



## Non-Dwelling Premises Use and Lease Policy

<b>Responsible CHA Department(s):</b> Property and Asset Management	<b>Policy No. 205.1</b>
<b>Effective Date:</b> July 19, 2022	Approved on 07/19/2022 by CHA Board of Commissioners Resolution No. 2022CHA29
This policy supersedes the Non-Dwelling Premises Use and Lease Policy (eff. Oct. 2009).	

### NON-DWELLING PREMISES USE AND LEASE POLICY

#### I. Purpose of the Non-Dwelling Premises Use and Lease Policy

The Chicago Housing Authority (“CHA”) is authorized to designate, on a short- or long-term basis, non-dwelling Premises (as defined below) to be used for reasonable purposes, including but not limited to, property management, the provision of social services, charitable purposes, public safety activities, resident services, the support of economic self-sufficiency and anti-drug activities. The purpose of this Non-Dwelling Premises Use and Lease Policy (“Policy”) is to set forth the permitted use and lease requirements for CHA non-dwelling Premises.

#### II. General Provisions

##### A. Definitions.

1. Premises. The non-dwelling space within a residential or commercial and retail building and/or other property, including vacant land, owned or leased by CHA and leased or sub-leased to a tenant.
2. Social Service Provider. A person, sole proprietorship, or entity that provides social or charitable services of the types set forth in Section II hereof and that is either:
  - a. A not-for-profit that possess all requisite certifications and/or licenses and that is organized or qualified to do business under the laws of the State of Illinois; or
  - b. A governmental entity or delegate thereof.
3. HUD. The United States Department of Housing and Urban Development.

#### III. Non-Dwelling Agreements for Normal Uses Associated with the Operation of Public Housing

##### A. Eligible Agreements.

1. Pursuant to the **24 CFR § 970.3(b)(4)**, CHA may enter into non-dwelling agreements for normal uses associated with the operation of public housing without approval by the United States Department of Housing and Urban Development (“HUD”). These normal uses include, but are not limited to, standard resident amenities such as laundry rooms, resident supportive services, police sub-stations and operations necessary for crime prevention or to serve public housing residents. CHA’s policy for granting such non-dwelling agreements is as follows:

- a. Premises Used for Public Safety and Anti-Drug Activities. CHA will permit the use of Premises for public safety and anti-drug activities, which include use by the Chicago Police Department (CPD) or by security personnel contracted by property managers or CHA to provide on-site security services. CHA, or the property manager, subject to the authorization of CHA, will designate which non-dwelling unit/property will be used by the CPD or security personnel.
- b. Premises Used for Resident Services. CHA may from time to time use vacant units/properties for purposes related to resident service programs directly administered by CHA, including, without limitation, tenant patrol and CHA Summer Food Program. CHA, through its designated department, shall coordinate any such uses with the property manager of the public housing development in which the Premises are located.
- c. Premises Used for Property Management Purposes. CHA may from time to time use, or authorize the use of, non-dwelling units/property for purposes related to the management of the property. Such uses may include, but shall not be limited to, administrative or management offices, storing and maintaining equipment or materials reasonably necessary for the operation of the public housing development, compactor/chute rooms, and laundry facilities.
- d. Premises Used for the Provision of Social Services. CHA through its leasing of non-dwelling Premises to Social Service Providers strives to: 1) Reduce cost and achieve greater cost effectiveness in federal expenditures; 2) Give incentives to families with children whose heads of household are working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and 3) Increase housing choices for low-income families. The relationship created by non-dwelling lease agreements is one of landlord and tenant and not one of employment, agency, joint venture or partnership. CHA may negotiate leases with public and private entities which seek to use the non-dwelling units/properties primarily for the following purposes, including but not limited to, Family Support, Health, Early Childhood Development, Education, Recreation, Youth Development and Economic Self-sufficiency.

The Social Service Provider's work must promote one or more of the following outcomes for CHA residents:

- i. Increased household income;
- ii. Increased family and health stability;
- iii. More housing choices for families; or
- iv. Increased community involvement.

**IV. Non-Dwelling Agreements Unrelated to Normal Uses Associated with the Operation of Public Housing**

**A. HUD Approval.**

1. HUD approval is required for non-dwelling leases unrelated to normal uses associated with the operation of public housing such as, but not limited to, telecommunication and cell tower agreements, solar panel agreement, leases for parking lots, leases to local merchants and agreements for the installation of billboards.

2. All requests must demonstrate that the use is reasonable and will not adversely impact the operation of the Premises as public housing, including the impact on residents (health and safety) and the impact on the physical property (structural integrity).

**V. Use and Lease Provisions**

**A. Licenses, Right of Entry and Other Non-Dwelling Use Agreements.**

1. CHA may elect to enter into License Agreements, Right of Entry Agreements and other non-dwelling use agreements for less than one year without HUD approval in lieu of leases where appropriate.

**B. Requirements for Requesting the Use of Non-Dwelling Premises.**

1. Applicants must complete a Non-Dwelling Premises Application Form and turn it into the CHA for processing.
2. CHA will assess whether the proposed activities are duplicative of another agency or organization that serves the same residents and/or individuals.
3. CHA may conduct a background check on any individuals who are present during the hours of operation for the agreed upon use.
4. CHA, at its sole discretion, may approve or deny a lease application in accordance with Section IX of this policy.

**C. General Lease Requirements.**

1. The terms of the lease will be negotiated on a case by case basis within a lease agreement upon approval of an application request.
2. Leases are not required for Social Service Providers or other contractors who are on CHA land pursuant to an executed service agreement with CHA or pursuant to an Intergovernmental Agreement.
3. The lessee shall be required to conduct background checks on all employees that will conduct business on the premises on behalf of the lessee.
4. The term of the lease shall be negotiable, subject to HUD approval. Short-term agreements (including for one-time events or gatherings) and long-term leases (e.g., month-long, year-long, or multi-year use agreements) are permissible. Any lease term exceeding one year requires HUD approval.
5. Rent and Security Deposit shall be negotiated with the terms of the lease on a case by case basis.
6. CHA shall not be responsible for providing security for the Premises.
7. A certificate of insurance adding CHA as an additional insured must be provided for lease approval.
8. CHA shall be provided with reports regarding the permitted activities upon request.
9. An Indemnification clause for the benefit of CHA shall be included in all non-dwelling agreements.

**D. Use of the Premises.**

1. The Premises shall be used only for the purpose of the permitted activities specified within the non-dwelling agreement.
2. All permitted activities must be performed in compliance with all applicable federal, state and local laws, regulations, orders and ordinances at no costs to CHA.
3. Any and all applicable accreditation, licensing, and certification required for the permitted activities must be obtained prior to occupancy and kept current throughout the term of the non-dwelling agreement with copies furnished to CHA.

4. The non-dwelling agreement shall be non-assignable without the written consent of CHA.

**E. Restrictions on Use.**

1. Use of the Premises is subject to occupancy limitations in accordance with the City of Chicago's building codes, fire codes, ordinances, and other safety standards.
2. No alcoholic beverages shall be served or consumed within the Premises at any time without the prior written consent of CHA.
3. No firearms or other weapons shall be allowed on the Premises with the exception of police and security protection.
4. No advertisements, posters, or other material may be placed on any CHA property or facility without the prior written approval of CHA.
5. All advertisements, posters, or other material shall not misrepresent or falsely express or imply an affiliation with CHA.
6. Distribution or sale of literature or other materials must be limited to the leased Premises. Literature shall be related to programs or services permitted under the Lease.
7. Any literature which is, or which is proposed to be, distributed or sold shall comply with all applicable federal, state, and local laws and regulations, and with CHA rules and policies. No obscene literature or material shall be distributed on CHA property at any time.
8. Persons engaged in the distribution and/or sale of permitted literature or material shall not obstruct or impede pedestrians or vehicles, harass other persons with physical contact or persistent demands, misrepresent the purposes or affiliations of those engaged in the distribution or sale, or misrepresent CHA's involvement in the literature distributed or sold.
9. CHA shall have the right to terminate the lease if the distribution or sale of literature or other materials violates the provisions of this policy.
10. Solicitation is prohibited on CHA property with the possible exception of solicitation and fundraising activities conducted within the normal business operations of the permitted activities and with the prior written consent of CHA. CHA may deny a solicitation request for any reason at its sole discretion. Under no circumstances shall a solicitation be approved for the purpose of making a profit. CHA retains the right to request verification of the use, application or disposition of funds solicited on CHA property.
11. The Premises may not be used for campaigning for office by candidates for public office.
12. The Premises may not be used to staff a campaign for public office.
13. No Premises may be used for the purpose of religious worship.

**F. Non-Dwelling Agreement Request Denial.**

1. CHA reserves the right in its sole discretion to limit or deny any request to lease Premises or any request for lease renewal. Without limiting the foregoing, the following may be grounds for lease denial or renewal denial by CHA:
  - a. Any activity or program that causes disruption or interference with the normal activities of CHA residents at the property.
  - b. Any use of the Premises that would be contrary to federal, state, or local laws or regulations, other agreements by which CHA is bound.

- c. Any intended or ongoing use of the Premises violates CHA values, rules, or protocols.
- d. False, inaccurate, or incomplete information provided on the lease or renewal application.
- e. Any activity or program that causes or could cause a danger or dangerous condition to CHA property or maintenance.
- f. Any activity or program that provides duplicative services to the same residents.
- g. Location pending redevelopment, demolition, or rehabilitation activities.
- h. Violation of the terms of a previous or current lease or this policy.

**G. Non-Discrimination.**

- 1. CHA will consider all applications and will not unlawfully discriminate based on an applicant's race, color, sex, national origin, religion, age, sexual orientation, disability, familial status or any other protected class as defined by federal, state, and local laws and ordinances, nor will CHA discriminate based on an applicant's services to any such protected classes.
- 2. An applicant's permitted activities shall not unlawfully exclude a person because of race, color, sex, national origin, religion, age, ancestry, sexual orientation, gender identity, disability, familial status, martial status, order of protection status, military discharge status, housing status, source of income, or any other protected class as defined by federal, state, and local laws and ordinances.

**H. Lease Execution Authority.**

- 1. CHA's Chief Executive Officer, or its designee, is authorized to execute non-dwelling leases, licenses or other non-dwelling use agreements that substantially comply with the policy.

<b>References:</b> 24 CFR § 970.3(b)(4)
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<b>Policy History:</b>
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Approved on 1/15/2008 by 2008CHA46; 9/20/2009 by 2009CHA145. Revised on 7/19/2022 by 2022CHA29.
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