

TENANT SELECTION PLAN

**Sterling Park Apartments
3301 W. Arthington St.
Chicago, Illinois**

I. INTRODUCTION

This **Tenant Selection Plan**, ("the Plan") outlines the procedures that Mercy Housing Management Group, a Nebraska not-for-profit corporation, ("Management") will follow in selecting tenants for the **Sterling Park Apartments** development (the "Development").

Management is responsible for implementing the procedures outlined in the Plan.

II. INCOME ELIGIBILITY & UNIT MIX

All units will be subject to the provisions of the Federal Low Income Housing Tax Credit (LIHTC) program. The Development will offer 181 rental units reserved for low and very low-income households as follows:

66 Units: Chicago Housing Authority households with incomes no more than 50% of current area median income

115 Units: Households with incomes no more than 60% of current area median income

The 66 units for Chicago Housing Authority (CHA) households are the "PHA-Assisted Units," the additional 115 income restricted units are "Affordable Housing Units." The following policies and procedures will apply to all applicants, whether for PHA-Assisted Units or Affordable Housing Units, unless otherwise noted. Management recognizes that there are additional rights and responsibilities for PHA-Assisted Unit applicants under the Relocation Rights Contract (RRC), as applicable, (Exhibit C) and Chicago Housing Authority Admissions and Continued Occupancy Policy (Exhibit D).

Age Restrictions: no age restrictions on tenancy; Head of Household must be at least 18 years of age.

Veterans Outreach: Mercy Housing is committed to outreach to US veterans and will undertake the following activities in support of that commitment:

- Participating in four resource fairs per year at the Jesse Brown VA Medical Center;
- Participating in a large annual Stand Down resource fair;
- Participating in regular meetings with Veterans Administration social workers; and
- Advertising our lease-up events and open houses through the Veterans Administration.

III. MARKETING PROCEDURES FOR PHA-ASSISTED UNITS

A. Affirmative Marketing Requirements

Applicants for the PHA-Assisted Units are referred to herein as "CHA Applicants." The marketing of PHA-Assisted Units will begin by notifying the prospective residents included in the CHA Applicant database of the upcoming availability of units. If such notification does not yield a sufficient number of responses from CHA residents, Management will consider more extensive outreach measures. CHA will maintain the CHA Applicant database and will be the primary source of prospective public housing residents. The CHA will provide Management with sufficient training and instruction materials such that Management can utilize the database in accordance with the terms of this Plan.

IV. PRIORITY OF APPLICANTS

A. Priority of Applicants for PHA-Assisted Units

Preference for the admission to the PHA-Assisted Units will be given to eligible RRC Applicants in accordance with the levels of preference established by the RRC, subparagraph (4)(d). The CHA will provide Management with a list (or access to a database) of all CHA Applicants subject to the RRC that are CHA-Lease compliant (the "RRC List"). The RRC List will also reflect an order of priority for admission consideration established by the CHA, in compliance with the Housing Offer Process ("HOP"). These preferences shall remain in effect until the list has been exhausted. Screening criteria described elsewhere shall apply to the consideration of admission of all applicants, including RRC Applicants. At all times, the order of admission to the PHA-Assisted Units shall be governed by the requirement that all of the PHA-Assisted Units shall be occupied by residents in accordance with the income requirements set forth in Article I hereof.

B. Priority of Applicants for Accessible Units

Management will give priority for accessible units to applicants with disabilities. Unless an applicant requests priority placement in an accessible unit, Management will not inquire whether an applicant for a dwelling, a person intending to reside in that dwelling unit after it is rented and made available, or any persons associated with that person, has a disability or inquire as to the nature or severity of the disability of such person.

V. PRE-APPLICATION CARD PROCESSING

A. Distribution of Pre-Application Cards

Management will provide a Pre-Application Card to all persons making inquiries about residing in the Development.

B. Processing Pre-Application Cards

1. Management will file and log in order of receipt all returned Pre-Application Cards, indicating the time and date received. The Pre-Application Card log will indicate whether the applicant has any priority or requested an accessible unit.
2. Once the number of Pre-Application Cards for a unit size equals three times the total number of units for that size inside the Development or if the Development has attained ninety-five percent (95%) occupancy, then Management will not accept any additional Pre-Application Cards for that Waiting List.
3. Management will maintain all Pre-Application Cards on-site for a period of three years, and will update information as necessary.

VI. WAITING LIST PROCEDURES

Definition of Waiting Lists

Management will maintain Waiting Lists for applicants applying to the Development, including a Waiting List for the PHA-Assisted Units and a Waiting List for the LIHTC Units.

Applicants who submitted Pre-Application Cards, but who Management did not contact for an interview or reject will receive a letter stating they are on a Waiting List and their position on the applicable Waiting List. An applicant's position on the Waiting List will be based on the chronological order in which an applicant's Pre-Application Card is received; provided, however, that priority will be given to those who qualify for any priority or Special Occupancy Category described in Section (XIII). Those applicants Management deems ineligible based on the information provided in the Pre-Application Card will receive a rejection letter (Exhibit A) specifying the reason for ineligibility and informing the applicant that they can meet with Management to discuss the reason for ineligibility.

The Waiting List for PHA-Assisted Units shall be initially derived from the public housing waiting list developed by the CHA to be made available to and managed by Management. Upon exhaustion or in concurrence, of this list, the waiting list for PHA-Assisted Units will be derived by Management from the CHA general public housing waiting. Prior to creation of an Owner site-based waitlist for the PHA-Assisted Units, the Owner must obtain CHA's permission and submit referrals from the Owner's site-based waiting list to CHA for screening.

The CHA will provide Management with training and instruction materials such that Management can utilize the CHA database in accordance with the terms of this Plan. Subsequent priorities in admission to occupancy will be consistent with the Gautreaux Orders, to the extent applicable. Gautreaux Orders are all applicable orders of the

Upon exhaustion of the CHA's lists, Owner may resubmit referrals from their waiting list to CHA for screening.

B. Contacting Persons on the Waiting List

1. Management will contact applicants through the following process to schedule an interview: When a unit becomes available, Management will then telephone the selected applicant at least three (3) times within a forty-eight (48) hour period. If the applicant cannot be reached, a letter shall be sent by pre-paid First Class mail to the last address provided by the applicant requesting a date and time for an interview. If the applicant does not respond within ten (10) business days from the date Management sent its letter, then the applicant forfeits the opportunity to apply for the available unit, but will remain at the top of the applicable Waiting List. When a second unit becomes available, Management will send another letter to the applicant. If the applicant does not respond to the second letter within ten (10) business days from the date Management sent its letter, Management will deem the applicant inactive and remove the applicant from the Waiting List.
2. If an applicant refuses a unit, the applicant remains at the top of the applicable Waiting List. Management will send a letter to the applicant stating that after a second refusal of an available unit Management will remove the applicant from the applicable Waiting List. Applicants for PHA units who refuse an offered unit will be referred to CHA for removal from the CHA waitlist.
3. When an interview is scheduled, but the applicant fails to attend, Management will attempt to contact the applicant by telephone; provided the applicant has a working phone number, otherwise Management will contact the applicant through First Class mail, return receipt requested. Management will telephone the selected applicant three (3) times within a forty-eight (48) hour period. If there is no contact made with the selected applicant, Management will place the applicant's Pre-Application Card in the inactive file. However, if Management does contact the applicant and the applicant had good cause, as determined in Management's sole discretion, to miss the interview, such as illness or accident, then Management will schedule another appointment. If the applicant again fails to attend the interview, Management will place the applicant's Pre-Application Card in the inactive file. Applicants for PHA units will be removed from the waitlist by CHA.
4. Management will document all of its attempts at contacting the applicant in its Tenant Tracking Log.

C. Updating the Waiting List

¹ Gautreaux v. CHA et al., No 66 C 1460 and the consent decree thereunder was terminated in 1997.

1. The Waiting Lists will be updated at least once every twelve (12) months in the following manner: Management will send a letter to each applicant on the Waiting List. The letter will inform the applicant to return the included Reply Card if the applicant still wants to live at the Development. The applicant will have fifteen (15) business days from the date Management sent its letter to respond. If Management receives no response, Management will place the applicant's Pre-Application Card in the inactive file and send a letter informing the applicant of this action. The foregoing process shall not apply to the CHA provided Waiting List.

D. Removal from Waiting List

Management will remove names of applicants from a Waiting List for the following reasons:

1. Applicants who do not respond to Management's request to attend meetings or provide and/or update information. When an interview is scheduled, but the applicant fails to attend, Management will telephone the selected applicant three (3) times within a forty-eight (48) hour period. If there is no response from the applicant after three (3) attempts within forty-eight (48) hours, the applicant's name will be determined inactive and removed from the Waiting List.
2. Applicants whose correspondence from Management returns from the U.S. Postal Service marked as "Undeliverable."
3. Applicants who have not returned a completed application within ten (10) business days from the date Management provided an application. Applicants with unusual circumstances may request, in writing, an extension of time, which Management can grant at its discretion.
4. Applicants who Management determines are former tenants that owe money to the Development. Management will place these applicants on the Waiting List only after the applicant has either paid the debt or has arranged and is current in a payment plan to pay the debt.

E. Closing the Waiting List

Once the number of Pre-Application Cards for a unit size equals three times the total number of units for that size inside the Development or if the Development has attained ninety-five percent (95%) occupancy, then Management does not have to accept any additional Pre-Application Cards for that Waiting List.

F. Reopening a Waiting List

If, based on the maximum number of Pre-Application Cards, it is anticipated that all persons who have submitted Pre-Application Cards for a specific unit size will be housed within the next twelve (12) months, the Waiting Lists for that unit size only will be reopened and Pre-Application Cards will again be accepted. Management will

present the notice of the reopening of the Waiting Lists to prospective residents.

For the PHA-Assisted Units Waiting List, prospective public housing residents will be notified utilizing the RMTS and the general CHA public housing waiting list.

Upon exhaustion of the CHA's lists, Owner may resubmit referrals from their waiting list to CHA for screening

An announcement (via posting in property office, on property voicemail and advertising in local newspapers or publications) will be made when the Waiting List closes and when the Waiting List reopens.

VII. APPLICATION PROCESS

A. Application Requirements

1. Before completing a rental application, the applicant must complete a Pre-Application Card. The Pre-Application Card requests general information including name, address, household size, income, job status, full-time student status, and preferred unit size. Applicants for PHA-Assisted Units will not have to complete a Pre-Application Card.
1. Management will schedule interviews for applicants in accordance with the procedure outlined in Section (V)(B). Applicants will complete a rental application at the Management office. Management will use a temporary location until the Management office is available. All members of the applicant household aged 18 years and older must attend the interview. Management will require all members of the applicant household aged 18 and older to sign the rental application and release forms authorizing Management or a third party under contract with Management to determine if the applicant satisfies the Owner's Screening Criteria. All members of the applicant household 18 and older will be subject to a 3-year criminal background check (sealed juvenile records will not be reviewed). CHA ensures that applicants for the PHA-Assisted units from the RMTS database will have already gone through a credit and background check that covers the past three (3) years. Management will pay any additional costs for any credit or background checks on Applicants for the PHA-Assisted units beyond three (3) years, and such checks shall be limited to a period of five (5) years as described in Article IX hereof. Applicants (other than applicants for PHA-Assisted Units) shall pay a non-refundable credit/background check fee of thirty-five (\$35) dollars.
2. The applicant must, as determined by Management, meet the Owner's Screening Criteria, established in accordance with Fair Housing requirements and set forth in Section IX of this Tenant Selection Plan.
4. Management or a third party under contract with Management, with respect to all applications for all household members aged 18 years and older, will take the following actions, as applicable:

- a. Obtain a completed and signed rental application.
- b. Obtain a credit and criminal background report.
- c. Verify Social Security Card information for all household members.
- d. Verify documentation for household members who are non-citizens.
- e. Obtain copies of birth certificates for all household members.
- f. Determine anticipated total annual income from all sources received by the household, including all net income derived from Net Family Assets, other than earned income of household members younger than 18 years old, in accordance with the requirements of Section 42 of the Internal Revenue Code, as amended (the "Code"). Management will consider only the income the household anticipates obtaining in the twelve months succeeding the date of the rental application. If it is not feasible to anticipate a level of income over a 12-month period, Management will annualize the income anticipated for a shorter period. In the event anticipated income is zero, Management will require a notarized statement signed by all household members age 18 years or older demonstrating that no income is coming into the household. Subject to the requirements of Section 42 of the Code, income includes, but is not limited to, the following:

- Full amount of wages and salaries, overtime pay, commission fees, tips and bonuses, and other compensation for personal services
- Net income from operation of a business or profession
- Interest, dividends, and other net income of any kind from real or personal property, such as but not limited to Net Family Assets as described below
- Full amount of periodic payments from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts including a lump sum benefit for the delayed start of a periodic payment, excluding lump sum payments of Social Security benefits
- Unemployment, disability compensation, worker's compensation, and severance pay
- Assistance from the Department of Human Services (DHS), such as Temporary Aid to Needy Families
- Alimony, child support payments, and regular contributions or gifts received from persons not residing with the household
- All regular pay, special pay, and allowances of a member of the Armed Forces

Income does not include:

- Income that is temporary or not of a recurring nature
- Sporadic gifts
- Reimbursements of medical expenses for any family member

- Lump sum assets, such as inheritances, insurance payments, worker compensation settlements, capital gains, and any settlements for personal or property losses
- Hazardous duty pay for a household member in the Armed Forces
- Earned income from employed, dependent children, including foster children younger than 18 years old
- Payment received for care of foster children or foster adults
- Payment or allowances from the Energy Assistance Program
- Amounts received from programs funded in whole or in part under the Job Training Partnership Act or Family Support Act
- Full amount of student financial assistance paid directly to the student or to the educational institution
- Amounts received from training programs funded by Department of Housing and Urban Development
- Amounts received by disabled persons that are disregarded in determining Supplemental Social Security Income eligibility
- Amounts received to cover out-of pocket expense necessary to participate in a publicly assisted program

“Net Family Assets” include:

- Cash
- Stocks
- Bonds
- Savings
- Value of equity in real property and other forms of capital investments excluding the cost that would be incurred in disposing of the assets
- In the case of disposition as part of a separation or divorce settlement, the disposition will not be considered for less than Fair Market Value if it is received and is not measurable in dollar terms.

“Net Family Assets” does not include:

- Personal property

B. Completion of the Application Process

Management will process all applications within thirty (30) business days after the date of the applicant's initial interview or within five (5) business days of receipt of all required documentation, whichever is later.

VIII. ELIGIBILITY REQUIREMENTS

A. Income

1. The PHA-Assisted Units are set aside for households with incomes no more than fifty percent (50%) of Area Median Income, as established by the Low Income Housing Tax Credit Program rules and regulations for the appropriate household size.
2. Applicants, with the exception of applicants for PHA-Assisted, must have income sufficient to pay the rent plus those utilities not covered by rent and must satisfy the one-year length of employment requirement.
3. Applicants for PHA-Assisted will be required to pay a minimum monthly rent of seventy-five dollars (\$75) or such other amount which may be established by the CHA. (A hardship exemption shall be granted to residents who can document that they are unable to pay the minimum rent because of a verifiable long-term hardship (over 90 days). Exemption means the resident is required to pay the greater of 30% of adjusted monthly income or 10% of monthly income.)

B. Sole Residence

For each PHA-Assisted Unit and LIHTC Unit applicant, the unit in the Development must be the applicant's sole residence in order for the applicant to be eligible for housing.

C. Non-Smoking Building

The development has a No Smoking Policy. All prospects will be notified during the application process that smoking is not allowed in common areas (including the courtyard) or in the individual apartments at any time. Applicants will be notified that if any member of the household or guest smokes in the building that it will be a lease violation.

IX. OCCUPANCY STANDARDS

- A.** The following standards will determine the number of bedrooms required to accommodate a family of a given size, except that such standards may be waived when a vacancy problem exists and it is necessary to achieve or maintain full occupancy. In selecting a unit size for the applicant, Management's occupancy standards, and any waivers thereof, must comply with Federal, State, and local fair housing and civil rights laws, landlord-tenant laws, zoning laws and applicable HUD Occupancy guidelines from time to time in effect.

<u>Number of Bedrooms</u>	<u>Number of Persons</u>	
	<u>Minimum</u>	<u>Maximum</u>
1	1	2
2	2	4
3	3	6
4	4	8

- B. Notwithstanding anything to the contrary, if during the term of any lease, a child is born or adopted by the tenant, and as a result of such birth or adoption, the occupancy standard established above shall be violated, the tenant shall not be required by Management to move or transfer to a larger unit in order to comply with the occupancy standard until the conclusion of the term of the then-existing lease; provided that the tenant shall at all times satisfy all other obligations under the lease, rules, and regulations applicable to the leased unit, including but not limited to any interim notification requirements.

X. SELECTION AND REJECTION CRITERIA

Meeting the eligibility requirements under Section VIII does not mean that an applicant will be a suitable tenant. Management will also consider the ability of the applicant to fulfill the obligations of tenancy, including but not limited to paying rent and other charges, caring for and avoiding damage to a unit and common areas, and refraining from engaging in activities that would threaten the health, safety or right of peaceful enjoyment of the premises by others. For the purpose of the CHA applicants, the criteria under this Section (X) (compliance with which, where not otherwise indicated, shall be determined in Management's sole discretion) subject to the CHA Grievance Procedure shall be deemed property specific requirements ("Screening Criteria"), as follows:

A. Age

Applicants must be at least 18 years old, provided that applicants who are less than 21 years old may be required in Management's sole discretion, to provide a guarantor acceptable to Management who will guarantee the applicant's payment and performance under the lease.

B. Insufficient/Inaccurate Information on Application

Refusing to cooperate with Management during the application process, refusing to provide information required by Management, or supplying false information will be grounds for rejection.

C. Credit, Financial Standing, Employment and Self-Sufficiency

1. Management will assess the applicant's financial ability to pay rent. The duration of prior employment history should be a minimum of one year. Applicants for PHA-Assisted Units that are accepted for occupancy will pay rent in accordance with applicable federal regulations.
2. Any unsatisfactory history of meeting financial obligations, including but not limited to the payment of rent and outstanding judgments or a history of late payment of bills as outlined below, will be reviewed carefully and may, in Management's discretion, be grounds for rejection.

If a CHA applicant is rejected for poor credit, the applicant may request that Management consider mitigating circumstances or factors. In considering such mitigating circumstances, Management may, in its discretion, take into account such mitigating factors as it deems relevant, including, without limitation: (1) The ages of the debts; (2) Whether the CHA applicant made and kept arrangements to pay back unpaid bills; (3) The size or the number of debts in collection; (4) Whether the credit report indicates a lengthy or repeated history of unpaid bills, or repeated bankruptcies; (5) Whether the CHA applicant's poor credit was caused by disability or illness; (6) The nature of the unpaid responsibilities, such as high medical bills, or large school loans; (7) Whether the poor credit was caused by family break-up; (8) Whether the poor credit is related to involuntary displacement; (9) Whether the poor credit resulted from involuntary unemployment or some other involuntary change in income; (10) Whether a history of non-payment of rent resulted from an extraordinary rent burden; (11) Satisfactory completion of credit counseling; (12) Whether the CHA applicant is enrolled and actively participating in the CHA Supportive Services Program, if available; and/or (13) The presence of other events beyond the control of the CHA applicant.

All leaseholders and co-head of households will be subjected to review and will be expected to meet, at a minimum, the following standards:

- a. No delinquency in excess of \$1,000, including but not limited to matters that have been referred for collection and civil judgments, within the past two years; provided that a delinquency in excess of \$1,000 will be considered in light of any mitigating circumstances that can be documented by the applicant, such as loss of a job, illness, medical problems or student loans. In addition, where an otherwise eligible applicant has, in Management's sole discretion, a good history of rent and utility payment but also a delinquency as described above, the applicant will be conditionally accepted and permitted to occupy a rental unit (provided all other requirements for occupancy are met) subject to the requirement that such tenant demonstrate prompt rental and utility payment acceptable to Management, in its sole discretion, in the first year of occupancy.
- b. No landlord judgments and no new negative landlord history within the last two years provided, however, that an applicant will be exempted from this criterion if documentary evidence is presented by the applicant that the judgment was the result of a landlord's or Section 8 program administrator's failure to comply with their respective obligations or was due to no fault of the tenant.
- c. Any bankruptcy filing must be at least three years old, with no new negative credit history; provided, however, that an individual whose bankruptcy filing date is within the last three years will receive further consideration by Management in the case of mitigating circumstances

such as excessive medical bills, loss of employment for an extended period, student loans or divorce. Management will give less negative weight to those bankruptcy filings that occurred earlier in the three-year period. Management will also give less negative weight to bankruptcies where bankruptcy debts did not include rental and utility payments. The decision to continue processing the rental application in light of such mitigating circumstances relevant to a bankruptcy will be made on a case-by-case basis in Management's discretion.

- d. For PHA-Assisted Units and LIHTC Units, no debt due to any public housing authority unless an applicant has arranged and is current in a payment plan to pay off the entire debt owed.
- e. Any outstanding delinquencies owed to utility providers must be paid prior to approval. An allowance may be made for a payment plan with a utility that is in good standing for six months and that utility's willingness to re-establish an account with the applicant. Management will require proof of such a plan.

If Management rejects a rental application because of poor credit or financial standing, Management will provide the applicant with the reason for rejection and give the name of the credit bureau that provided the credit report. An applicant may appeal a rejection pursuant to Section (XI)(B).

- 3. The inability to verify credit references may result in rejection of an application. Management will consider special circumstances in which the applicant has not established a credit history, such as income, age, or marital status. In such circumstances, Management may require that a person with a history of creditworthiness guarantee the lease.
- 4. The inability to verify income may result in the rejection of the application. Management will accept all legal forms of verifiable income. In the case of child support, the applicant must validate the child support payments by court documentation or a minimum of six consecutive months of cancelled checks, money order receipts, or cashiers' check receipts.
- 5. For the purpose of initial application screening and lease renewal, an applicant will be considered to meet the employment/economic self-sufficiency requirement if the applicant provides evidence, acceptable to Management in Management's discretion, that the head of household and co-head of household are spending thirty (30) hours a week in employment, and all other members of applicant's household 18 years of age or older are engaged in one or a combination of the following activities for 30 hours each week: (1) employment; (2) enrollment in and regular attendance in an economic self-sufficiency program, which shall include a program designed to encourage, assist, train or facilitate the economic independence of participants and their families or to provide work for participants, including programs for job training, employment counseling, work placement, basic skills training, paid or unpaid internships, transitional jobs, public benefits

work programs, financial or household management, or an apprenticeship; (3) a verified job search and/or employment counseling; and (4) enrollment in and regular attendance in a regular program of education including GED classes, secondary or post-secondary education, or English proficiency or literacy classes. The foregoing minimum work requirement of 30 hours a week will not be applicable to full time students.

ACHA applicant household can be considered working to meet the employment/self-sufficiency requirement by having all members of the household 18 years of age or older engaged in one or a combination of the following activities for 30 hours each week: (1) employment, including without limitation employment for 30 hours a week for a duration of 12 consecutive weeks; (2) enrollment in and regular attendance in an economic self-sufficiency program, which shall include a program designed to encourage, assist, train or facilitate the economic independence of participants and their families or to provide work for participants, including programs for job training, employment counseling, work placement, basic skills training, workfare, financial or household management, or an apprenticeship; (3) a verified job search and/or employment counseling; and (4) enrollment in and regular attendance in a regular program of education including GED classes, secondary or post-secondary education, or English proficiency or literacy classes. Evidence of satisfaction of this requirement may include among other things, written verification of employment from an employer, a pay stub indicating hours worked, or written verification of enrollment in a program identified above by an administrator or instructor of such program. The foregoing minimum work requirement of 30 hours a week will not be applicable to full time students.

A member of a household shall not be required to comply with the requirements of this paragraph when such member of the household is (a) aged 55 years or older, (b) a blind or disabled individual who provides verification that he or she is unable to comply with the requirements of this paragraph because of his or her blindness or disability, (c) the primary caretaker of such a blind or disabled individual and provides third party verification where applicable, that he or she is unable to comply with the requirements of this section because of his or her role as such a caretaker, (d) who as a result of a serious medical impairment is temporarily (for a period of less than 12 months) unable to meet the 30 hour employment requirement, (e) a full-time student in high school, college, trade school or other institution of higher learning, (f) one adult family member who elects to stay home to care for young children, so long as another adult family member works; or (g) retired and receiving a pension.

6. All households will be expected to make best efforts to meet or exceed the 30-hour employment requirement in Section X.C.5 above (except as otherwise provided in such Section X.C.5). CHA Applicants that are admitted because they are working to meet the 30 hours a week of employment requirement must achieve at least 30 hours per week for 12 consecutive weeks of employment within 12 months of admission. CHA applicants who were admitted meeting the 30 hours a week of employment and are no longer meeting that requirement

must achieve at least 30 hours per week for 12 consecutive weeks. At the Management's discretion, leases for households that fail to achieve 30 hours per week of employment for 12 consecutive weeks by the end of the twelfth month of occupancy may not be renewed, as permitted by the CHA. A resident who achieves the 30 hours per week for 12 consecutive weeks employment requirement will still be in compliance with the employment requirement during a subsequent period of temporary unemployment, not to exceed six (6) consecutive months or, at the Management's discretion, for a period as long as unemployment benefits are available, including extensions, whether or not the resident is qualified for such benefits. Residents who are temporarily unemployed will be required to engage in other self-sufficiency activities and meet with Management every 90 days to report the status of his/her participation.

7. Applicants will be required to document that all household members aged 6 through 17 (which means through the end of the 17th year) are regularly attending school.

D. History of Residency

Prior evictions and/or outstanding landlord and/or housing judgments within the past two years will be grounds for rejection of an application provided, however, that an applicant will be exempted from this criterion if documentary evidence is presented by the applicant that the judgment was a result of a landlord's or Section 8 program administrator's failure to comply with their respective obligations or was due to no fault of the tenant (e.g., Landlord's decision not to renew the lease).

If the applicant is lease compliant at the time of submitting the application, any lease violation in the past two (2) years shall not be a bar to admission. If an applicant has a landlord judgment in the past two (2) years, the applicant must demonstrate one year without a landlord judgment. The first year of residency in the Development will be evaluated to satisfy the second year of this requirement.

The previous three (3) years of housing and/or the past two landlords will be verified and documented for each applicant. This includes housing for applicants who were previously homeowners or lived with parents or guardians. Management will consider the following circumstances with respect to the applicant or any other person who will be living in the unit, and may be grounds for rejection of an application:

1. Any history of physical violence to persons or property.
2. Any behavior at prior residence that could adversely affect the health, safety, and quiet enjoyment of other tenants.
3. Any criminal activity by a guest or visitor of the applicant that threatened the health, safety or peaceful enjoyment of other residents.
4. A record of consistent failure to timely pay rent.

5. Applicant is in violation of applicant's current lease.
6. Any activity that involved causing a fire on or near residential premises, either intentionally, or through gross negligence or careless disregard.

E. Criminal Activity/Drug-Related Activity

1. Management will not admit an applicant if a background check reveals any of the following circumstances with regard to an applicant or member of an applicant's household; provided that the circumstances outlined in (E)(1)(c),(d), and (e) below will be considered on a case by case basis in light of mitigating circumstances by Management in its discretion, as specified in Section (X)(E)(3) below:
 - a. Any applicant or member of applicant's household is subject to a lifetime registration requirement or a 10 year registration requirement under the Illinois Sex Offender Statute or any other state sex offender registration program;
 - b. Any applicant or member of applicant's household was convicted of manufacturing methamphetamine in subsidized housing;
 - c. Any criminal activity during the period subject to review that involved physical violence to another person or property, assault, aggravated assault, or which would adversely affect the health, safety, or right to peaceful enjoyment of the premises by other Residents, Management or its employees;
 - d. Any drug-related criminal activity during the Review Period, including but not limited to the illegal manufacture, sale, distribution, use, possession, storage, service, delivery, or cultivation of a controlled substance;
 - e. Any criminal activity involving a weapon, as defined under the Illinois Criminal Code and State and Local laws, during the Review Period, including but not limited to displaying a weapon with a verbal or non-verbal threat to shoot, fire, explode, throw, or otherwise discharge a weapon to inflict injury on another person or to damage any property through the intentional, reckless, careless, or negligent use of such weapon; or
 - f. Any criminal activity during the Review Period that involved arson.
2. The following circumstances will be grounds for rejection of an application or any member of an applicant's household, provided that such circumstances, including the period during which criminal activity occurred, will be considered on a case by case basis in light of mitigating circumstances, excluding (b)(iv) below, by Management in its discretion, as specified in Section (X)(E)(3) below:

- a. In the past five years any member of the applicant's household engaged in any criminal activity which would constitute a felony under applicable law;
 - b. Any criminal activity from the period further in the past than the Review Period but no more than five years prior to screening, including:
 - (i) Physical violence to another person or property, assault, aggravated assault, or activity which would adversely affect the health, safety, or right to peaceful enjoyment of the premises by other Residents, Management, or its employees;
 - (ii) Any drug –related criminal activity, including but not limited to the illegal manufacture, sale, distribution, storage, service, delivery, or cultivation of a controlled substance;
 - (iii) Any criminal activity involving a weapon, as defined under the Illinois Criminal Code and State and Local laws, including but not limited to displaying a weapon with a verbal or non-verbal threat to shoot, fire, explode, throw, or otherwise discharge a weapon to inflict injury on another person or to damage any property through the intentional, reckless, careless, or negligent use of such weapon; or
 - (iv) Any criminal activity that involved arson.
 - c. Management determines that an applicant's, or member of applicant's household's, use, pattern of illegal use, or pattern of possession of a controlled substance or such person's use or pattern of abuse of alcohol may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents, Management, or its employees. For the purpose of this plan, pattern shall mean more than one incident.
 - d. A pattern of abuse of alcohol by applicant or members of applicant's household that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.
3. Mitigating circumstances are facts relating to the applicant's record of unsuitable behavior which, when verified, would indicate that the reason for the unsuitable behavior is no longer in effect or is under control and the applicant's prospect for lease compliance is an acceptable one. Consideration of verifiable mitigating circumstances does not guarantee that an applicant will be admitted. Management, in its discretion, may consider the seriousness of the offense, whether or not the applicant was convicted of the offense, the circumstances surrounding the offense, and whether the offense occurred only once or was repeated. In addition, Management, in its sole discretion, may consider the following mitigating circumstances as support for an applicant's assertion that the applicant is no longer involved in criminal activity and that his or her prospect for lease compliance is acceptable:
- a. The applicant has no subsequent criminal history;

- b. Verification from a probation or parole officer that the applicant has satisfied the terms of his or her probation or parole, if applicable;
- c. Verification of the applicant's participation in services or counseling services, if applicable;
- d. Verification that the applicant has made restitution for his or her criminal activity, if applicable;
- e. In connection with evidence of previous or current illegal drug use, applicant provides:
 - (i) Verification from a reliable certified drug treatment counselor or program administrator indicating that the applicant has been in treatment, and that the applicant is complying with the program requirements and, if known (e.g. part of the program is drug testing, etc.) is not currently using a controlled substance. A reliable counselor or program administrator is someone who has not demonstrated a pattern of providing inaccurate or unreliable information. Management shall be the judge of what constitutes adequate and credible verification.
 - (ii) Verification from a self-help program, such as Narcotics Anonymous, indicating that the applicant has been participating in their program, and, if known (e.g. part of the program is drug testing, etc.) is not currently using a controlled substance;
 - (iii) Verification from a probation or parole officer that an applicant has met or is meeting the terms of probation or parole with respect to refraining from the illegal use of a controlled substance; or
 - (iv) Negative results of an additional voluntary drug test, conducted at facilities that use the National Institute of Drug Abuse Guidelines and which screens for illegal drugs only, not properly prescribed prescription drugs containing controlled substances.
- f. In connection with applicants who are currently enrolled in a substance abuse treatment program, but who have a history of substance abuse treatment followed by recidivism, Management will require that the applicant provide evidence of circumstances described in Section (X)(E)(3)(e) above and demonstrate why his or her current situation is more likely than in the past to lead to successful abstention from illegal use of controlled substances.

F. Home Visits/Unsanitary or Hazardous Housekeeping

- 1. Management will conduct a home visit as a final step in the application process. Management will notify applicants at least two days before the scheduled visit and will conduct a maximum of two home visits for an application. The purpose of the home visit is to determine whether the applicant and all potential

occupants are capable of caring for a unit in a way that creates a healthy and safe living environment.

2. If the unit inspected as part of the home visit shows health or safety hazards caused by the applicant or other potential occupants, housekeeping that contributes to infestation, or damage to the unit caused by the applicant or other potential occupants, the application may be rejected. Management may take photographs to document the applicant's housekeeping. Housekeeping criteria are not intended to exclude households whose housekeeping is only superficially disorderly if such conditions do not appear to affect the health, safety, or welfare of other residents.
3. If the home visit reveals that the applicant is currently permitting unauthorized occupants to reside in the unit, that the applicant or other potential occupants are engaged in criminal activity, or some other circumstances which are inconsistent with the information presented in the applicant's application, the applicant may be rejected. Management will document any cases where a home visit results in a rejection.
4. An applicant's behavior toward Management staff conducting a home visit or performing other tasks under these procedures will be considered in assessing an applicant's possible behavior toward neighbors. Physical or verbal abuse or threats by an applicant toward Management staff will be noted in the application file and included in the screening evaluation.
5. Applicants who are not at home when a home visit is scheduled will be given an opportunity to schedule a second home visit; provided, Management shall not be obligated to schedule more than two home visits. Applicants who fail a home visit or who fail to be present at the agreed-upon time for any home visit may be rejected for tenancy. Management shall notify the CHA of any rejections.

G. Pets

Pets are prohibited at the property except in compliance with the pet policy.

H. Child Care

Children living in the Development must be adequately supervised. Applicants with children under thirteen (13) years of age must provide written verification to Management that adequate day care or supervision will be provided at all times and written verification of school enrollment for children older than six (6) years of age and younger than eighteen (18) years of age, or until graduation from high school.

I. Other Basis for Rejection of Application

Other basis for rejection of an application may include, without limitation, the following:

1. At time of application, applicant submitted funds (if any) that were not honored by the financial institution from which they were drawn. Management will consider any mitigating circumstances that can be documented by the applicant, such as loss of a job, illness or medical problems.
2. During interactions with Management, applicant appears intoxicated or under the influence of drugs, or is abusive as evidenced by objectionable conduct such as physical violence, threats, or profanity. Management shall maintain written documentation of such conduct and Management shall provide applicants, if requested, and the CHA with copies of such written documentation.
3. Applicant has attempted to bribe a member of staff in order to obtain an apartment.
4. If subsequent to submitting the application, applicant's household size has changed for any reason and such size no longer conforms with the occupancy standards for the unit that Applicant originally requested in the application. Management will determine if there is another unit available that is the appropriate size for applicant's current household size and, (i) if such unit is available, offer such unit to Applicant, or (ii) if such unit is currently unavailable, establish a wait-list for such unit. If the Development does not contain any units appropriate for applicant's current household size, applicant's application shall be rejected.
5. Household is comprised entirely of full time students as defined by Section 42 or Section 142 of the Internal Revenue Code.

J. Factors Management Will Not Consider Concerning an Application

- Race
- Familial Status
- Disability
- Ancestry
- National Origin
- Color
- Religion
- Age, as defined by Chicago Fair Housing Regulations
- Sex
- Sexual Orientation
- Source of Income
- Order of Protections as defined by the Illinois Human Rights Act
- Military Discharge Status

K. Review of Mitigating Factors

During the screening process, Management staff performing the review will consider the following before rejection of any application:

1. If Management receives negative screening information on an applicant, Management will contact the applicant and set up a second meeting to determine whether mitigating circumstances exist that make it possible to approve the application.
2. If an applicant fails to satisfy the Screening Criteria and there is no evidence of mitigating circumstances, Management will reject the application. If an applicant is eligible and passes the Screening Criteria, Management will accept the applicant subject to the availability of units.
3. CHA Applicants whose application to reside in a PHA-Assisted Unit is rejected because of a failure to satisfy Management's Screening Criteria or a failure to engage in activities to meet the Screening Criteria may, pursuant to the RRC and the Grievance Procedure (Exhibit B), request an informal hearing with Management and, if applicable, a formal hearing before an independent hearing officer. Management will provide CHA with copies of correspondence with the applicant in connection with the filing of a grievance by a rejected applicant.

L. Opportunity to Comply with Screening Criteria for PHA-Assisted Units

An applicant for an PHA-Assisted Unit who (1) is entitled to the rights afforded by the RRC and (2) does not satisfy the Screening Criteria in this Section (IX), but (3) is otherwise Lease Compliant pursuant to the RRC, will be conditionally accepted for occupancy of an PHA-Assisted Unit in the Development, but only if the applicant provides evidence sufficient, in Management's discretion, to show that the applicant is engaged in activities designed to help the applicant meet the Screening Criteria within one year of occupancy, as required by this Section (IX). By way of example only, the following could be submitted by an applicant to show participation in activities to meet Screening Criteria.

- In the case of an applicant whose screening reveals unpaid utility bills or excessive delinquent debts, such applicant could submit written third party verification that the applicant is participating in and fulfilling the terms of a payment plan designed to eliminate such bills or delinquent debt.
- In the case of an applicant who does not meet the thirty (30) hour requirement of Section (IX)(C)(5), such applicant could submit third party verification of participation in a combination of the activities described in Section (IX)(C)(5) and a reasonable plan for increasing such participation to meet the requirement.
- In the case of an applicant, or any member of an applicant's household, whose screening reveals evidence of recent illegal drug use, such as applicant could submit evidence as described in Section (IX)(E)(3)(e).

In the event that the applicant fails to satisfy the Screening Criteria within one year of occupancy, Management shall notify the applicant and CHA, and the CHA promptly

shall transfer the applicant to a unit outside the Development in accordance with the RRC.

XI. APPLICATION ACCEPTANCE AND MOVE-IN PROCEDURE

- A.** Management will notify applicants upon successful completion of the application process at which time arrangements will be made for move-in, including a specific time schedule, for lease signing, payment of security deposit and first month's rent, and attendance at a tenant orientation.
- B.** Residents of PHA-Assisted Units will pay a security deposit in accordance with CHA's security deposit requirements, which currently requires payment of a deposit that shall be no more than one month of Tenant's share of rent.
- C.** An applicant who Management has approved for an apartment must sign the lease, pay the rent and the security deposit, and take possession of the apartment on the scheduled move-in date. As a courtesy, Management will telephone an applicant to inform him or her that the rental application has been approved. In addition, Management will mail a "Welcome Letter" to the applicant that will include the next steps the applicant must take. An applicant who does not proceed with the move-in schedule outlined in the Welcome Letter may forfeit the designated apartment. If an applicant wishes to move in at a later date, but within a thirty (30) day period of the date that the rental application was approved, Management may offer an alternate apartment and move-in date based on availability. The above move-in procedure, to the extent inconsistent with the RRC, will not apply to RRC Applicants who have been accepted for occupancy of an PHA-Assisted Unit.
- D.** Before move-in, all family members must complete a pre-occupancy tenant orientation at the location designated by Management.
- E.** All applicants accepted for occupancy shall concurrently with lease execution execute all applicable addenda and riders to the lease.

XII. REJECTION PROCEDURES

A. Written Notification

Management will promptly notify applicants in writing whose rental application has been rejected and will include the reason(s) for the rejection (Exhibit A). The notice will advise the applicant that he or she may within fourteen (14) business days of the receipt of the notice respond in writing or request to meet with Management to discuss the notice. The notice shall also inform the applicant that responding to Management's notice does not prevent the applicant from exercising any legal rights. Management shall provide a copy of such notice to CHA.

Within 5 days of receiving the request, the staff will schedule the review and notify the applicant of the place, date and time. Informal reviews will be conducted by a Management Company impartial review officer who had no involvement in the ineligibility determination. The review officer will be selected by the Area Director of Operations. The applicant may bring to the review any documentation or evidence he/she wishes and the evidence along with the data compiled by staff will be considered by the review officer.

The review officer will make a determination based upon the merits of the evidence presented by both sides. Within 5 business days of the date of the review or response, the review officer will mail a written decision to the applicant and place a copy of the decision in the applicant's file.

B. Review of Rejected Applicants

CHA Applicants whose application to reside in an PHA-Assisted Unit is rejected because of a failure to satisfy Management's Screening Criteria or a failure to engage in activities to meet the Screening Criteria may, pursuant to the RRC and the Grievance Procedure (Exhibit B), request an informal hearing with Management and, if applicable, a formal hearing before an independent hearing officer. Management will provide CHA with copies of correspondence with the applicant in connection with the filing of a grievance by a rejected applicant and with a Notice for Formal Grievance, attached to and made part of the Procedures.

XIII. SPECIAL OCCUPANCY CATEGORIES

All applicants given preference within a Special Occupancy Category must meet the eligibility and selection criteria outlined in Sections (VII) through (IX) of this plan. Applicants will be interviewed and processed as authorized in Sections (V) through (X), with exceptions as follows:

A. Persons with Disabilities

1. An applicant with disabilities will be given priority for accessible units if an accessible unit is requested and documentation of need is received or easily apparent (i.e. the applicant uses a walker or wheelchair or is blind). Unless an applicant requests placement in an accessible unit, Management will not inquire whether an applicant or a member of an applicant's household has a disability or inquire as to the nature or severity of the disability of such persons. If the applicant deems that the accessible unit is not appropriate for the household's needs, the applicant's name will return to its place on the Interested Person's List or Waiting List, as applicable.
2. Owner and Management recognize that persons with disabilities may require a reasonable accommodation due to their disability. Management will not inquire to the existence of any person's disability. Any person formally acting on the residents' behalf may request a reasonable accommodation. Management will inquire about the disability, the reason the accommodation is needed and the requested action.

Management may request third party verification of the disability and need for accommodation if the disability is not apparent (i.e. the requester regularly uses a walker or wheelchair) or the method of accommodation is not apparent (i.e. a person using a wheelchair requests they be allowed a snake to reside in their unit due to their disability).

Persons with disabilities whose request for an accommodation is denied have the right to participate in an informal hearing process. Within 5 days of receiving the request, the staff must schedule the review and notify the applicant of the place, date and time. Informal reviews will be conducted by a Management Company impartial review officer who had no involvement in the ineligibility determination. The review officer will be selected by the Area Director of Operations. The applicant may bring to the review any documentation or evidence he/she wishes and the evidence along with the data compiled by staff will be considered by the review officer

The review officer will make a determination based upon the merits of the evidence presented by both sides. Within 5 business days of the date of the review or response, the review officer will mail a written decision to the applicant and place a copy of the decision in the applicant's file.

XIV. POLICIES TO COMPLY WITH SECTION 504 OF THE REHABILITATION ACT OF 1973, THE FAIR HOUSING ACT AMENDMENTS OF 1988 AND TITLE VI OF THE CIVIL RIGHTS ACT OF 1964:

Sample Property complies with applicable fair housing and civil rights laws, including Section 504, Fair Housing Act, and Title VI.

Section 504 prohibits discrimination based upon disability in all programs or activities operated by recipients of federal financial assistance. Although Section 504 often overlaps with the disability discrimination prohibitions of the Fair Housing Act, it differs in that it also imposes broader affirmative obligations on owners to make their programs as a whole, accessible to persons with disabilities. These obligations include the following:

1. Making and paying for reasonable structural modifications to units and/or common areas that are needed by applicants and tenants with disabilities, unless these modifications would change the fundamental nature of the project or result in undue financial and administrative burdens;
2. Operating housing that is not segregated based upon disability or type of disability, unless authorized by federal statute or executive order;
3. Providing auxiliary aids and services necessary for effective communication with persons with disabilities

4. Developing a transition plan to ensure that structural changes are properly implemented to meet program accessibility requirements (*for properties built before June 1988*); and
5. Performing a self-evaluation of the owner's program and policies to ensure that they do not discriminate based on disability;
6. Operating their programs in the most integrated setting appropriate to the needs of qualified individuals with disabilities;
7. Allowing a larger apartment to accommodate a Live-In Aide (Aides must pass the same criminal criteria as a new move-in would).

Furthermore, the Section 504 regulations establish affirmative accessibility requirements for newly constructed or rehabilitated housing, including providing a minimum percentage of accessible units. In order for a unit to be considered accessible, it must meet the requirements of the Uniform Federal Accessibility Standards (UFAS).

1. Units designed specifically for individuals with a physical impairment:
 - a. For this development, "physical impairment" is defined as mobility impairment which necessitates the permanent use of a wheelchair. For all units designed specifically for wheelchair accessibility, priority will be given to those applicants needing such modifications;
 - b. Priority will be given to households where a member is required to use a wheelchair;
 - c. If there are not enough such households to fill all specially equipped units, owners may give preference to households with members whose physical or mobility impairment would be eased by the design of the accessible unit.

The Fair Housing Act prohibits discrimination in housing and housing-related transactions based on race, color, religion, sex, national origin, disability and familial status. It applies to housing, regardless of the presence of federal financial assistance.

Title VI of the Civil Rights Acts of 1964 prohibits discrimination on the basis of race, color or national origin in any program or activity receiving federal financial assistance from HUD.

Persons with disabilities have the right to request reasonable accommodations and to participate in an informal hearing process. The 504 Coordinator for Management can be reached at 303-830-3300; TTY number 1-800-855-2880.

XIV. AMENDING THE TENANT SELECTION PLAN

Management may amend this Tenant Selection Plan only with prior written approval of the CHA, which approval shall not be unreasonably withheld or delayed.

XV. CERTIFICATION

By signing this Tenant Selection Plan, Management certifies that the contents of this plan will be followed as written in all material respects and that no other Tenant Selection Plan has been executed for the Development at this time or will be executed for the Development at this time, or subject to Section XIII, will be executed in the future without written approval from the CHA.

Submitted:

Owner:

New Sterling Park LLC, an Illinois limited partnership

By: New Sterling Park LLC,

By:

By: _____

Property Manager:

Mercy Housing Management Group, a Nebraska not-for-profit corporation

By: _____

Name:

Title:

Approved:

Date: _____

Printed Name:

Title:

For the Chicago Housing Authority

**EXHIBITS TO
TENANT SELECTION PLAN**

Exhibit A: Rejection Letter

Exhibit B: Grievance Procedure

Exhibit C: Chicago Housing Authority Relocation Rights Contract

Exhibit D: Chicago Housing Authority Admissions and Continued Occupancy Policy

EXHIBIT A
SAMPLE PROPERTY TENANT SELECTION PLAN

DENIAL OF HOUSING APPLICATION

Waitlist or Lottery Number |
(If applicable to this property)

Date |

To |
Address |

Dear

We regret to inform you that your application for an apartment at the following property:
(Enter property name and full address)

...was not approved **for the following reason(s):** (Check all that apply.)

APPLICATION:

☐ Application not completed and/or insufficient information provided.
Explanation:

ELIGIBILITY:

☐ One or more persons do not meet the program eligibility requirements.
Program applicable:
Explanation:

INCOME:

☐ Over maximum income limit for size of household;
☐ Unable to verify income sources (HUD programs excluded);
Explanation:

RESIDENT SELECTION CRITERIA:

☐ Family Composition exceeds the Occupancy Requirements for the size of any of the available apartments.
☐ Family Composition is below the Occupancy Requirements for the size of any of the available apartments.
☐ Current residence is not clean or sanitary (If home visits are applicable).
☐ One or more persons do not have a valid social security number.

CREDIT:

- ☐ Poor credit, or owe utility provider, or owe previous landlord;
- ☐ No credit (HUD programs excluded);
- ☐ Poor reference(s) from previous landlord(s);
- ☐ No alternative reference(s) (if program applicable), (HUD programs excluded);

BACKGROUND INVESTIGATION:

- ☐ Criminal History
- ☐ Eviction in the last three (3) years from federally-assisted housing for drug-related criminal activity or a household member is currently engaged in illegal use of drugs for which there is reasonable cause to believe the member's illegal use or pattern of illegal use of a drug may interfere with the health, safety, and right to peaceful enjoyment of the property by other residents. (HUD programs only)
Explanation:

OTHER:

If you disagree with this determination, you have 14 days from the date of this notice to respond **in writing and/or to request a meeting** to discuss the denial. You may do so by addressing your concerns to:

Property Manager |
Property Name |
Address |
Phone |

Persons with disabilities have the right to request reasonable accommodations to participate in the informal hearing process. You may do so by addressing your concerns to:

Melanie Kibble
504 Coordinator
1999 Broadway, Suite 1000 | Denver, CO 80202
PHONE: 303-830-3300 | TTY: 1-800-855-2880

If we do not hear from you by the close of business 14 days from the date of this notice, the denial shall be considered final.

Responding to this notice does not preclude your exercising other avenues available if you believe that you are being discriminated against on the basis of race, color, creed, religion, sex, national origin, age, sexual orientation, or handicap. Remember, if we do not hear from you within 14 days, your household will be deleted from the application process and/or the waiting list.

If a timely response is received, Management will respond and set a meeting within 5 business days of your request.

Sincerely,

Signature: _____
Property Manager (See contact information above)

EXHIBIT B

CHA GRIEVANCE POLICY

**CHICAGO HOUSING AUTHORITY
FY2009 Grievance Procedure**

I. Purpose

- A. This Grievance Procedure (Procedure) is issued in accordance with the U.S. Department of Housing and Urban Development (HUD)'s Code of Federal Regulations (CFR), as found in 24 CFR § 966.50, and the CHA Leaseholder Housing Choice and Relocation Rights Contract 10/1/99 (RRC).
- B. This Procedure outlines the rights and obligations of head of households, the Chicago Housing Authority (CHA) and property management firms of traditional public housing and mixed-income properties (property management firms) with respect to grievances, and makes these rights and obligations part of the CHA Resident Lease Agreement and Contract (Lease) between the CHA and Head of Households, as well as the mixed-income leases, to the extent this Procedure is adopted by the mixed-income developer.
- C. The Grievance Procedure is a two-step process through which the head of household and/or co-head, if applicable, can raise grievances, outlined in *Section IV*, with the CHA and/or its property management firms.
 - 1. The first step is an informal hearing between a head of household and Property Manager or the CHA department that rendered the decision involving the dispute, in which the parties shall present concerns and attempt to resolve issues.
 - 2. The second step, if necessary, is a formal hearing, heard by an independent Hearing Officer at the City of Chicago's Department of Administrative Hearings.

II. Applicability

- A. The following Head of Households have the right to use this Grievance Procedure:
 - 1. Head of households living in traditional CHA public housing developments;
 - 2. Head of households living in mixed-income developments where the CHA Grievance Procedure was adopted;
 - 3. Head of households temporarily using a Housing Choice Voucher (Section 8); or
 - 4. Head of households and former head of households covered by the RRC for purposes and matters specifically outlined in the RRC (also known as Leaseholders).
- B. This procedure does not apply to Head of Households living in City-State properties.

- C. The procedure does not apply to leaseholders and Head of Households covered by the RRC who accepted permanent replacement housing in the CHA Housing Choice Voucher (HCV) Program.
- D. The procedure does not apply to CHA HCV Program recipients and applicants.
- E. The procedure does not apply to CHA applicants. Applicants receive mitigating/informal hearings with the CHA Occupancy Department or the Property Management firm rendering the decision.

III. Definitions

- A. "Grievance" shall mean: Any dispute with respect to the CHA's and/or property management firm's action or failure to act in accordance with the individual Head of Household's Lease, the RRC, and/or CHA policy implementation or procedures that adversely affect the individual Head of Household's rights, duties, welfare or status.
- B. "Head of household" (Leaseholders) shall mean: The adult person (or persons), other than a live-in aide, minors, foster children, or foster adults, who resides in the unit, and who:
 - 1. executed the lease with the property management firm or with the CHA as lessee of the dwelling; or
 - 2. was issued a temporary Section 8 voucher; or
 - 3. is otherwise protected under the Relocation Rights Contract, or
 - 4. if no such person is now residing in the unit, the adult person who has requested eligibility status to become the remaining head of household of the Head of Household family residing in the unit.
- C. "Remaining Head of Household/Remaining Family Member shall mean: Members of the household, excluding foster children, foster adults, live-in aides, and minors, listed on the lease that remain in the unit when the head of the household dies or leaves the unit without a housing subsidy supplied by CHA. Remaining family members must have lived in the unit and on the lease as an authorized member on the lease for a minimum of three years (36 months). Remaining family members are only eligible to use the formal grievance process to dispute their denial of the right to become a residual head of household/leaseholder. The initial hearing must be filed with the department or property management firm that issued the original denial.
- D. "Property Management Firm" shall mean: A property management firm that manages traditional public housing and/or mixed-income developments of the CHA.

- E. "Reasonable Accommodation" shall mean: Some modification or change the CHA can make to its units, buildings, or procedures that will assist an otherwise eligible applicant or Head of Household with a disability to take full advantage of and use CHA's programs. An accommodation is not reasonable if it: a) causes an undue financial and administrative burden; or b) represents a fundamental alteration in the nature of CHA's program.

IV. Grievances to which this procedure is applicable

The Grievance Procedure shall apply to situations including, but not limited to, disputes involving:

A. Rent

1. Annual and adjusted income;
2. Amount of rent;
3. Continued income eligibility;
4. Failure to pay rent;
5. Procedure used to collect rent;
6. Patterns of late rent payments; and
7. Minimum rent hardship exemption.

Rent Escrow Account: Before a hearing is scheduled for any grievance involving the amount of rent due, the head of household must pay an escrow deposit to a Rent Escrow Account, equal to the amount of monthly rent due as of the first of the month preceding the month in which the act or failure to act took place. The head of household must continue to pay the amount of monthly rent due to the account until the head of household's grievance is resolved. The escrow requirement may be waived if the head of household is determined to have a financial hardship exemption as described in the minimum rent requirements. The escrow requirement may also be waived due to the effect of welfare benefit reductions in the calculation of family income. Unless the requirement is waived, failure to make the escrow deposit shall terminate the Grievance Procedure. When the request for an informal hearing is submitted, the head of household shall be notified in writing of the rent escrow requirement, the right to request a hardship exemption and consequences for failure to comply. **24 CFR 986.4(b)**

B. Noncompliance with the Lease

1. Inspection of the dwelling unit to determine its condition;
2. Imposition of the Lease provisions to protect the CHA's property;
3. Assessment and payment of charges for Head of Household-caused damages;
4. Failure to pay maintenance charges or failure of the property management firm to complete repairs;

5. Failure to reimburse for damage claims;
 6. Failure to comply with annual reexamination requirements;
 7. Methods and grounds used to transfer or relocate families within or between housing developments that are unrelated to the RRC;
 8. Disputes involving exemptions from the CHA Work Requirement Policy;
 9. Disputes involving denial of Safe Harbor status; and
 10. Termination of tenancy because of non-compliance with the terms of the Lease, except as specified below in *Section V.A.*
- C. Relocation (applicable to head of households and former head of households covered by the RRC only).
1. Methods and grounds used to relocate families within or between housing developments as part of the Plan for Transformation;
 2. A head of household/leaseholder's rejection of permanent replacement housing;
 3. Disputes involving a head of household/leaseholder's loss of their right of return to replacement housing;
 4. Denial of replacement housing based upon criteria set forth in Tenant/Head of Household Selection Plans and/or Site-Specific Criteria;
 5. Requirement to transfer to a different housing development because of failure to meet the criteria set forth in Tenant/Head of Household Selection Plans and/or Site-Specific Criteria within one year (or longer period, as applicable) of move-in at mixed-income properties;
 6. Requirement to transfer to a different housing development for failure to continue to meet or continue to engage in activities set forth in Tenant/Head of Household Selection Plans and/or Site-Specific Criteria at mixed-income properties; and
 7. Disputes involving failure to comply with new Authority-wide requirements.
- V. **Grievances to which this procedure is not applicable**
- A. The Grievance Procedure shall not be available to any household whose tenancy is being terminated because of:
1. Any activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other Head of Households and their families, employees of the CHA, property management firms, or agents of the CHA, or persons residing in the immediate vicinity;
 2. Any violent or drug-related criminal activity on or off such premises; or
 3. Any activity resulting in a felony conviction.

- B. The Secretary of HUD has made a determination that the State of Illinois' courts provide due process. Therefore, the CHA may terminate a Lease using the procedure under the Illinois Landlord-Tenant law for the above actions without offering the household a grievance hearing.
- C. The Grievance Procedure shall not apply to:
 - 1. Class grievances against the CHA; or
 - 2. Disputes between Head of Households, when the CHA is not involved.
- D. The Grievance Procedure shall not be used as a forum by a Head of Household, Head of Households or groups of Head of Households for initiating or negotiating policy changes with the CHA or the CHA's Board of Commissioners.

VI. New Head of Households

- A. At the time of leasing, the property management firm will furnish each new head of household with a copy of the CHA Grievance Procedure, with exhibits attached thereto, including the Notice of Grievance Rights – GP1.
- B. Households transferring between developments shall not be considered new head of households.

VII. Reasonable Accommodations

- A. The CHA and its property management firm shall provide reasonable accommodations to permit Head of Households with disabilities to participate in both informal and formal grievance hearings.
- B. If requested by the head of household, reasonable accommodations to persons with disabilities may include, but are not limited to the following: 1) that meetings be held in an accessible location; 2) that all materials and notices will be in an accessible format; 3) that the CHA provides qualified sign language interpreters, readers or attendants; 4) that the head of household can make a hearing request orally and having a representative, advocate or the property management firm complete the relevant paperwork.

VIII. Notice of Adverse Action

- A. The CHA or its property management firm will notify a head of household in writing of the specific grounds for any proposed adverse action. The notice shall be personally served or sent via certified or registered first-class mail, return-receipt requested. If the CHA is required to afford the head of household the opportunity for a grievance hearing, the notice of proposed adverse action will inform the head of household of the right to request such hearing and the time period within which a hearing may be requested.

IX. Adverse Action and Grievance Procedure

- A. Actions Excluding Lease Termination: In the case of a proposed adverse action other than a proposed Lease termination, the CHA or its property management firm shall not take the proposed action until the time for the head of household to request a grievance hearing has expired. If a hearing was timely requested by the head of household, no action shall be taken until the grievance process has been completed.
- B. Actions Including Lease Termination: When the CHA or its property management firm is required to afford the head of household the opportunity for a hearing under this Procedure for a grievance concerning the Lease termination (not including grievances described in *Section V*), the tenancy shall not terminate, even if any notice to vacate under state or local law has expired, until the time for the head of household to request a grievance hearing has expired, and, if a hearing was timely requested by the head of household, the grievance process has been completed.

X. CHA Ombudsman

- A. CHA's Ombudsman is available to advocate for residents at both the informal and formal hearing stages.

XI. Requests for Informal Hearings

- A. The following Head of Households have the right to use the informal hearing process established by this Grievance Procedure:
 - 1. Head of Households living in traditional CHA public housing developments;
 - 2. Head of Households living in mixed-income developments where the CHA Grievance Procedure was adopted (also known as Leaseholders);
 - 3. Head of Households temporarily using a Housing Choice Voucher (Section 8); or
 - 4. Head of Households and former head of households covered by the RRC for purposes and matters specifically outlined in the RRC (also known as Leaseholders).
- B. On the bottom of every Notice of Termination of Tenancy (other than those exempted in *Section V*) and at the bottom of notices for grievable actions, as required by the RRC, the head of household shall be notified that he/she has a right to request a grievance hearing, orally or in writing, within the applicable number of days from receipt of the Notice.
- C. Head of Households shall file grievances either orally or in writing with the property management firm or the CHA department that rendered the decision involving the dispute. The head of household or the property management firm, upon request by the head of household, shall complete the Grievance Hearing Proceedings Form – GP3, that is provided by the property management firm. Head of Households shall file their grievances within the following times:

1. Grievances Involving Eviction Action

- a. in the case of rent disputes, within fourteen (14) calendar days of the receipt of the termination notice by the household; and
- b. in all other eviction cases¹ that are not excluded under Section 15(h) of the Lease, the period of time stated within the notice after which tenancy will terminate, calculated from the date of the household's receipt of the termination notice, not to exceed thirty (30) calendar days.

2. Non-Eviction Grievances:

- a. Within thirty (30) calendar days of the receipt of any written notice of adverse action from the CHA or property management firm; or
 - b. Within thirty (30) calendar days of any adverse action taken by CHA or the property management firm, where no notice is received.
- D. If an informal hearing is requested, the property management firm shall fill out and provide the head of household with a receipt indicating that a request for an informal hearing was made and the date of the request. (Head of Household Receipt for Informal Hearing Request – GP2). A copy of the receipt shall be given to the Head of Household and placed in the Head of Household's file.
- E. When a Head of Household files a request for an informal hearing, the property management firm shall forward two copies of the Head Of Household Receipt for Informal Hearing Request (GP2) to CHA Departments: The property management firm shall forward one copy to the Asset Management Department and one copy to the General Counsel.
1. In cases involving the right of return, or the right to remain at a mixed-income development after the 12-month Working to Meet Period, the property management firm shall also forward a copy of the request to the Relocation/Resident Services Department.

XII. Informal Hearing Process

- A. The Head of Household has the right before the informal hearing to review and/or copy any documents, records, and/or regulations that are directly relevant to the grievance raised. The head of household shall make the request during normal business hours and is responsible for any photocopying fees. Documents shall be provided and copies shall be made in the Management Office within a reasonable time period of the head of household's request. Costs shall not exceed 10 cents per page.

¹ For example, for repeated violations of the pet policy; violations of house rules; repeated violations of housekeeping standards.

- B. The property management firm, HCV Program, or the CHA shall schedule and hold an informal hearing within fifteen (15) calendar days of receiving a Head of Household's hearing request.
 - 1. If the adverse action or failure to act is the responsibility of the property management firm, the Head of Household's informal hearing shall be conducted with the Property Manager.
 - 2. If the adverse action or failure to act is the responsibility of HCV (Section 8) program, the Head of Household's informal hearing shall be conducted by the Senior Vice President of HCV Program or his/her designee.
 - 3. If the adverse action or failure to act is the responsibility of a CHA official, the informal hearing shall be conducted by that official's supervisor or his/her designee.
- C. The Head of Household has the right to be represented by counsel or by other persons chosen as the Head of Household's representative and to have such person make statements on the Head of Household's behalf.
- D. Five (5) days after the informal hearing, the property management firm will submit a copy of the hearing decision to the Asset Management Department for review.
- E. The Asset Manager will complete its review within five (5) days of receipt of the decision and finalize the informal hearing decision with the Property Manager.
- F. Within ten (10) business days after the informal hearing, the property management firm, the HCV Program, or the CHA will make four copies of the informal hearing results on the Grievance Hearing Proceedings Form – GP3. If the decision will not fit on the required forms, a letter with the results attached to the GP3 form is acceptable.
 - 1. One copy of the informal hearing results shall be supplied to the Head of Household. The GP3 Form shall be personally served or sent via certified or registered first-class mail, return receipt requested. The GP3 Form shall also contain the procedure by which a formal hearing may be obtained. The Formal Hearing Request Form – GP4 will be mailed or delivered to the Head of Household along with a copy of the informal hearing results.
 - 2. One copy of the informal hearing results shall be sent to the Asset Management Department.
 - 3. One copy of the informal hearing results shall be sent to the Office of the General Counsel.
 - 4. One copy of the informal hearing results will be placed in the Head of Household's file.

XIII. Good Cause to Proceed Directly to a Formal Hearing

- A. Before a Head of Household may request a formal hearing, the Head of Household must have requested an informal hearing, and that hearing must have been held, except in circumstances outlined below. **24 CFR 966.54**
- B. Good Cause: If the Head of Household can show good cause as to why he/she did not request an informal hearing or why a hearing was not held, then the Head of Household may proceed directly to a formal hearing. A member of the CHA's Office of the General Counsel shall determine good cause. For purposes of this section, good cause includes, but is not limited to:
 - 1. A verifiable medical condition that prevented the Head of Household from requesting an informal hearing;
 - 2. A documented absence from the unit which prevented the Head of Household from receiving a notice of adverse action;
 - 3. A disability that prevented the Head of Household from understanding or being aware of the adverse action; or
 - 4. Documentation that the CHA or its property management firm was unsuccessful in holding the informal hearing within fifteen (15) calendar days of the Head of Household's request. Failure to hold the informal hearing within fifteen (15) days must not be caused by the Head of Household's failure to cooperate in scheduling and/or holding the hearing. **24 CFR 966.54**

XIV. Requests for Formal Hearings

- A. The following Head of Households have the right to use the formal hearing process established by this Grievance Procedure:
 - 1. Head of Households living in traditional CHA public housing developments;
 - 2. Head of Households living in mixed-income developments where the CHA Grievance Procedure was adopted (also known as Leaseholders);
 - 3. Head of Households temporarily using a Housing Choice Voucher (Section 8); or
 - 4. Head of Households and former Head of Households covered by the RRC for purposes and matters specifically outlined in the RRC (also known as Leaseholders).
- B. For all formal hearings, the CHA shall use the City of Chicago's Department of Administrative Hearings. The City's Department of Administrative Hearings maintains a group of qualified independent Hearing Officers, as described in *Section XIV*.
- C. If the Head of Household disagrees with the results of his or her informal hearing, the Head of Household shall submit a written request for a formal hearing within fifteen (15) calendar days of receiving a copy of the informal hearing results.

- D. The Head of Household must use the Head of Household's Formal Hearing Request Form - GP4 supplied by the CHA, to request a formal hearing. The Head of Household shall be responsible for sending two copies of the form to the CHA, via regular mail or hand delivery:
1. The Head of Household shall send by regular mail or hand deliver one copy to the Office of the General Counsel, who will forward a copy to the City of Chicago's Department of Administrative Hearings. The Office of the General Counsel shall also forward to the Department of Administrative Hearings 1) a copy of the completed Grievance Hearing Proceedings Form - GP3; and 2) a Grievance Petition from the Chicago Housing Authority - DOAH Petition that identifies the dispute, the basis for the CHA's or the property management company's action or failure to act, and the requested relief.
 2. The Head of Household shall send by regular mail or hand deliver one copy to the Asset Management Department, who will forward a copy to the property management firm.
 3. If the Head of Household fails to request a formal hearing within fifteen (15) calendar days of the sending or delivery of the informal hearing results, then the informal hearing results become final. Failure by the Head of Household to request a formal hearing, however, shall not constitute a waiver of the Head of Household's right to contest the CHA's or property management firm's action or failure to act in a court of law.
 4. If the issue being grieved is one that cannot be grieved under CHA policies or procedures (see Section V. A. of this procedure), the Office of the General Counsel will deny the request and return the request to the Head of household.
- E. Reasonable accommodations to persons with disabilities may include that meetings be held in an accessible location, and that all materials and notices will be in an accessible format, if requested by the Head of Household. This includes, if necessary, that the CHA provides qualified sign language interpreters, readers or attendants.
- F. A formal hearing shall be scheduled to be held by the City of Chicago's Department of Administrative Hearings within thirty-seven (37) calendar days from the Department of Administrative Hearings' receipt of the Grievance Petition, and Formal Hearing Request Form.

XV. Selection of Hearing Officers

- A. The City of Chicago's Department of Administrative Hearings shall maintain a group of qualified Hearing Officers.

- B. The CHA and Central Advisory Council shall jointly agree upon candidates from that group to serve as independent Hearing Officers at formal hearings of CHA grievances and ensure that proper training is provided.
- C. For each formal hearing involving a CHA grievance, the Chicago Department of Administrative Hearings will assign a Hearing Officer from the group of jointly agreed upon candidates.
- D. The Hearing Officer appointees shall be fair, unbiased, and follow applicable regulations, policies and laws.

XVI. Formal Hearing Process

- A. Formal hearings shall be conducted *de novo* in accordance with this Grievance Procedure, and with Chapter 2-14 of the Municipal Code and the Department of Administrative Hearings' Procedural Rules and Regulations, to the extent that they are applicable and not inconsistent with this Procedure.
 - B. Orderly Behavior: The Hearing Officer shall require all parties, representatives and witnesses to conduct themselves in an orderly fashion. Failure to comply with the directions of the Hearing Officer to obtain order may result in exclusion from the proceedings or in a decision adverse to the interest of the disorderly party.
 - C. Written Appearance Form: All parties appearing on behalf of the CHA, the property management firm or the Head of Household shall complete a written Appearance Form, supplied by the Hearing Officer.
 - D. Decision Not to Proceed: The Hearing Officer may render a decision without proceeding with the hearing if the Hearing Officer determines that the issue has been previously decided in another formal hearing or a court of law.
 - E. Standard of Proof: The Hearing Officer's decision shall be based upon the preponderance of evidence.
 - F. Burden of Proof: In the formal hearing, the Head of Household must first establish that he/she is entitled to the relief that he/she has requested. The CHA or property management firm must then sustain the burden of justifying its action or failure to act, with respect to the issues underlying the grievance.
- 24 CFR 966.56e**

Evidence and Witnesses: The formal hearing shall be conducted by the Hearing Officer. All parties shall present evidence pertinent to the facts and issues raised by the grievance without regard to admissibility under the rules of evidence applicable to judicial proceedings. The formal and technical rules of civil/criminal procedure and evidence shall not apply. Evidence, including hearsay, may be admitted if it is the type commonly relied upon by reasonably prudent persons in the conduct of their affairs. All witnesses shall be sworn in by the Hearing Officer. All parties, including the Hearing Officer, shall have the right to question all witnesses.

- G. Recordings of Hearing: A record shall be made of the formal grievance hearing by audiotape or other appropriate means. Record of the hearing shall include documents, a copy of findings and the written decision.
1. The Department of Administrative Hearings shall be responsible for securing a recorder prior to the formal hearing. Records shall be retained by the Department of Administrative Hearings, pursuant to law, but not for less than six (6) months from the date of the hearing.
 2. Any interested party may arrange for a copy of the formal hearing record in advance of or following the hearing, at the party's own expense.
- H. Observed Rules for Fair Hearing: The Head of Household shall be afforded a fair hearing. The following rules shall be observed in conducting a formal hearing between the parties.
1. The Head of Household, the CHA and its property management firms shall have prior written notification of the date, time and location of the formal hearing, as well as the consequences for failure to appear at the hearing. The Department of Administrative Hearings shall send the notice via first-class mail or personal service no later than fourteen (14) calendar days before the formal hearing date.
 2. The Head of Household, the CHA, and/or the Property Management have the right to be represented by counsel or by other persons chosen as the parties' representative and to have such person make statements on the parties' behalf.
 3. The Head of Household shall have the opportunity before the formal hearing to examine his/her file; to copy all documents, records, and regulations relevant to the grievance, at his/her own expense; and to take notes.
 - a. Requests for copies of documents, records and regulations shall be submitted in writing by the Head of Household or by the Head of Household's representative to the property management firm and the CHA.
 - b. The property management firm and the CHA have up to five (5) calendar days from the date of request to produce the documents to the Head of Household.
 - c. If the Head of Household or the Head of Household's representative requests copies within five (5) calendar days of the hearing, copies of documents shall be made available no later than one (1) hour before the formal hearing is scheduled to begin.
 - d. The Head of Household or the Head of Household's representative shall be responsible for paying for copies at the time the Head of Household receives the copies from the property management firm or the CHA. Costs for copies shall not exceed 10 cents per page.

- e. Any document requested by the Head of Household or his/her representative, within the appropriate timeframe, that is in the possession of the CHA or the property management firm, and that is not made available after the Head of Household's request, may not be relied on by the CHA or property management firm at a grievance hearing.
 - f. The CHA, its representatives, and/or Property Management shall have the opportunity before the formal hearing to request copies of all documents, records, and regulations relevant to the grievance. The Head of Household, upon request, shall allow the CHA and/or Property Management to make copies of all documents the Head of Household plans to present at the formal hearing.
4. The Head of Household shall have the right to a private hearing, unless the Head of Household requests a public hearing.
 5. The Head of Household, the CHA and/or the Property Management firms shall have the right to present evidence and argument in support of his/her grievance position, to challenge evidence relied upon by the parties and to confront and cross-examine all witnesses upon whose testimony the Head of Household, the CHA or property management firm relies.
 6. All parties have the right to a decision based solely and exclusively upon the evidence presented at the hearing.
- I. Failure to Appear at Formal Hearing: If the Head of Household, the CHA, or the property management firm fails to appear at the scheduled formal hearing, the Hearing Officer may make a determination that the party failing to appear has waived its right to participate in a formal grievance hearing; find that party in default; proceed with the formal hearing; accept evidence relevant to the grievance; and conclude the grievance hearing with findings and a written disposition. A copy of the order of default shall be served upon the defaulting party by first-class mail or personal service.
 1. The defaulting party shall have twenty-one (21) days from the date the default is entered to petition the Hearing Officer to set aside the order of default upon a showing of good cause for the party's failure to appear.
 2. A determination that the Head of Household has waived his or her right to a formal hearing shall not constitute a waiver of any right the Head of Household may have to contest the Hearing Officer's disposition of the grievance.

XVII. Formal Grievance Hearing Process For Violations Of CHA New Authority-Wide Requirements .

- A. Pursuant to the Relocation Rights Contract(s), head of households/leaseholders covered by the RRC who have not received final replacement housing and are

not lease compliant with the new authority-wide requirement, but are otherwise lease compliant with CHA's Lease and ACOP, shall not be evicted or lose their right of return unless an independent hearing officer determines that the head of household/leaseholder is not making a good faith effort to comply with the new requirement.

- B. In the event the CHA intends to terminate a 10/1/99 or Post 10/1/99 Head of Household/Leaseholder's lease or right to replacement housing for violation of a "new authority-wide requirement", CHA shall serve the Head of Household/Leaseholder with a CHA Form GP5 – Thirty (30) Day Notice of Termination for Failure To Comply With New Authority-Wide Requirement.
- C. The CHA Form GP5 Notice of Termination shall inform the head of Household that CHA intends to terminate the residential lease agreement or deny the head of household's final replacement housing and that a formal hearing before a DOAH hearing officer will be scheduled 30 days after the service of the notice. The Form GP5 Notice of Termination shall also notify the head of household that if the head of household would like to try to resolve the matter prior to the formal grievance hearing, the head of household may request an informal hearing with CHA.
- D. If the head of household/leaseholder does not request an informal hearing within 30 days, CHA will issue a request for a formal grievance hearing with DOAH. At the DOAH hearing, CHA shall have the burden of proving that the head of household/leaseholder's family violated the new authority-wide lease requirement.
- E. CHA may not proceed with any eviction proceedings or deny a right to replacement housing unless the DOAH hearing officer finds that the head of household/leaseholder's family is not making a good faith effort to comply with the new authority-wide lease requirement.
- F. In making such a determination, the hearing officer shall take into consideration all the head of household/leaseholder's circumstances, including but not limited to, the ability of the head of household/leaseholder or their family to comply with the new authority-wide lease requirement and to access adequate outreach, assessment, referral or follow-up services as part of the initiative to assist the household to comply with the new authority-wide lease requirement.
- G. Except as stated in this section, all other parts of Section XV shall apply.

XVIII. Grievance Hearing Decision

- A. The Hearing Officer shall make a determination on the basis of the admissible evidence, testimony, and arguments presented at the hearing. The Hearing

Officer shall not have the power to impose fines, costs, sanctions or other penalties.

- B. The Hearing Officer shall prepare a written decision for the formal hearing on the DOAH Order: Findings, Decisions, and Order Form. The formal hearing results shall be served via first-class mail or personal service to the Head of Household and his or her representative, the CHA, and the property management firm within five (5) business days of the hearing, unless the Hearing Officer determines that additional time is necessary due to the complexity of the case. If more time is required for the formal hearing decision, the Hearing Officer shall notify the Head of Household of the revised timeline in writing within five (5) business days of the hearing.
- C. The CHA shall keep a copy of the Hearing Officer's summary, on the DOAH Order: Findings, Decisions, and Order Form, with all names and identifying references deleted.
- D. The decision of the Hearing Officer shall be binding on the Head of Household and on the CHA/property management firm, which shall take all actions, or refrain from any actions necessary to carry out the decision, unless the CHA's Board of Commissioners determines, within thirty (30) calendar days, and gives written notice to the Head of Household, his/her representative, and to the Hearing Officer that:
 - 1. The grievance does not concern the CHA's action or failure to act in accordance with the complainant's Lease or regulations which adversely affect the complainant's rights, duties, welfare or status **24 CFR 966.57**; or
 - 2. The decision of the Hearing Officer is contrary to applicable Federal, State or local law, HUD regulations or requirements of the Annual Contributions Contract (ACC) between HUD and the CHA. **24 CFR 966.57**
- E. The decision by the Hearing Officer or Board of Commissioners in favor of the CHA, or which denies the relief requested by the Head of Household, in whole or in part, shall not constitute a waiver of, nor affect any rights the Head of Household may have to judicial review or a trial *de novo* in a court of law regarding the same matter brought up in the grievance. **24 CFR 966.57**

Attached Grievance Procedure Forms

- **CHA Form-GP1**
Notice of Right to Head of Household's Grievance
- **CHA Form-GP2**
Head of Household Receipt for Informal Hearing Request
- **CHA Form-GP3**
Grievance Hearing Proceedings Form
- **CHA Form-GP4**
Formal Hearing Request Form
- **CHA Form-GP5**
Thirty (30) Day Notice Of Termination Of Tenancy For Failure To Comply With The New Authority-Wide Requirement
- **DOAH Petition**
Grievance Petition from the Chicago Housing Authority
- **DOAH Order**
Findings, Decisions, and Order Form

CHA Form-GP1, rev 05-15-09

New Head of Households sign this form during the initial leasing process.

Account No.

NOTICE OF RIGHT TO HEAD OF HOUSEHOLD'S GRIEVANCE

I have been advised of my right to an informal hearing with the Property Manager in case of a grievance with respect to the CHA or property management firm's action or failure to act in accordance with the Lease, the Relocation Rights Contract, or CHA policies, which may adversely affect my rights, duties, welfare, or status.

I have also been advised that if I am not satisfied with the proposed informal results of my grievance, I have a right to proceed to a formal hearing. I have the right to a formal hearing with an independent Hearing Officer under the CHA's Grievance Procedure.

I will have the right to appear at the formal hearing and speak on my own behalf, to be represented by counsel or other representatives of my choice, at my expense, to bring witnesses and documents as I desire, and to cross-examine the CHA or property management firms' witnesses. I have the right before the hearing to examine and copy, at my expense, any documents, records, and/or regulations that are directly relevant to the grievance. I understand that I am responsible for the cost of any photocopying requested.

(Print Name)

(Head of Household's Signature)

(Date)

CHA Form-GP2, Rev 05-15-09

The property management firm will complete and sign this form. The Head of Household will also sign it. The property management firm will provide a copy to the Head of Household, General Counsel, Asset Management, and where applicable, Relocation.

HEAD OF HOUSEHOLD RECEIPT FOR INFORMAL HEARING REQUEST

A request for an informal hearing with _____
(Property Manager's Name/CHA Department)

(Property Manager)
was made on _____ by _____
(Date) (Head of Household's Name)

Nature of Grievance: _____

Requested Relief: _____

I, _____, acknowledge
(Property Manager/CHA Department)

receipt of the Head of Household's request for an informal hearing.

Signature of Property Manager /CHA Date

Development/CHA Department Name Phone

Property Management/CHA Department Office Address Fax

Signature of Head of Household or Representative Date

CHA Form-GP3, Rev 05-15-09

The Head of Household completes the top portion of the form to request an informal hearing. The Property Manager completes the bottom portion of form after the informal hearing. Copies of the completed form are provided to the Head of Household, General Counsel, and Asset Management Department.

HEAD OF HOUSEHOLD'S GRIEVANCE HEARING PROCEEDINGS FORM

DATE OF REQUEST: _____

HEAD OF HOUSEHOLD'S NAME: _____

ADDRESS: _____

TELEPHONE NO: _____ ACCOUNT NO: _____

NATURE OF GRIEVANCE: _____

REQUESTED RELIEF: _____

HEAD OF HOUSEHOLD'S SIGNATURE* _____ DATE _____

CHA MANAGEMENT SIGNATURE _____ DATE _____

**or Head of Household representative*

INFORMAL HEARING

HEARING DATE: _____ TIME: _____

LOCATION: _____

COMMENTS: _____

PARTIES PRESENT: _____

DECISION: _____

REASON FOR DECISION: _____

DATE: _____

TO THE HEAD OF HOUSEHOLD: IF YOU DO NOT AGREE WITH THE DECISION WHICH RESULTS FROM THE INFORMAL HEARING, YOU HAVE THE RIGHT TO PROCEED DIRECTLY TO A FORMAL HEARING UNDER THE CHA HEAD OF HOUSEHOLD'S GRIEVANCE PROCEDURE.

IF YOU DESIRE A FORMAL HEARING, YOU MUST SIGN AND SUBMIT THE ATTACHED FORMAL HEARING REQUEST FORM WITHIN FIFTEEN (15) CALENDAR DAYS OF TODAY.

Return the yellow form to:
CHA General Counsel
Attn: Grievance Procedure
60 E. Van Buren St., 12th Floor
Chicago, IL 60605

Return the orange form to:
CHA Asset Management Department
Attn: Grievance Procedure
60 E. Van Buren St., 13th Floor
Chicago, IL 60605

IF YOU DO NOT SUBMIT THE FORM WITHIN FIFTEEN (15) CALENDAR DAYS, YOU WILL WAIVE YOUR RIGHT TO A FORMAL HEARING AND THE DECISION PROPOSED BY THE PROPERTY MANAGER, HOUSING CHOICE VOUCHER PROGRAM, OR CHA WILL BECOME FINAL.

CHA Form-GP4, Rev 5-15-09

If the Head of Household wants to proceed to a formal hearing, he/she completes this form and provides a copy to Asset Management and the General Counsel.

FORMAL HEARING REQUEST FORM

PLEASE COMPLETE THIS FORM AND MAIL OR HAND DELIVER IT TO:

Return the yellow form to:
CHA General Counsel
Attn: Grievance Procedure
60 E. Van Buren St., 12th Floor
Chicago, IL 60605

Return the orange form to:
CHA Asset Management Department
Attn: Grievance Procedure
60 E. Van Buren St., 13th Floor
Chicago, IL 60605

DATE OF REQUEST: _____

HEAD OF HOUSEHOLD'S NAME: _____ ACCOUNT NO: _____

ADDRESS: _____

NAME OF DEVELOPMENT IN WHICH I LIVE: _____

TELEPHONE NUMBER DURING THE DAY: _____

HEAD OF HOUSEHOLD'S REPRESENTATIVE (IF ANY): _____

REPRESENTATIVE'S ADDRESS: _____

REPRESENTATIVE'S TELEPHONE NUMBER: _____

I hereby request a formal hearing to present the following grievance: _____

Requested Relief: _____

Choose location for the formal hearing:

- ☐ Main Office: 400 W. Superior Street (Sedgwick and Superior Street)
☐ Satellite Office: 2006 E. 95th Street (95th and Jeffery Boulevard)

HEAD OF HOUSEHOLD'S OR REPRESENTATIVE'S SIGNATURE _____

DATE _____

THIRTY (30) DAY NOTICE OF TERMINATION OF TENANCY
FOR FAILURE TO COMPLY WITH THE NEW AUTHORITY-WIDE REQUIREMENT

TO: _____ and all occupants
 Address _____, Apt.# _____ Chicago, Illinois

You are hereby notified that your Tenancy/Right of Return to Replacement Housing at the Chicago Housing Authority Chicago, Illinois, will terminate no sooner than [THIRTY DAYS], unless the breach described below is remedied within thirty (30) days and provided the breach can be remedied. You must give up your right of return/vacate the premises, together with closets, laundry rooms, drying rooms, perambulator or storage rooms, and other rooms and space in connection with said premises by [THIRTY DAYS]. If you fail to give up your right of return/move from the premises by [THIRTY DAYS], you will be subject to an action pursuant to the terms below and will be responsible for all court costs if the action is successful.

The reason for said termination of tenancy is the violation section(s) _____ in that:

If you want to try to resolve this matter, you have the right based on this notice to request an informal hearing with your property manager/CHA within thirty days of receipt of the notice. You have the right to make a reply to this notice if you wish. Prior to filing a case for eviction/terminating your Right of Return, the CHA will initiate a formal grievance hearing to obtain a written decision that there was not a good faith attempt to comply with the CHA New Authority-Wide Requirement. You may present any information orally or in writing at the grievance hearing to dispute the matter. At the hearing, you may present any defenses and witnesses that you may have. You have the right to bring a lawyer/representative with you. This will be your only opportunity to grieve the termination notice. The decision of the hearing officer will be binding.

WHILE YOU HAVE THE RIGHT TO GRIEVE THIS NOTICE PURSUANT TO 24 C.F.R. 966.51 (a)(2)(i), YOU ARE NOT ALLOWED A GRIEVANCE HEARING FOR ANY CLAIMS OF CRIMINAL AND/OR DRUG-RELATED ACTIVITY. HUD HAS DECIDED THAT YOU HAVE THE RIGHT TO AND WILL BE GIVEN A HEARING IN THE MUNICIPAL COURT OF COOK COUNTY, WHICH CONTAINS THE BASIC ELEMENTS OF DUE PROCESS AS DEFINED IN THE HUD REGULATIONS.

YOU HAVE THE RIGHT BY APPOINTMENT, PRIOR TO ANY HEARING OR TRIAL, TO EXAMINE ANY RELEVANT DOCUMENTS, RECORDS, OR REGULATIONS DIRECTLY RELATED TO THE EVICTION AT THE OFFICE OF THE PROPERTY MANAGER FOR YOUR DEVELOPMENT.

IF YOU ARE 62 YEARS OF AGE OR OLDER OR A PERSON WITH DISABILITIES AND REQUIRE SPECIAL ASSISTANCE, PLEASE CONTACT THE PERSON LISTED BELOW AND ARRANGEMENTS WILL BE MADE TO ACCOMMODATE YOUR CIRCUMSTANCES.

DATED at Chicago, Illinois, this _____ Day CHICAGO HOUSING AUTHORITY, Landlord

of _____ A.D. 20_____ BY: _____

The undersigned ("Server") deposes and states that s/he served the within Notice at the hour of _____ a.m./p.m., on the _____ day of _____, 20_____ by:

- 1) _____ delivering a copy to the above named resident, _____; or by
- 2) _____ delivering a copy to _____, an adult member of the household residing in the dwelling unit; or by
- 3) _____ sending a copy of the notice to the resident by certified or registered mail, with a return receipt from the addressee.

 Signature of Server

ADDITIONAL REMARKS:

SUBSCRIBED BEFORE ME THIS

_____ DAY OF _____, 20_____. _____ NOTARY PUBLIC

DOAH-Petition

(Rev 03/09)

GRIEVANCE PETITION FROM THE CHICAGO HOUSING AUTHORITY

**IN THE CITY OF CHICAGO, ILLINOIS
DEPARTMENT OF ADMINISTRATIVE HEARINGS**

IN THE MATTER OF: _____)

Head of Household/Grievant _____)

and _____)

The Chicago Housing Authority and/or _____)

Management Co. _____)

Respondent _____)

Docket # _____

THE GRIEVANCE

Nature of Grievance: _____

Requested Relief: _____

Location Requested for Hearing:

☐ 400 W. Superior Street ☐ Satellite Office: 2006 E. 95th Street

Reasonable Accommodations Requested: ☐ No ☐ Yes If yes, please describe: _____

THE PARTIES

THE GRIEVANT

Name _____

Address _____

Development _____

Phone _____

Representative (if any) _____

Address _____

Phone _____

THE RESPONDENT (S)

Name _____

Address _____

Development _____

Phone _____

Name _____

Address _____

Development _____

Phone _____

OFFICE USE ONLY

Date of Hearing: _____ **Time of Hearing:** _____ **Officer Assigned:** _____

1:00 Kelvin Medina
and
2:00 Daiysha Medina
1310

Victor Medina, deceased by Jeanette Vasquez vs. HHDC, 15 M1 300204

Santilli Law Group Ltd., 312-444-9606

1. **Facts of the Occurrence:**

On or about Sunday January 5, 2014, in between 9:00 pm and 10:00 p.m., Decedent Victor Medina, 48 years old, was shoveling snow, using a bucket to pick up the snow and throw the snow away from the motor vehicle which was parked in the rear parking lot of the residential building he resided in. At that time Decedent Victor Medina, while shoveling the snow, had a heart attack and collapsed and died.

2. **Damages:**

St Mary & Elizabeth Medical Center	\$ 4,510.75
Resurrection Health Care	1,155.00
CFD Ambulance	1,242.00
Funeral Expenses	6,500.00

7. **Witnesses**

Kelvin Medina-son

9. **Settlement Discussions**

Plaintiff's law firm has made a policy limit demand.

10. **Unusual Factors**

The parking area could not be plowed out by the contractor because the lot was filled up with parked cars. Decedent was a heart patient. Decedent's wife/Plaintiff alleges he had to shovel the snow because it was present for 3 days and had not been shoveled. He needed access to his vehicle to pick up his daughter from work.

EXHIBIT "C"

CHICAGO HOUSING AUTHORITY

Revised CHA Leaseholder Housing Choice and Relocation Rights Contract¹

10/1/99

General Purpose.

This Contract sets forth the rights and responsibilities of the Chicago Housing Authority (CHA), its agents, and the CHA Leaseholder. The terms of this Contract shall apply in the event that CHA relocates said Leaseholder from his or her CHA unit either temporarily or permanently for any reason beyond the control of the Leaseholder when in conjunction with redevelopment, demolition, consolidation, rehabilitation, court order, or required conversion to tenant-based assistance.

It is understood that CHA's ability to offer a right of return is subject to the federal funding commitments identified in the Moving to Work Agreement ("MTW") with the United States Department of Housing and Urban Development ("HUD"). To the extent HUD reduces its commitment; fewer hard units will be built or rehabilitated. In the event that federal funds are reduced to a level that is insufficient to meet the level of hard unit production as described in the Plan for Transformation, it is the CHA's obligation under the Plan to consult with the Central Advisory Council ("CAC") to make revisions to the Plan as necessitated by this reduced funding. The MTW Agreement also provides that, if there is insufficient funding to meet the level of hard unit production, Leaseholders covered by this contract will receive a Section 8 voucher. This contract does not commit CHA to build units at a particular development to satisfy all families with a right of return. After meeting the Plan for Transformation goal of approximately twenty five thousand (25,000) public housing units, CHA agrees to make reasonable efforts to identify opportunities to add public housing units to its inventory.

This Contract does not apply to transfers required to fill vacant units (routine turnover units), to address building system failures, or CHA's failure to provide habitable housing when such housing is not subject to the redevelopment process as laid out in the CHA's Plan for Transformation. This contract, including the rights and obligations set forth herein and implementation thereof, is subject to any decisions or orders of the Gautreaux Court or any other applicable court order.

This Contract constitutes the basic rights and responsibilities of the CHA, its agents and the Leaseholder during the redevelopment process. Any existing or proposed Redevelopment Agreement between the developer and the CHA negotiated as part of the redevelopment process may contain additional relocation terms, conditions, and property specific requirements for admission and continued occupancy. In such cases, the Redevelopment Agreement will govern, provided that the protections to Leaseholders under this Contract are not diminished. CHA agrees to modify the terms and conditions of any existing or proposed Redevelopment Agreement(s) to ensure that Leaseholder rights and housing options covered by this Contract are retained. Similarly, if a Memorandum of Agreement (MOA) with the Local Advisory Council (LAC)

¹ If the agreed upon language conflicts with CHA's Admissions and Occupancy Policy, the Policy will be amended accordingly.

results from the redevelopment process, the terms and conditions of that MOA may not diminish the rights and protections afforded under this contract.

This Contract shall provide the rights and responsibilities for:

1. Leaseholders in occupancy on October 1, 1999 that are determined lease compliant; and
 2. Household members of Leaseholders described above that become Leaseholders pursuant to the Admissions and Occupancy Policy (A&O Policy) and CHA's Split Family Transfer Procedures in order to address overcrowded conditions or for CHA initiated reasons. Household members must be authorized occupants as defined by the A & O Policy.
 3. This Contract is not applicable to residents whose occupancy begins after 10/1/99.
 - a. These families do not have a right to return to a public housing unit. These families are, however, provided the relocation process protections outlined in this contract. The rights and responsibilities of these families are discussed in more detail in a separate contract.
 - b. The CHA agrees to track these families while they participate in the Section 8 Program. These families will be offered a Section 8 voucher with a preference for return to CHA. The CHA will make only one offer of an otherwise comparable dwelling unit in accordance with the Leaseholder's return preference status. It is understood that this offer may not be the Leaseholder's site of origin or HCS preference. Failure to accept this offer will result in the loss of return preference under this contract. These families will be provided a priority over new admissions but after families with a right of return under this contract (See Section 4(d) & (c) (32)).
- 1. Lease Compliance, Additional Lease Requirements, Property Specific Requirements and Lease Amendments.**
This Contract applies to lease compliant Leaseholders as determined by this paragraph and paragraphs 3 and 5 below. The conditions of lease compliance, additional lease requirements and property specific requirements are:
- a. Leaseholder is current with rent, or is current in a repayment agreement.
 - b. When the Leaseholder is responsible for utility charges as a CHA Leaseholder, the Leaseholder has no unpaid balance with the CHA or a

utility company or is current on a repayment agreement with the CHA or utility company.

- c. The Leaseholder, household member, or guest under the control of the Leaseholder is in compliance with the terms of the CHA lease adopted by the CHA board on August 15, 2000, and any additional terms subsequently required to be added to such lease by federal law. Non-compliance with respect to the Lease obligations must be demonstrated by notices of Lease violations and/or evidence of serious or repeated violations of material terms of the Lease.
- d. Compliance with Section II of the A&O Policy, which prohibits unauthorized occupants, as defined in subparagraphs 6(c) and (d) of the Lease, or requires the household to add such occupants in accordance with the Lease.
- e. Leaseholder has a good housekeeping record (Leaseholder has maintained a clean and safe unit) as indicated by the housekeeping inspection reports in the Leaseholder's file.
- f. Leaseholder has not destroyed, defaced, damaged, or removed any part of a dwelling unit or development as indicated by the housekeeping inspection reports in the Leaseholder's file or work orders reflecting a pattern of Leaseholder damage or abuse.
- g. Lease compliance as defined above shall include the period during which the family lives in CHA housing and any period of Section 8 assistance.
- h. **New Authority-Wide Requirements:** In addition to the lease requirements established by subparagraphs 1 (a) through (g) above, additional lease requirements may be adopted pursuant to subparagraph 1 (j) below. A Leaseholder who is and remains lease compliant as provided in subparagraphs 1 (a) through (g) above, but who is not in compliance with the additional lease requirements shall have the right not to be evicted and shall continue to have the right to return to a newly constructed or rehabilitated public housing unit as described in paragraphs 4 and 8 below, unless an independent hearing officer, as described in subparagraph 1(l), finds that the Leaseholder is not making a good faith effort to comply with the additional lease requirements. In making such a determination, the hearing officer shall take into consideration all of the Leaseholder's circumstances, including, but not limited to, the ability of the Leaseholder to comply with the additional lease requirements and to access adequate outreach, assessment, referral or follow-up services as part of the initiative to assist the Leaseholder to comply with additional lease requirements. The determination of the hearing officer shall be subject to the applicable provisions of existing law.

Additional lease requirements shall not include minimum income requirements. A Leaseholder who is exempt under the Community Service Requirements of the Quality Housing and Work Responsibility Act of 1998, and/or any amendments thereto, as set forth in 24 CFR 960.601, or exempt under any provisions set forth in the Relocation Rights Contract, shall not be required to comply with additional lease requirements that consist of work requirements or require other actions related to the basis for such exemption.

- i. **Property Specific Requirements:** In addition to the lease compliance requirements established by subparagraphs 1 (a) through (h) above, existing or proposed Redevelopment Agreements may include property specific requirements. Property specific requirements include but are not limited to: criteria for admission, return to the property, requirements for continued occupancy, time periods and activities for meeting or curing a failure to meet such requirements, and documentation to establish or verify compliance with such requirements. Such requirements are to be developed by the working group engaged in the planning process for a property. As soon as such requirements are developed and adopted for the property, notice of such requirements to affected residents will be provided no less than one year prior to the date of housing offer.
- j. Any amendments to the CHA Residential Lease that exceed the minimum HUD regulatory requirements (24 CFR 966) will be subject to public notice and comment and HUD approval, consistent with paragraph 18 of the Resident Protection Agreement/MTW Agreement.
- k. At sites where property specific requirements are in place, lease compliance shall be defined to include such additional criteria. At sites where property specific requirements are not in place, lease compliance shall include only those criteria established in subparagraphs 1 (a) through (h) above.
- l. Determinations of lease compliance with respect to new authority-wide requirements as described in 1 (h) and of property specific requirements as described in 1 (i) are subject to the grievance procedures as referenced in subparagraph 11 (b) of this contract. Hearing Officers for such grievances will be independent parties jointly agreed to by the CAC and CHA.
- m. The benefit of any priority or preference for right of return or continued occupancy based on property specific requirements that include work must also be given to households where the head, spouse, or sole member is age 62 or older or is a person with disabilities (24 CFR 960.206 (b) (2)).

- n. Property specific requirements will apply equally to the private and public housing rental units in mixed income developments, unless otherwise required by law.

2. Utility Connections.

Families who select a permanent housing choice that requires tenant paid utilities must be able to obtain utility connections for that unit. If the Leaseholder (head of household) cannot demonstrate the ability to have utilities turned on in the Leaseholder's name at the time a permanent relocation unit is identified for that Leaseholder, the Leaseholder will not be offered the permanent relocation unit.

Prior to being made an offer, the Leaseholder must demonstrate to the CHA that the Leaseholder can have utilities turned on in the Leaseholder's name. Failure to obtain utility connections will not result in the loss of the right to return under this contract; however, prior to any subsequent unit offers, the Leaseholder must demonstrate the ability to obtain utility connections.

3. Recertifications and Determination of Lease Compliance.

The CHA has two recertification processes:

- a. Annual or interim recertifications, completed as a normal function of property management; and
- b. "Right of return" recertifications (annual or interim), that are completed in conjunction with relocation and in accordance with this contract.
 - (1) Initial Right of Return Recertification: Upon implementation of this Contract, all families who were in occupancy as of October 1, 1999 will attend a right of return recertification interview as a part of an annual or interim recertification. At this right of return recertification interview, families will be asked to sign a Residential Lease Agreement which incorporates their rights under the Relocation Rights Contract and complete a Housing Choice Survey.
 - (2) Final Right of Return Recertification: This right of return recertification process will begin when the CHA is ready to fill new or rehabilitated public housing units at a particular site. At this right of return recertification interview, families will be examined for continued lease compliance and compliance with any applicable property specific requirements.

The recertification to determine lease compliance shall be made as described in subparagraph 5(h) below. Serious Lease violations subsequent to recertification of either type may result in termination of the Lease.

4. Basic Rights of CHA Leaseholders.

In cases of relocation due to redevelopment, demolition, required conversion to tenant-based assistance, rehabilitation, consolidation or court order, the CHA shall provide the following basic rights to the Leaseholders as described in the General Purpose Section of this Contract:

- a. Comparable replacement housing as defined in paragraph 10 below.
- b. To the maximum extent possible and subject to subparagraph 4(c) below, CHA will house each Leaseholder in the Leaseholder's preferred housing choice. CHA will provide each Leaseholder with all relevant information regarding the available replacement housing choices. In the event of permanent relocation, the Leaseholder will be allowed to select up to three replacement housing choices in order of preference. Where temporary relocation is necessary, the Leaseholder will be able to choose a temporary Section 8 voucher, or state a public housing development preference that will be honored to the extent feasible. These choices are defined in Section 8 of this document and shall be listed on the Housing Choice Survey (HCS).
- c. Housing Offer Process System and Unit Offers:
 - (1) Lease compliant Leaseholders are guaranteed the right to return to a newly constructed or rehabilitated public housing unit. However, the CHA cannot guarantee that all families displaced by redevelopment activity will be able to return to their site of origin or receive their permanent housing choice.

When public housing units become available, first priority for those units (see order of offers provided in subparagraph 4(d) below) will be determined by lottery. The lottery will be by priority group and type and size of unit.

- (2) In order to satisfy the right of return, CHA will, in accordance with subparagraph 4(b) above, make two offers of otherwise comparable dwelling units. It is understood that these offers may not be the Leaseholder's site of origin or HCS preference. Failure to accept the second offer will result in the loss of right of return under this contract. Upon loss of the right of return, CHA will offer a Leaseholder who is living in a public housing unit, a mandatory

transfer to an available rehabilitated unit. If the Leaseholder refuses to accept a mandatory transfer, the Leaseholder will be offered a permanent Section 8 Voucher based on the Leaseholder's ability to pass screening. If the Leaseholder is unable to pass Section 8 Voucher screening, the Leaseholder's offer for a mandatory transfer will still be available. However, failure of the Leaseholder to accept a Section 8 voucher or accept a mandatory transfer to an available rehabilitated unit will be cause for termination of Leaseholder's tenancy. If the Leaseholder is residing in a rehabilitated unit on a temporary basis, the CHA will have the option to convert the present unit to the Leaseholder's permanent replacement unit as opposed to a mandatory transfer. If the Leaseholder is utilizing a temporary Section 8 voucher and loses his/her Right of Return, the Leaseholder's voucher will be converted to a permanent voucher. If the Leaseholder is not living in a public housing unit and not residing in the Section 8 Program but refuses to accept the second offer of replacement housing presented to them, then the Leaseholder's right of return to any replacement unit shall be extinguished.

A Leaseholder in return preference status as described in the CHA's Relocation Rights Contract For Families With Initial Occupancy After 10/1/99 will be offered a unit based on availability and only after a Leaseholder with a right of return is offered a unit, but prior to a new admission. Leaseholders with a return preference will be offered units based on the priorities listed in subparagraph 4(d).

- (3) A Leaseholder for whom CHA has current contact information will be sent a 15 day notice of invitation to screen for permanent replacement housing. In the event a leaseholder fails to respond to an invitation to apply for permanent housing, whether for a redeveloped site or a rehabilitated site, or responds to such an invitation but fails to complete the application process, then the Leaseholder will be notified by CHA in writing with a second notice. The CHA will send a second notice, which will notify the Leaseholder that he/she will be placed on an inactive list in 30 days from the date of the second notice for the site where the permanent housing is located if the Leaseholder does not respond. If the leaseholder notifies CHA in writing that the leaseholder will apply and complete the application process, within 30 days of the date of the second notice, the Leaseholder will not be placed on the inactive list. However, if the Leaseholder gives such notice and then fails to follow through with the application process within a 30 day period, the Leaseholder will be placed on the inactive list with no right to reinstate for that site.

If the Leaseholder does not otherwise notify CHA within the 30 day notice period as described above and the Leaseholder is placed on the inactive list, the Leaseholder shall have one opportunity within 6 months from the date of the notice placing the leaseholder on the inactive list to provide a written request that CHA reinstate the leaseholder's name on the priority list for that site. Upon receipt of such notice, if there are available units, the Leaseholder will be placed back into the site screening list at the bottom of the screening list for the phase. If there are no available units, but additional phases scheduled for the future, the Leaseholder will be placed on the bottom of the site list for contact in the future phases. Where there are no future phases and no more available units, the Leaseholder will not be allowed to reinstate for screening for that site. The Leaseholder shall have the right to exercise such a reinstatement option described in this paragraph only once, and only with respect to one site.

- (4) If the Leaseholder is placed on the inactive list for all three of the Leaseholder's permanent housing preferences on the Leaseholder's Housing Choice Survey, then the Leaseholder's name will be placed on an inactive list for all other sites, and the Leaseholder will be so notified by CHA in writing. The CHA will send CHA's Inactive for All Sites Notice to the Leaseholder and the Leaseholder shall have one year from the date of such notice to request that CHA reinstate the Leaseholder at a single site of the Leaseholder's choice where units are or will be available. If the Leaseholder has not reinstated the leaseholder's name on the priority list for a site within one year of the date of the CHA's Inactive for All Sites Notice, then the Leaseholder's right of return will be extinguished.

If a Leaseholder's right of return has been extinguished based on being placed on the inactive list and the Leaseholder is living in a public housing unit, the Leaseholder will be offered a mandatory transfer to an available rehabilitated unit. If the Leaseholder refuses to accept a mandatory transfer, the Leaseholder will be offered a permanent Section 8 Voucher based on the Leaseholder's ability to pass screening. If the Leaseholder is unable to pass Section 8 Voucher screening, the Leaseholder's offer for a mandatory transfer will still be available. However, failure of the Leaseholder to accept a Section 8 voucher or accept a mandatory transfer to an available rehabilitated unit will be cause for termination of Leaseholder's tenancy. If the Leaseholder is residing in a rehabilitated unit on a temporary basis, the CHA will have the option to convert the present unit to the Leaseholder's permanent

replacement unit as opposed to a mandatory transfer. If the Leaseholder is residing on a temporary Section 8 voucher, the Leaseholder's voucher will be converted to a permanent voucher. If the Leaseholder is not living in a public housing unit and not residing in the Section 8 Program but refuses to accept the second offer of replacement housing presented to them, then the Leaseholder's right of return to any replacement unit shall be extinguished.

- (5) In 2009, the CHA contracted with Globetrotters, Inc, to locate Leaseholders for whom CHA did not have current contact information. "Current Contact Information" is defined for purposes of this Paragraph and 4(c) generally as addresses for Leaseholders whose right of return has not been satisfied and (1) who are living in a public housing unit or have a housing choice voucher, or (2) who are living in other housing and CHA has confirmed their address in writing or orally. On July 22, 2009, in a last series of efforts to update leaseholder information, the CHA published a notice in various newspapers that listed Leaseholders for whom the CHA had no current contact information and requested that those Leaseholders contact the CHA within 90 days to update their contact information. The notice also provided that if the Leaseholder did not contact CHA during that 90-day period, such leaseholder would lose his/her right of return.

Those Leaseholders who did not respond to the published notice within the 90-days have conditionally lost their right of return, and the CHA shall have no further obligation to attempt to send invitation notices for screening to the Leaseholder as provided in Section 4(c). However, if a Leaseholder who lost his/her right of return pursuant to this provision shall subsequently contact the CHA and establish his/her proper identity, and confirm their current address, the Leaseholder shall be reinstated to his/her former position on the HOP list and shall then become eligible for screening under the provisions of this contract for replacement housing, if such units are available, or a permanent housing choice voucher. If the HOP has been exhausted, the Leaseholder, upon reinstatement, will be placed before applicant families on the CHA waiting list. The Leaseholder will receive screening/offer opportunities as provided under Section 4(c) subject to unit availability.

On an annual basis during the life of the Plan for Transformation, (defined as the term of Moving to Work Agreement between the CHA and the U.S. Department of Housing and Urban Development), the CHA shall publish in at least three local

newspapers a notice informing the public that any Leaseholder who may have lost his/her right of return under this Paragraph, may contact the CHA and have his/her right of return eligibility rights reinstated upon proof of identity. Such notice shall include information referring interested parties to check CHA's website for an updated lists of Leaseholders for whom CHA does not have current contact information.

CHA's exercise of 4(c)(2), 4(c)(3), 4(c)(4), and 4(c)(5) is subject to the grievance procedures under this Contract, pursuant to subparagraph 10(b). Replacement and rehabilitated units will not be held open during any grievance process.

- d. The CHA will house Leaseholders using the priorities listed below. Within any priority group, a HOP number will be used to determine the order of offers. Lease compliant families not selected for a unit in the HOP due to the lack of unit availability will be eligible for offers of housing at other sites where units are available.

Lease compliant families earning between 60% and 80% of the AMI (Annual Median Income) will have a super-priority for units in mixed-income and/or mixed-finance developments which were specifically financed without low income housing tax credits or other income restricted funds in order to allow for occupancy by such families. The super-priority will be applied to families in HOP order according to the priorities listed below. If no lease compliant families earning between 60% and 80% of the AMI are available to lease such units, the units will be made available to families earning below 60% of the AMI according to the priorities listed below. CHA will maintain a list of all such units.

In compliance with 24 C.F.R. § 8.27 and in an effort to maximize the occupancy of accessible units by eligible individuals whose disability requires the accessibility features of the particular unit, the CHA will prioritize the offer of accessible units within the priorities already established below and within the 60%-80% AMI group. All efforts will be made to offer ADA units following the Housing Offer Process to the Leaseholder and eligible families that need the accessibility features prior to offering the unit to non-disabled relocating Leaseholder families.

For all public housing units, subject to applicable court orders and provided for in a redevelopment plan, the order of offers by unit type and bedroom size shall be as follows, subject to the additional requirements listed on pages 11 through 14 of this contract:

- (1) Leaseholders who lived at the site on October 1, 1999 and chose that site as their permanent housing choice, are lease compliant, and meet property specific requirements.
- (2) Leaseholders who lived at the site on October 1, 1999 and chose that site as their permanent housing choice, are lease compliant, and are engaged in activities to meet property specific requirements.
- (3) Leaseholders who did not live at the site on October 1, 1999, but chose that site as their permanent public housing choice, are lease compliant, and meet property specific requirements.
- (4) Leaseholders who did not live at the site on October 1, 1999 and chose that site as their permanent public housing choice, are lease compliant, and are engaged in activities to meet property specific requirements.
- (5) Leaseholders who were moved temporarily to the site due to redevelopment activities at their site of origin, are lease compliant, and meet property specific requirements.
- (6) Leaseholders who were moved temporarily to the site due to redevelopment activities at their site of origin, are lease compliant, and are engaged in activities to meet property specific requirements.
- (7) Leaseholders who were not otherwise selected during the HOP, are lease compliant, and meet property specific requirements.
- (8) Leaseholders who were not otherwise selected during the HOP, are lease compliant, and are engaged in activities to meet property specific requirements.
- (9) Leaseholders who receive a temporary Section 8 voucher in accordance with the criteria established for households who are unable to meet property specific requirements. (If such households are being offered units at a property without a redevelopment plan, the move from temporary Section 8 to a public housing unit will be treated as an administrative transfer.)
- (10) Leaseholders with a return preference as described in subparagraph 4(c)(2) above, who are lease compliant, and meet property specific requirements.

- (11) Leaseholders with a return preference as described in subparagraph 4(c)(2) above, who are lease compliant, and are engaged in activities to meet property specific requirements.
- (12) Leaseholders who wish to make a Gautreaux transfer as described in the A & O Policy to a redeveloped property, are lease compliant, and meet property specific requirements.
- (13) Leaseholders who wish to make a Gautreaux transfer as described in the A & O Policy to a redeveloped property, are lease compliant, and are engaged in activities to meet property specific requirements.
- (14) New admissions based on income requirements established in the A&O Policy or as agreed to in the Redevelopment Agreement for that site. Families in this group must meet the property specific requirements as established in the redevelopment plan for the site.

For categories 1, 3, 5, 7, 10, 12, and 14, the following must be true at the time of the housing offer:

- The household meets any additional property specific requirements established in the redevelopment agreement for the property; and
- The household must be lease compliant as defined in subparagraphs 1 (a) through (h) of this contract.

In the event the household subsequently fails to meet the property specific requirements, in order to continue in occupancy, the household must show evidence in activities to meet the property specific requirements and meet such requirements within a minimum of one (1) year (or a longer period as specified in the Redevelopment Agreement). The Property Manager will retain the discretion to provide the Leaseholder with additional time to cure.

Should the household fail to meet such requirements within one (1) year or a longer period as specified in the Redevelopment Agreement, the Leaseholder is entitled to one transfer to another CHA unit in accordance with the following:

- CHA will offer a unit that meets Housing Quality Standards (HQS) as defined by HUD's regulations at a property where the Leaseholder meets the property specific requirements.
- If the Leaseholder declines the transfer unit, the CHA will offer a permanent Section 8 voucher.

- In the event a unit of appropriate bedroom size as defined in the Admissions and Occupancy Policy is unavailable; CHA will offer the family a temporary Section 8 until such time as an appropriate unit becomes available. The family must be relocated to temporary Section 8, or housed in a CHA unit as described in (a), not more than 180 days after expiration of the one-year cure period. Public housing units offered to families in temporary Section 8 as a result of this paragraph will be located in a development where the household meets the property specific requirements. Such moves will be made in accordance with the order of offers established in this contract.

Notwithstanding the above mentioned one-transfer entitlement, such transfer will not diminish the Leaseholder's right to remain in a public housing unit subject to being lease compliant, as defined in the CHA Residential Lease and its attachments.

For categories 2, 4, 6, 8, 11, and 13, the following must be true at the time of the housing offer:

- The household must provide evidence that they are engaged in activities in order to meet the property specific requirements; and
- The household must be lease compliant as defined in subparagraphs 1 (a) through (h) of this contract.
- The household must meet the property specific requirements referenced above within a minimum of one year (or a longer period as specified in the Redevelopment Agreement) from the date of admission.

In the event the household fails to meet the property specific requirements within one year (or a longer period as specified in the Redevelopment Agreement) the Leaseholder is entitled to one transfer to another CHA unit. The Property Manager will retain the discretion to provide the Leaseholder with additional time to cure. The transfer unit will be offered in accordance with the following:

- CHA will offer a unit that meets HQS as defined by HUD's regulations at a property where the Leaseholder meets the property specific requirements.
- If the Leaseholder declines the transfer unit, the CHA will offer a permanent Section 8 voucher.

- In the event a unit of appropriate bedroom size as defined in the Admissions and Occupancy Policy is unavailable; CHA will offer the family a temporary Section 8 housing choice voucher until such time as an appropriate unit becomes available. The family must be relocated to temporary Section 8, or housed in a CHA unit as described in (a) above, not more than 180 days after expiration of the one-year cure period. Public Housing units offered to families in temporary Section 8 as a result of this paragraph will be located in a development where the Leaseholder meets the property specific requirements. Such moves will be made in accordance with the order of offers established in this contract.

Notwithstanding the above mentioned one-transfer entitlement, such transfer will not diminish the leaseholder rights to remain in a public housing unit subject to their being lease compliant, as defined in the CHA Residential Lease and its attachments.

e. **Emergency Transfers.**

- (1) Emergency transfers (moves required when a building or unit's condition poses an immediate threat to the Leaseholders' safety and welfare) shall be executed as expeditiously as possible and in accordance with the Emergency Transfer section of the CHA's A&O Policy. As soon as practical after the occurrence, but in no event later than forty-five (45) days, the CHA shall inform the LAC in writing about such moves, the nature of the emergency, names of Leaseholders affected and the temporary or permanent location where they are housed. The release of personal information to the LAC is contingent upon the Leaseholder's authorization as provided by the release at the end of this document. Refusal to comply with a request from the CHA for an emergency transfer can be grounds for Lease termination. A move as a result of an Emergency Transfer does not extinguish any right of return or other relocation rights as provided by this contract.
- (2) CHA will not provide prior written notice to Leaseholders in situations where CHA has little or no warning of the condition or situation that results in an emergency. To the extent feasible, CHA will provide prior written notice within a reasonable time period to Leaseholders where there is prior knowledge or information concerning the conditions or situation creating the emergency (e.g. court ordered closing due to code violations). CHA will not use the emergency transfer provision for the purpose of building consolidation. To the maximum extent possible, CHA will close buildings using a building consolidation plan with notice as required by this contract.

5. CHA Responsibilities Prior to Relocation.

Prior to relocating any Leaseholder, the CHA shall:

- a. Conduct Relocation Planning Meetings for all affected Leaseholders to:
 - (1) Explain the reason for the relocation and any proposed plans for the development, including the proposed numbers of newly constructed or rehabilitated units (if applicable).
 - (2) Develop a relocation plan in consultation with the LAC and affected residents. CHA will conduct at least two such information sessions with at least one to be held during evening or weekend hours.
 - (3) Review the Relocation Packet described in subparagraph 5(c) below.
 - (4) Present residents with any existing scale models, photographs, video of other similar units built or rehabilitated in other CHA developments, or renderings of units to be built or rehabilitated.
- b. As part of the redevelopment process, enter into a Redevelopment Agreement that may include terms that affect the relocation process for the development. The Redevelopment Agreement will address site specific relocation issues not covered in this Contract. If there is no Redevelopment Agreement, then this Contract represents the applicable rights and procedures for the relocation process. The CHA will make a good faith effort to enter into a MOA with the LAC that reflects any property specific understandings with respect to the redevelopment process.
- c. At the time of the Relocation Planning Meetings, provide Leaseholders with a Relocation Packet that contains information on their rights under the Uniform Relocation Act (URA) or Section 531 (Demolition and Disposition) of the Quality Housing and Work Responsibility Act (QHWRA). All Leaseholders will be required to sign for the receipt of the Relocation Packet. The Relocation Packet will include information on relocation assistance benefits, replacement housing choices as outlined in paragraph 6 of this Contract, processing time frames for Section 8 relocatees, and identify the office where the CHA Relocation Procedures Manual is available for inspection. If a Leaseholder cannot attend any of the Relocation Planning Meetings, then the CHA will provide the name of a contact person and the office address with telephone number where information may be obtained.

- d. As part of the initial right of return recertification, provide a HCS. The HCS will include the following information for each family member: name, age, gender, and any accessibility needs (e.g., wheelchair). In addition, HCS's shall allow families to identify characteristics of desirable neighborhoods and/or developments to which they are seeking to transfer. The CHA shall allow Leaseholders the opportunity to select up to three permanent replacement housing choices (including permanent Section 8) and a temporary housing choice (either public housing or Section 8). In conducting HCS's, CHA will provide written notice in accordance with subparagraph 5(h)(1)(ii) below. Families have the option to change their permanent housing choices on their HCS one time. This change may be made at any time between submitting their HCS in conjunction with their initial right of return recertification and accepting an offer of permanent replacement housing.
- e. Ensure that all communication regarding any relocation activities be written in plain, understandable language and posted and made available in the property management offices and any relocation site offices. Persons who are unable to read or understand relocation documents or notices (e.g. illiterate, foreign language, or impaired vision or other disability) must be provided with appropriate translation/communication (e.g. sign language interpreter or reader) and appropriate follow-up by CHA staff. Each written communication shall indicate the name, address and telephone number (including the telecommunication device for the deaf (TDD/TTY) number, if applicable) of a person who may be contacted for answers to questions or other needed help.
- f. Amend its property management contracts or other applicable contracts to include all rights, responsibilities, and obligations required by this Contract.
- g. Make offers of housing in accordance with the priorities established in this Contract and in accordance with CHA's approved A&O Policy and the Tenant Selection and Assignment Plan, as conformed to this Contract.
- h. Provide Leaseholders with the following written notices in the order described below:
 - (1) For All CHA Leaseholders
 - (i) **Relocation Contract Notice:** The CHA will provide Leaseholders with information regarding lease compliance as it relates to this Contract. Any Leaseholder who was in occupancy on October 1, 1999 and is lease compliant is protected by this contract. A sample notice is attached hereto as Exhibit A.

- (ii) **Right of Return Recertification Notice:** The CHA shall provide each affected Leaseholder a fourteen (14) day written notice to attend the recertification interview that is completed in preparation for relocation and in accordance with paragraph 3 of this Contract. Sample notices are attached hereto as Exhibits B and K.

Subsequent to the right of return recertification, the property manager will prepare a building roster. The roster will identify the status of each Leaseholder with respect to right of return, family size and other household information necessary to effect the relocation process. The roster will be used to distribute and track the completion of the HCS's. This roster will also track Leaseholders with a right of return to a particular site who have been relocated to another site as the result of an emergency transfer.

- (iii) **Notice of Lease Compliance:** This written notice describes the outcome of the right to return recertification. Samples of these notices are attached hereto as Exhibits E1-E3 and L1-L2. The right to return recertification will result in one of three outcomes:

- The Leaseholder will be found lease compliant and will be recertified with the right of return; or
- Evidence of incurable Lease violations will be discovered and the CHA will begin the Lease termination process or, if applicable, terminate Section 8 assistance. If the Court enters judgment for eviction or a hearing officer upholds termination of Section 8 assistance, the Leaseholder will be evicted with no right to return and receive a Loss of Right of Return Notice, Exhibit D1. If the Court or hearing officer enters judgment in favor of the Leaseholder, the Leaseholder is deemed lease compliant and retains all rights under this contract. If the CHA does not begin the eviction or Section 8 termination process within sixty (60) days, the Leaseholder will be deemed lease compliant; or
- Evidence of curable Lease violations will be discovered and the Leaseholder will be given one hundred eighty (180) days to cure.

- (iv) **Notice of Final Determination of Lease Compliance (Initial Right of Return Recertification:** The CHA will notify the Leaseholder in writing at the end of the one hundred eighty (180) days as to the result of the attempt to cure. If the Leaseholder cures all existing Lease violations, then the Leaseholder will be determined Lease compliant. If the Lease violations are not cured, the CHA will terminate the Lease in accordance with subparagraph 5(h)(2)(iii). A sample of these notices are attached hereto as Exhibit F1-F2 and M1-M2.

(2) **For First Moves, Permanent or Temporary:**

- (i) **180/120 Day General Information and Eligibility Notice (required by 49 CFR 24.203(a) & (b)):** The CHA shall provide each affected Leaseholder a written general information notice stating their rights under Section 531 of QHWRA (Demolition and Disposition), or the URA, as applicable. This written notice shall state:

- Whether the Leaseholder will or may have to move and caution them not to move prematurely.
- The reason for the relocation and information regarding the Relocation Planning meetings described in subparagraph 5(a) above.
- That the Leaseholder is entitled to the relocation assistance as provided by this contract.

This notice shall be issued as soon as feasible, but in no event less than six months (180 days) prior to the proposed date of relocation resulting from demolition, rehabilitation, or conversion to tenant-based assistance. A minimum of four months (120 days) prior notice is required for relocation due to planned building consolidation. A sample notice is attached hereto as Exhibit G.

- (ii) **Ninety (90) Day Notice: (required by 49 CFR 24.203(c))** CHA shall provide each affected Leaseholder notice of displacement in the following manner:

- **Leaseholders moving to temporary or permanent Section 8** Leaseholders moving to Section 8 units will receive a ninety (90) day notice of displacement

when the unit has passed an HQS inspection. A sample of the notice is attached hereto as Exhibit H and N.

- **Leaseholders moving out of their development of origin** Leaseholders requiring a move to a unit that is not in their development of origin will receive a ninety (90) day notice once the address of a comparable replacement housing unit has been identified. A sample of the notices are attached hereto as Exhibit H and N.
 - **Leaseholders moving to another unit within their development of origin** Leaseholders who do not leave their development of origin will be treated as administrative transfers. If applicable, leaseholders will receive notice pursuant to 49 CFR 24.203.
- (iii) **Notice of Satisfaction of Right of Return:** Leaseholders moving permanently will receive a notice stating that choosing a permanent Section 8 or new or rehabilitated public housing unit constitutes their final housing choice and that the leaseholder's right of return has been satisfied, Exhibit D2.

(3) **For Subsequent Temporary Moves:** The notice process for subsequent temporary moves will follow the process outlined in subparagraph 5(h)(1)(ii - iv) and (2) of this Contract with the following exceptions:

- (i) At the option of the CHA, if a Leaseholder was recertified within six (6) months of a notice of subsequent temporary move, then an additional recertification will be waived. If the CHA opts to recertify the Leaseholder, then the CHA is required to provide the Leaseholder with all applicable notices as set forth in subparagraph 5(h)(2) above.
- (ii) **Temporary Housing Choice Survey (HCS) Notice:** In the event of subsequent temporary relocation(s), the Leaseholder will have the option to fill out a temporary HCS. The permanent housing choice indicated on the first housing choice survey will remain the Leaseholder's permanent housing choice preference. The CHA will provide each Leaseholder with at least four (4) days advance written notification of the dates and times when temporary

replacement housing choice surveys will be conducted by
CHA relocation staff.

(4) Invoking the Right to Return - Final Move:

The written notice process for permanent or final moves follows the process for first moves as outlined in subparagraph 5(h) (1) and (2), with the following exceptions:

- (i) No Relocation Contract Notice will be given for the final move.
- (ii) No 180/120 General Information Notice will be given for the final move.
- (iii) A Leaseholder who is given written notice of Lease violations will have thirty (30) days to cure and will be reevaluated following the cure period. A Leaseholder who has cured will receive written notice that the Leaseholder will be relocated ninety (90) days from the date of the notice as described in subparagraph 5(h)(2)(vi). During the cure period, the Leaseholder's priority for a unit of the Leaseholder's choice will be suspended.
- (iv) The CHA will move to terminate assistance for a Section 8 Leaseholder or evict a Leaseholder who has not cured within the thirty (30) days. If a hearing officer upholds a termination of assistance or if the Court enters judgment for eviction, the Leaseholder will lose assistance or be evicted with no right to return. If the hearing officer or Court enters judgment in favor of the Leaseholder, the Leaseholder is deemed lease compliant and retains all rights under this contract. If the CHA does not begin the assistance termination or eviction process within sixty (60) calendar days, the Leaseholder will be deemed Lease compliant.

i. In addition to the notices described above, the following notice will be given in conjunction with the Redevelopment Process:

- (i) **Notice of Property Specific Requirements:** As redevelopment working groups develop property specific requirements for sites undergoing redevelopment, the CHA will give notice to all families with a right of return describing the approved requirements. Such notice will be given no less than one (1) year prior to an offer of a replacement housing unit.

6. CHA Responsibilities During Relocation.

- a. Good Neighbor and Transition counseling will be made available to all Leaseholders and members of their household. Transition counseling consists of an introductory information session that includes an overview of the Section 8 program, information on private sector housing requirements, home management training, and Leaseholder rights under the Federal Fair Housing Act and related state and local Fair Housing laws. Individual counseling sessions will also occur. Individual counseling will provide families with the opportunity to connect to supportive services, receive information on housing search techniques, engage in financial planning, and if requested receive a referral to a Mobility Counseling program. Transition Counseling will also include limited follow-up contact after the move.

Mobility Counseling is available for Leaseholders interested in moving to opportunity areas. Opportunity areas are defined as census tracts with no more than 23.49 % of families with incomes below the poverty level ("low poverty census tract) and no more than 30 % African-American population ("racially diverse census tract"). Mobility Counseling is available for Leaseholders who indicate an interest in moving to opportunity areas or to low poverty or racially diverse census tracts. Mobility Counseling will also include follow-up contact by telephone and at least one (1) post-move visit to the family (provided the family is within the Chicago metropolitan area).

- b. The CHA or its designee shall provide public transportation stipends for any relocatee to Section 8 housing, and transportation assistance for mobility moves sufficient to allow the Leaseholder in each case to inspect up to three Section 8 units.
- c. The CHA shall allow the Leaseholder adequate time to enter into a lease for the unit selected. Adequate time for public housing Leaseholders will be defined as one (1) year. The CHA or its Section 8 contractor will permit increased time through extensions or re-issuance of vouchers for relocatees.
- d. The CHA shall provide the Leaseholder with relocation assistance or services in accordance with the either the URA or Section 531 of QHWRA titled Demolition and Disposition, as applicable. Such assistance shall apply for both temporary and permanent relocation. Upon request, the CHA will make available a copy of any applicable property specific Redevelopment Agreement to the Leaseholder.

- e. The CHA shall ensure that each comparable replacement dwelling unit is decent, safe, and sanitary, at a minimum meets the Section 8 housing quality standards and conforms to the requirements in subparagraphs 10(a) and (b) of this Contract.
- f. The CHA will provide the following moving services to the Leaseholder for relocation: transportation (as described in subparagraph 6(b) above), packing materials, temporary storage (not to exceed ninety (90) days), reimbursements for utility hook-up including telephone and cable, and credit checks. Through the moving company, CHA will also provide property replacement insurance. CHA will reimburse families for any reasonable losses sustained during the move. CHA may also provide reimbursement for other moving related activities determined by the CHA to be reasonable and necessary to the move.
- g. In providing moving services pursuant to subparagraph 6(f) above, the following shall apply: For all local temporary moves to Section 8, defined as any move within the Chicago metropolitan area, CHA will provide moving services for both the initial move to the temporary housing choice and the return move to the permanent housing offered. CHA will not reimburse or provide moving services for Leaseholders using a temporary Section 8 voucher outside the Chicago metropolitan area. For permanent Section 8 moves outside the Chicago metropolitan area, CHA will provide moving services as outlined in subparagraph 6(f) above.
- h. The CHA is obligated to abide by the above set of responsibilities for all Leaseholder relocation associated with this Contract.
- i. CHA will work to assure access to existing social services for CHA residents.

7. Leaseholder Obligations.

During the relocation process, the Leaseholder shall be bound by certain duties and responsibilities. Failure to adhere to these duties and responsibilities may result in the delay or forfeiture of the right of return as provided for in this Contract.

- a. A Leaseholder may lose the right to return by failing to abide by any of the following:
 - (1) Provide all relevant information, in a timely manner, to the CHA during a recertification process and attend recertification appointments.

If the Leaseholder fails to comply with this obligation, CHA will send written notice of this failure to the Leaseholder. The Leaseholder must provide the necessary information and/or schedule any necessary appointments within fifteen (15) calendar days from the verified date of mailing. In the event the Leaseholder fails to respond to this notice within fifteen (15) calendar days, the CHA may evict the Leaseholder, resulting in the loss of the right to return.

- (2) Attend at least one (1) Relocation and/or Redevelopment Planning Meeting described in subparagraph 5(a) that explains the relocation process, plans for development, and the timing of such procedures to be implemented, or pick up a Relocation Packet at the Redevelopment Planning Meeting or at the Leaseholder's management office and sign a certification attesting to its receipt.

If the Leaseholder fails to pick up and sign for a Relocation Packet, the CHA will send written notice of failure to comply with this obligation. The Leaseholder must attend a presentation to receive a Relocation Packet or retrieve one from the management office within fifteen (15) calendar days from the verified date of mailing and sign a certification. Failure of the Leaseholder to respond to this notice within the fifteen (15) calendar days may result in the loss of the right to return.

- (3) Complete and return a signed Housing Choice Survey (HCS) form.

If the Leaseholder fails to comply with this obligation, the CHA will send written notice to the Leaseholder informing the Leaseholder of the failure. The Leaseholder must return a signed HCS within fifteen (15) calendar days from the verified date of mailing of the notice of failure to comply. If no HCS is received from the Leaseholder, the CHA will assign the Leaseholder a temporary relocation unit based on availability, without regard to preference, and the Leaseholder will lose the right to return.

- (4) Maintain lease compliance in accordance with the terms and conditions in CHA's Lease and Leases executed during tenure as a temporary Section 8 resident. When notified of lease compliance issues, the Leaseholder must take appropriate steps to remedy such issues. Failure to maintain lease compliance may result in eviction and loss of the right to return as stated in paragraphs 3 and 5.

- (5) Remove a household member who is subject to a lifetime registration requirement under a state sex offender registration program within fifteen (15) days of notice to do so.
 - (6) Accept one of two (2) housing offers as described in subparagraph 4(c)(2) of this contract.
- b. A Leaseholder may delay the right of return by failing to abide by any one of the following:
 - (1) If applicable, failing to attend and participate in all required Section 8 screening, orientation, briefing sessions, and recertifications; and
 - (2) At the time of the permanent move, failing to abide by the personal housing choice ranking identified through the HCS process outlined in paragraph 5 of this document.
- c. The Right of Return is extinguished at the time of acceptance of an offer of a CHA newly rehabilitated, newly constructed unit, or permanent Section 8 Voucher.

8. Types of Permanent Housing.

The CHA will provide lease compliant Leaseholders with the following permanent comparable replacement housing options:

- a. Section 8. A Section 8 unit is an existing unit owned by a private landlord located anywhere in the United States, and is in compliance with all Section 8 Program standards. Permanent Section 8 is a final housing choice. If a Leaseholder is successful in securing a Section 8 unit within the one year time allotment as provided in subparagraph 6(c), then the CHA will not provide a Right to Return. Therefore, if the Leaseholder chooses Permanent Section 8 on the HCS, then the Leaseholder must select two (2) public housing choices in the event that no Section 8 unit is secured within one (1) year.
- b. Rehabilitated Scattered Site. A scattered site unit is a public housing unit constructed in accordance with the orders of the Federal Court in the Gautreaux case. (These units are identified as Category 3 in the Plan for Transformation). Subject to satisfaction of all rights to return established through this Contract, scattered site units will be occupied in accordance with the percentages established in the Gautreaux Court Ordered Tenant Selection and Assignment Plan. For the purposes of this Contract, scattered sites do not include local replacement housing units described in subparagraphs 8(c)(1) and (2) below.

c. **Local Replacement Housing**

- (1) **Rehabilitated Unit.** A rehabilitated unit is a unit located in a development that is substantially rehabilitated as part of the redevelopment plan. A substantially rehabilitated unit is defined as a unit that is rehabilitated at a level sufficient to remain a viable public housing unit for twenty (20) years following rehabilitation. Lease compliant Leaseholders who are currently residing in the units to be rehabilitated shall have first priority for those units in accordance with the order of offers in subparagraph 4(d).
- (2) **Newly Constructed Units.** Lease compliant Leaseholders who currently reside in units to be demolished shall have first priority for all on-site or neighborhood public housing units located in or near the developments or sub-developments from which they were displaced.
 - (i) **On-site Unit.** An on-site unit is a newly constructed unit located on the site of the units that were demolished as part of the redevelopment plan.
 - (ii) **Neighborhood Unit.** A neighborhood unit is a newly constructed unit located in the community area adjacent to the public housing development.

9. **Types of Temporary Housing:**

The CHA will provide lease compliant Leaseholders with the following temporary comparable replacement housing options:

- a. **Transfer Unit.** A transfer unit is a decent, safe, and sanitary unit, in compliance with Section 8 housing quality standards, local health and safety codes, located in any CHA development. A lease compliant Leaseholder who selects a transfer unit will retain the right of return to a local replacement housing unit as described above.
- b. **Existing Scattered Site.** Same as defined in subparagraph 8(b) above with the provision that a lease compliant Leaseholder who selects an existing scattered site unit as a temporary choice will retain the right to return to a new or rehabilitated scattered site unit or local replacement housing unit as referenced above.
- c. **Section 8 Unit.** Same as defined in subparagraph 8(a) above with the provision that, in accordance with the A&O Policy, Leaseholders opting for temporary Section 8 will be given a right of return to a local replacement

housing unit. In addition, temporary Section 8 Leaseholders invoking their right to return, will be classified as CHA transferees.

- d. Non-CHA Housing. Other housing options voluntarily chosen by the Leaseholder. Lease compliant Leaseholders who select this option retain their right of return to a local replacement housing unit or a permanent Section 8 Housing.

10. Nature of Comparable Replacement Housing.

Each relocated Leaseholder is entitled to a comparable replacement-housing unit.

- a. A comparable replacement housing unit, whether public housing or Section 8, is defined as one that is decent, safe and sanitary, functionally equivalent to the Leaseholder's original dwelling unit, adequate in size to accommodate the Leaseholder's household, located in an area not subject to unreasonable adverse environmental conditions, located in an area not less desirable than the location of the Leaseholder's original dwelling unit with respect to commercial and public facilities, reasonably accessible to the Leaseholder's place of employment, located on a site that is typical in size for residential development with normal site improvements, meets Section 8 housing quality standards (where applicable) and is no more costly to the Leaseholder than the public housing unit from which the Leaseholder is moving.
- b. Consistent with applicable federal regulations, a comparable replacement housing unit must meet the accessibility needs of the Leaseholder and/or the Leaseholder's family members.
- c. A Leaseholder may reject an offer of a replacement housing unit that is not comparable as described in subparagraphs 10(a) and (b). Such refusal will not affect the Leaseholder rights under this contract.
- d. For Section 8, the CHA will foster moves to opportunity areas, but the final location choice belongs to the Leaseholder. An opportunity area is defined as a census tract with no more than 23.49 % of families with incomes below the poverty level and no more than 30 % African-American population.

11. Monitoring and Enforcing this Contract.

- a. Reporting. On a quarterly basis, the CHA shall report to the CHA Board of Commissioners, the CAC, and the community at large on development

and relocation activities. The report shall also include site-by-site information with sufficient detail to enable the CHA Board of Commissioners and the CAC to ensure that Leaseholders are afforded the rights guaranteed under this Contract. The information in the report shall include but not be limited to the timely service of notices, the timely presentation of relocation information, completed recertifications, family status as a result of the recertification, and HCS results. The report will also include Section 8 utilization information and identify the number of expired Section 8 vouchers where families are not successful in finding housing. This report shall be in writing and shall be forwarded to the CHA Board of Commissioners and the CAC, and be made available to the community at large, within thirty (30) days of the end of each quarter. The CHA shall contract with an independent auditor to ensure monitoring and tracking of the relocation process.

b. **Grievance Procedures.**

1. Public housing Leaseholders, as well as Leaseholders who choose Section 8 as a temporary housing choice and are program participants, may enforce the guarantees contained in this contract through the standard CHA grievance process. This in no way restricts a Leaseholder's right to seek enforcement of this contract through the judicial system. This Agreement does not supersede applicable federal, state, or local law.
2. A temporary Section 8 household, as described above, may use the CHA grievance process including the right to a formal hearing (unless otherwise excluded by the CHA grievance procedures), only to enforce provisions of the contract or any termination of Section 8 assistance pursuant to 24 CFR 982.552. In the event that a household with a temporary Section 8 voucher files a grievance, the informal hearing shall be conducted by the contractor for the Section 8 program. Any subsequent formal hearing shall be heard by a Hearing Officer designated by CHA's General Counsel.

12. Applicability.

For those choosing a temporary Section 8 voucher or other non-CHA housing with the right to return, the applicable portions of this contract shall survive the termination of the Leaseholder's Lease.

13. Amendment.

If policy changes to this contract are required, the CHA will negotiate the proposed changes with the CAC and request approval from the CHA's Board of

Commissioners. If procedural changes to this contract are required, the CHA will similarly negotiate these changes with CAC prior to implementation, but need not seek the approval of the CHA's Board of Commissioners for such changes. Such changes will be approved in writing by the CEO or his/her designee.

LEASEHOLDER:

CHA:

Name (printed)

Name (printed)

Signature

Signature

Phone

Date: _____

Optional Release of Information:

With my signature below, I hereby grant authority to the CHA to release information regarding any emergency transfer I am required to make in connection with the relocation process. I understand that information including but not limited to my name, the nature of the emergency, and the temporary or permanent location at which I am subsequently housed will be made available to the LAC in the development I am relocating from and to. I understand that this release is optional and my choice not to release this information in no way affects my rights under this contract.

Name (printed)

Signature