitary, heating, ventilating and air conditioning equipment, appliances and elevators;

(h) to refrain from and cause tenants' family members and guests to refrain from destroying, defacing, damaging or removing any part of the tenant's residence or the housing project;

(i) to pay reasonable maintenance and repair charges for damage to the residence, project buildings facilities or common areas caused by the tenant, tenant's family members or guests; and charges shall be the obligation of the tenant unless the tenant provides evidence acceptable to the Housing Authority of non-responsibility within 10 days of notification of charges. Maintenance and repair charges are due and payable the first of the second month following notice to the tenant.

(j) to pay other charges as established in the Sacramento Housing and Redevelopment Agency's Fees and Charges Schedule, such Schedule shall be available for tenants inspection at each area office and at the Housing Authority central office.

(k) no tenant shall play or operate or permit his family or guests to play or operate any musical instrument, radio, phonograph, television or other sound making device, in the premises between the hours of ten o'clock p.m. and the following nine o'clock a.m. if the same shall disturb or annoy other occupants of the building or adjoining ground. No tenant shall make or permit his family or guests to make any disturbing noises on the premises, in the building or adjoining grounds at any time;

(l) no tenant shall do or permit his family or guests to do anything that will interfere with the rights of other tenants, including but not limited to privacy and quiet enjoyment of their residences, the building and the adjoining grounds;

(m) to refrain from any illegal activity committed on the premises which jeopardizes the health or safety of other tenants, guests, Housing Authority employees, or other individuals on the premises.

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(n) not to keep or permit to be kept, any dog, cat or other animal or pet, in, on, or about the premises without the written consent of the Housing Authority; such consent is governed by a policy of the Housing Authority, available on request;

(o) not to park motor vehicles on lawn areas; off pavement; or in other than marked parking spaces. In such instances, Management may, without prior notice, have improperly parked vehicles towed at the vehicle owner's expense;

(p) to make no additions or alterations to the residence or its equipment without the written consent of the Housing Authority;

(q) not to erect or install security bars or screens on any door or window. In special circumstances, exceptions may be granted by written permission of management.

(r) to leave the residence in clean and good condition, reasonable wear and tear excepted, at the termination of this lease;

(s) to water, mow and maintain lawns and other landscaped or paved areas that are appurtenant to the premises occupied by the tenant unless the tenant has been exempted by the Housing Authority from performing such tasks because of age or physical disability;

(t) to refrain from keeping on the premises any inoperable, disabled, abandoned, or unsafe vehicles or equipment of any kind. Such vehicles or equipment, after five days prior notice, will be removed at the vehicle owner's expense.

10. RULES, REGULATIONS AND POLICIES

This lease incorporates by reference, and the Housing Authority and the tenant hereby agree to abide by the following written rules, regulations, and policies, as adopted and as may be amended from time to time:

(a) schedule of rents and utility allowances;

(b) schedule of maintenance and repair charges;

(c) occupancy and eligibility policies;

(d) necessary and reasonable management rules, regulations and policies adopted for the benefit and well being of the housing project and the tenants;

(e) grievance procedure;

(f) HUD regulations, notices and handbooks and applicable State, Federal and Local laws.

Such written rules, regulations and policies shall be available for tenant's inspection at each area office and at the Housing Authority central office.

11. DEFECTS HAZARDOUS TO LIFE, HEALTH OR SAFETY

In the event that a residence owned by the Housing Authority is damaged to the extent that conditions are created which are hazardous to life, health or safety of the tenant and the tenant's family, then:

(a) the tenant agrees to promptly notify the Housing Authority of the damage;

(b) the Housing Authority agrees to repair the unit within a reasonable time. The Housing Authority agrees to offer alternative accommodations, if available, in circumstances where necessary repairs cannot be made within a reasonable time;

(c) the tenant agrees to pay the reasonable cost of the repairs, if the damage was intentionally or negligently caused by the tenant, tenant's family or guests;

(d) the tenant agrees to continue to pay rent to the Housing Authority unless:

(1) the Housing Authority does not make repairs within a reasonable time; and

(2) the Housing Authority does not offer alternative accommodations; and

(3) the damage was not caused by the tenant, the tenant's family or guests.

12. INSPECTIONS MADE BEFORE OCCUPANCY AND AT TERMINATION

(a) The Housing Authority agrees to inspect the residence prior to occupancy by the tenant. The Housing Authority shall furnish the tenant with a written statement of the condition of the residence and the equipment provided with the residence, and shall retain in its files a copy of the statement signed by the Housing Authority and the tenant.

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(b) Tenant shall inspect the residence and sign the statement of its condition and report in writing any disagreements with the condition of the residence, or its equipment before occupancy or within 10 days after occupancy. Any later damages to the premises will be deemed to be the responsibility of the tenant.

(c) At the time the tenant vacates the residence, the Housing Authority agrees to inspect the residence and furnish the tenant an itemized statement of charges owed by the tenant, if any.

13. ENTRY OF RESIDENCE DURING TENANCY

The Housing Authority may enter the residence during the tenancy for the purpose of performing routine inspections and maintenance, for making improvements or repairs, or to show the residence for re-leasing. The Housing Authority shall give two (2) days advance written notification to the tenant of such entry. The entry shall be made during reasonable hours, except that the Housing Authority may enter the residence at any time when there is reasonable cause to believe that an emergency exists. The tenant shall not unreasonably withhold permission to enter nor change locks or secure the unit in a manner to prevent management from entering. The Housing Authority may upon two (2) days advance written notice remove any such locks or security devices installed by tenant and restore the proper locks and security devices at tenant's expense.

14. TERMINATION OF LEASE

This lease shall continue from month to month unless terminated as provided below:

(a) The tenant may terminate this lease at any time by giving fifteen (15) days written notice to the Housing Authority. If the tenant abandons the residence without notice, the tenant agrees to pay an additional fifteen (15) days rent after the date the Housing Authority discovers such abandonment.

(b) The Housing Authority may terminate this lease at any time for nonpayment of rent, for serious or repeated violations of the terms of this lease, including rules, regulations and policies adopted pursuant to this lease, or for other good cause.

(c) The Housing Authority may terminate the lease for good cause if, because of a change in the tenant's circumstances or eligibility requirements, the tenant is no longer eligible for low rent housing.

(d) If the Housing Authority elects to terminate this lease, for reasons other than nonpayment of rent or situations as in (f) below, the Housing Authority shall give thirty (30) days notice of termination to the tenant. Such notice shall state the reasons for the termination, shall inform the tenant of his or her right to make such reply as he may wish.

(e) The Housing Authority shall give fourteen (14) days written notice to the tenant to pay delinquent rent before terminating this lease for nonpayment of rent.

(f) The Housing Authority shall give three (3) days notice of termination when the health or safety of other tenants or Housing Authority employees is threatened.

15. NOTICE PROCEDURES

(a) Notices from the Housing Authority to the tenant shall be in writing and shall be served in accordance with State Law. Notices are only to be provided to signatories of the lease.

(b) Notices from the tenant to the Housing Authority shall be in writing and delivered to the area office or the central office, or sent by prepaid first class mail, properly addressed to the Housing Authority.

16. GRIEVANCE PROCEDURE

All disputes concerning the rights and obligations of the tenant and the Housing Authority other than eviction disputes shall be resolved in accordance with the grievance procedure of the Housing Authority, such grievance procedure shall be available for tenant's inspection at each area office and at the Housing Authority central office.

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This lease may be amended by agreement of the parties in writing.

Dated: _____

Tenant

Tenant

HOUSING AUTHORITY

By _____