Preservation of 402 Rindge Apartments
Resident Disclosure, Policy Statement and Agreement

The purpose of this document is to assure that every resident of 402 Rindge Apartments has sufficient information regarding the proposed plans for the building, the affordability status of the property, and the new subsidy choices that are available to tenants. This document also memorializes certain commitments made to the property and residents by the Cambridge Housing Authority (CHA), and 402 Rindge Corporation (the property Owner).

A. Background

402 Rindge Apartments is a 273 unit high-rise apartment tower, built in north Cambridge in 1973. The apartments were developed under the HUD Section 236 Program, which provided federal mortgage subsidies to create affordable housing. Over the past 40 years, the property has successfully housed thousands of low and moderate income families, providing a critical resource in the increasingly expensive Cambridge housing market.

When the affordability of these units was threatened in 1996, a non-profit purchaser was established by Just A Start Corporation, with the support of 402 Rindge residents, to acquire the building. New federal funding was provided under the Low Income Housing Preservation and Resident Homeownership Act (LIHPRHA) to improve the property and to keep it affordable. The agreements and commitments that 402 Rindge Corporation made with HUD at that time will remain in place for the remaining useful life of the building. Under those agreements, the property must remain affordable to a mix of very low, low, and moderate income families, and rents can be increased (with HUD approval) only to meet the actual costs of operating and maintaining the building. Rent increases since 1997 have been very modest.

During the next few months, 402 Rindge Apartments will face a number of challenges. First, since the original HUD mortgage and the federal Section 236 mortgage subsidies have terminated, the property is in the process of transitioning to an alternative funding structure. Additionally there is a need to address critical repairs and the major demands of a forty year old property for updated plumbing, roofing, and other essential building systems. A significant rent increase has been requested to begin to meet these capital needs, and to position the property for refinancing in the near future, which will enable the Owner to undertake a comprehensive rehab program.

The rents that have been requested are very low compared to local rent standards in Cambridge and will be affordable to many 402 Rindge residents. However, they will impose a significant burden on some tenants. To protect existing residents, the Owner paid off the HUD-subsidized mortgage early (on September 30, 2013), making Enhanced Vouchers

available to income eligible households. These are special rent subsidies which will be provided through the Cambridge Housing Authority (CHA).

The Owner has requested a commitment from the CHA to allow a portion of these subsidies to be tied to the building as Project-Based Vouchers, on a case-by-case basis, with tenant consent. The amount of rehab work that can be accomplished at the property is in part dependent on the number of households who choose to receive Project-Based Vouchers; the more households who choose these vouchers, the greater the level of rehab that can be undertaken. Project-Based Vouchers are especially important for tenants paying more than 30% of their incomes for rent; their rent will be reduced to 30% of income with a Project-Based Voucher. Tenants who elect Project-Based Vouchers will be guaranteed affordable rents even if their incomes decline in the future, or if project rents continue to increase. At the same time, they will preserve affordability for future residents who can't pay the rents required to operate the building without subsidy.

The Owner has committed not to implement the currently requested rent increase until the Enhanced Voucher and Project-Based Voucher subsidies become available to all eligible tenants. Tenants will have a unique, one-time opportunity to access these subsidies, which are available only to tenants residing at 402 Rindge Apartments on September 30, 2013.

This Disclosure Agreement includes:

- A summary of the current subsidy structure and existing and proposed rents at 402 Rindge Apartments;
- A description of Enhanced Vouchers and Project-Based Vouchers;
- An explanation of how tenants who are ineligible for vouchers, or who decline to accept them, will be affected;
- A summary of the Owner's proposed rehabilitation plan; and
- Commitments made by the CHA and Owner regarding the property and the voucher program.

B. Existing Subsidies; Current and Proposed Project Rents

1. Current Subsidy Structure

All 273 units at 402 Rindge Apartments originally received federal mortgage subsidies and will continue to be governed by certain 236 program rules. Some units or tenants benefit from an additional rental subsidy which further reduces their rents, as described below.

- **Section 236 only (212 units):** Tenants in these units pay the HUD-approved **236 Basic Rent** or 30% of their adjusted income, *whichever is greater*. However, they can never pay more than the HUD-approved **236 Market Rent.** Some tenants who pay the maximum 236 Market Rent may be paying less than 30% of adjusted income.

- **HUD Project-Based Section 8 Units (55 units):** Tenants in units covered by the existing project-based Section 8 contract pay 30% of adjusted income for rent, up to the maximum HUD-approved Section 8 contract rent for the unit.

- **Tenant-Based Section 8 Housing Choice Voucher Holders (6 units):** These tenants' rents are calculated under rules of the CHA. Tenants pay 30% of adjusted income for rent, and the remaining portion is paid by the housing authority.

2. Current Rents

The current approved rents at 402 Rindge Apartments include all utilities and are as follows:

Bedroom Size	Section 236 (Basic)	Section 236 (Market)	HUD Project-Based Section 8
Studio	$585	$686	$594
1 BR	$685	$805	$695
2 BR	$764	$897	$775

3. Proposed Rents

The Owner has requested an increase to the following rent levels, in order to address current repair needs at the property.

Bedroom Size	Section 236 (Basic)	Section 236 (Market)	HUD Project-Based Section 8
Studio	$761	$862	$772
1 BR	$891	$1,011	$904
2 BR	$993	$1,126	$1,008

These rent levels are subject to approval by the Massachusetts Housing Finance Agency (MassHousing) and HUD, which is currently pending. If for any reason the full rent increase is not approved, an additional rent increase request will be filed later this year for the remaining amounts.

As noted above, the Owner will not implement the requested building-wide rent increase until Enhanced Vouchers and Project-Based Vouchers are in place for all eligible tenants who request them.

C. Enhanced Vouchers and Project-Based Vouchers

Now that the HUD mortgage is prepaid (paid off early), Enhanced Vouchers and Project-Based Vouchers will become available to income-eligible tenant households who resided at 402 Rindge on the date of mortgage prepayment, who choose to receive them, and who do not already receive a HUD project-based Section 8 subsidy for 402 Rindge residents, the four main differences between Enhanced Vouchers and Project-Based Vouchers are (1)

the formula for determining the tenant's portion of the rent; (2) the household's ability to move with the voucher; (3) the maximum income the tenant can earn or receive and still qualify for a voucher (income limits); and (4) provisions when a household is overhoused. Households who receive assistance through an EV or PBV will be required to recertify their incomes and may experience a rent change based on their incomes.

1. **Enhanced Vouchers (EV)**

   a. Description: Enhanced Vouchers are issued to eligible tenants for use in their current apartments. There will be enough Enhanced Vouchers to cover all 212 of the 236-only units that are occupied by an eligible household, plus the 6 units occupied by existing CHA voucher-holders. Eligible households must have incomes at or below 95% of the area median income (see **Attachment A**). While similar to a regular Section 8 voucher, the value of the Enhanced Voucher can be much higher. By using an Enhanced Voucher, the resident is able to stay in place and receive the benefit of a larger subsidy to help pay the rent.

   b. Rent for Stayers: With an Enhanced Voucher, a resident who remains at 402 Rindge will pay 30% of adjusted household income for rent, or a *minimum rent* based on what the tenant was paying as of September 30, 2013. In general, tenants must pay at least the same dollar amount for rent that they paid on the date of mortgage prepayment. (This *minimum rent* formula, and the calculation of tenant rent paid by Enhanced Voucher holders, are explained in more detail in Attachment B.)

      The CHA will use the federal regulations for the tenant-based Section 8 Housing Choice Voucher program for rent setting purposes (with the minimum rent provisions described in Attachment B). For mixed immigrant/non-immigrant families, the EV rent paid by the household would be the minimum rent or 30% of adjusted monthly income plus 10%.

   c. Mobility: Residents with Enhanced Vouchers may move with their vouchers at any time after giving proper notice under their lease. When the resident moves from the building, the Enhanced Voucher becomes a regular Section 8 Housing Choice Voucher (subject to the housing authority's usual payment standards), that the resident may use wherever he/she is able to find an apartment.

   d. Rent for Movers: When a tenant with an Enhanced Voucher moves from 402 Rindge, the voucher becomes a "regular" Section 8 Housing Choice Voucher with rent set under the CHA's Administrative Plan for the Federal Housing Choice Voucher Program. The maximum amount of CHA subsidy may be less for a regular voucher than when the tenant lived at 402 Rindge with an Enhanced Voucher. A resident who moves to another property with a rent over the CHA Payment Standard may have to pay more than 30% of adjusted income for rent. The EV minimum rent requirement would not apply.

2. Project-Based Vouchers (PBV)

a. Description: Project-Based Vouchers are Section 8 Vouchers that are assigned to specific apartments rather than to specific families. To convert their EV to a Project-Based Voucher, eligible households must have incomes at or below 80% of the area median income (see **Attachment A**). In order to attach these vouchers to the property, the household must give written consent. In addition, the Owner and the CHA must enter into at least a 15 year contract. During the contract term, the units with Project-Based Vouchers are guaranteed to be maintained as affordable. As long as a resident remains in that apartment, he/she enjoys the benefits of the voucher.

b. Rent for Stayers: Residents who remain at 402 Rindge with a Project-Based Voucher will pay only 30% of adjusted income for rent, and will not be subject to the Enhanced Voucher minimum rent requirement. Households that experience a change of income must report it and their portion of rent will be adjusted up or down, to equal 30% of adjusted income. The CHA will use the federal regulations for the Project-Based Voucher program (currently found at 24 CFR 5.601 – 5.634) and $50 as the minimum rent. In addition, for mixed immigrant/non-immigrant families, the CHA will require the household to pay 30% of adjusted monthly income plus 10%, for rent.

c. Mobility: A resident living in an apartment with a Project-Based Voucher does not have an immediate opportunity to move with a rent subsidy. Since the voucher is attached to the apartment and not to the household, any request to move means that the CHA must issue a new voucher to the family while maintaining the Project-Based Voucher for another family seeking affordable housing. Since there is not an unlimited supply of vouchers, the CHA may need to wait for one to become available before it can issue a tenant-based voucher to the family.

To help residents with Project-Based Vouchers at 402 Rindge, the CHA has agreed:

- To establish a pool of 20 tenant-based Section 8 Housing Choice Vouchers to be immediately available (on a first-come, first-served basis) for 402 Rindge residents who have chosen a Project-Based Voucher and then want to move. The pool will be available for 3 years.
- Once a voucher is issued from the pool, the resident will generally have 4 months to relocate with the voucher. If the resident does not relocate within that time frame, the resident will lose the voucher, which will revert to the CHA (and not to the pool) and the resident may remain in the PBV unit.

- After two years of occupancy, if the voucher pool is exhausted, the CHA will allow 402 Rindge residents with PBVs to request a move with a tenant-based voucher if one is available. If a voucher is not available, the resident's name will be placed chronologically by date of request on the CHA's internal Project-Based Voucher wait list subject to the following hierarchy:

  - Domestic Violence/Emergency
  - HQS (Emergency)
  - HQS (Routine)
  - Inappropriately Housed in an Accessible Unit
  - Reasonable Accommodation
  - Under-Housed
  - Over-Housed
  - Tenant Request for Mobile Voucher

  Once issued, tenant-based vouchers will be subject to the CHA's Administrative Plan.

- In addition, in accordance with its usual Project-Based Voucher policies, the CHA will allow 402 Rindge residents to place their names on other Project-Based Voucher wait lists for projects administered by CHA. After one year, the household may move with continued assistance if selected by another Project-Based Voucher owner.

d. Rent for Movers: When a resident in an apartment with a Project-Based Voucher requests and obtains a tenant-based voucher (as described above), then the tenant-based voucher rent will be set under the CHA's Administrative Plan for the Federal Housing Choice Voucher Program.

D. Tenants Not Receiving Enhanced or Project-Based Vouchers

1. Ineligible, Declining, or Non-Recertifying Households

Some residents at 402 Rindge may not be income-eligible for either an Enhanced Voucher or a Project-Based Voucher. Others may choose not to accept a voucher, if they are paying less than 30% of adjusted income for rent (even after the proposed rent increase), or for some other reason. Still others may lose their opportunity to receive a voucher if they do not respond to the CHA's notice to complete the EV / PBV eligibility process, including certification of their income. All residents are strongly encouraged to recertify with the CHA or management as soon as requested, to determine the best option available to them.

Tenants who do not receive an Enhanced Voucher or Project-Based Voucher will continue to pay rent according to the Section 236 program rules. Recertified tenants will pay the new HUD-approved Section 236 **Basic Rent** for their unit, or 30% of adjusted income

(whichever is greater), up to the new HUD-approved Section 236 **Market Rent.** Tenants who have not yet recertified will pay the Section 236 **Market Rent**. Approved 236 rents may increase again over time, and may not be as affordable if a household's income decreases in the future.

2. Existing Voucher Holders

For residents with tenant-based vouchers (not EVs), the contract rent shall be the HUD-approved 236 Market Rent. Tenants who currently have tenant-based vouchers from the CHA may choose to keep their voucher and remain at 402 Rindge (or they may elect to receive an EV or PBV). If they retain their existing vouchers, they will continue to pay 30% of adjusted income, as long as the CHA's regular voucher payment standard is higher than, or equal to, the HUD-approved 236 Market Rent for the unit. If the CHA's regular voucher payment standard is less than the HUD-approved 236 Market Rent, the tenant will have to pay a higher amount (more than 30% of adjusted income) for rent.

As the following table shows, currently the CHA's regular voucher payment standard (Column 2) is higher than the proposed Section 236 Market Rent (Column 1), enabling CHA voucher-holders who remain at 402 Rindge to continue to pay 30% of adjusted income.

	Column 1	Column 2
BR Size	236 Market Rent (Proposed)	CHA Payment Standard – Regular Vouchers
0 BR	$ 862	$ 1,242
1 BR	$1,011	$ 1,387
2 BR	$1,126	$ 1,733

E. Recertification and Interim Rent Adjustment

1. Enhanced Vouchers

Enhanced Voucher tenants' incomes are recertified annually (every 2 years for elderly or disabled households), and rents are set based on the new income certification. Between regular certifications, if tenants experience a 15% decrease in income (or more), they can request a rent redetermination based on a lower minimum rent (see **Attachment B**).

In year 1, all EV tenants may request and receive an unlimited number of rent decreases (if this 15% threshold is met). In subsequent years, EV tenants (who are not disabled or elderly) are entitled to one rent decrease between regular certifications and disabled and elderly tenants are entitled to unlimited number of rent decreases (if they meet this 15% threshold).

2. Project-Based Vouchers

Project-Based Voucher tenants' incomes are recertified annually (every 2 years for elderly or disabled households), and rents are set based on the new income certification.

Between regular certifications, if tenants experience any change of income, they must report it and their portion of the rent will be adjusted up or down but will continue to be based on 30% of their income.

3. Section 236

Tenants paying 236 rents (without vouchers) will be required to certify their incomes with management annually. A tenant who has not recertified will pay the 236 Market Rent, and may be subject to additional consequences for failure to recertify Tenants paying more than 236 Basic Rent who experience a decrease in income may request an interim recertification and rent adjustment (down to the 236 Basic Rent, if justified).

F. Overhousing

For all tenants, the determination of whether a household is over-housed (living in an apartment which has more bedrooms than are needed for the number of people in the household) will be based on CHA Occupancy Guidelines. The current Guidelines are at **Attachment C**. The rules for when an overhoused tenant is required to move to an appropriately sized unit, and what rent they will be required to pay if they do not move, varies by program:

1. Enhanced Vouchers

Overhoused tenants with Enhanced Vouchers may remain in their apartments, without penalty, until an appropriately-sized unit at 402 Rindge becomes available and is offered to them.

If the household refuses to accept a smaller unit when it is offered, they may remain in their current unit and pay a higher rent (with a surcharge equal to the difference between the market rent in their current apartment and the market rent in the smaller unit they were offered).

Or, they may relocate with the voucher to a different complex or community. The EV will convert to a regular Section 8 voucher upon moving.

2. Project-Based Vouchers

Overhoused tenants with Project-Based Vouchers may remain in their apartments, without penalty, until an appropriately-sized unit at 402 Rindge becomes available and is offered to them. The Owner will offer available vacancies on a priority basis to overhoused PBV tenants (and the PBV subsidy will be transferred to the smaller unit).

If the household refuses to accept a smaller unit when it is offered, they may remain in their current unit and pay a surcharge (equal to 20% of the current tenant-paid rent).

Or, they may receive a tenant-based voucher (if one is available) to move to a smaller unit in a different complex or community.

3. **Existing CHA Voucher-Holders**. Overhoused tenants with CHA tenant-based vouchers (that are not enhanced) will receive the subsidy for the unit size that they are entitled to and, as a result, may pay more than 30% of their income for rent when housed in a larger unit than they are entitled to. They will not be required to transfer but may choose to do so to decrease their rent burden.

4. **No Voucher Subsidy**. Overhoused tenants without any voucher subsidy may be offered a smaller unit at 402 Rindge, if one is available. If they decline to move, they may be charged the 236 Market Rent for the unit size they occupy, regardless of income.

G. Miscellaneous Provisions

1. **Anti-Displacement.** 402 Rindge will not displace any current resident of 402 Rindge Apartments except for good cause related to tenant fault.
2. **Tenant Selection – Project-Based Vouchers**. Tenant selection for PBV units will be in accordance with the CHA's Administrative Plan which will include provisions allowing site based Project-Based wait lists. The CHA's Administrative Plan will require that the owner maintains a Tenant Selection Plan that is approved by the CHA. Approved Tenant Selection Plans will include information outlining the owner's policy pertaining to unit moves, including selection of in-place residents versus applicants from the waiting list when vacancies occur. The Owner's Tenant Selection Plan will include transfer priorities for tenants at 402 Rindge, who are under-housed, over-housed, or require a reasonable accommodation.
3. **Non-Elderly Disabled Households.** 402 Rindge agrees to rent at least 13.5% of the Project-Based Voucher units at the property to households whose head of household (or sole member) is a nonelderly person with disabilities. For the purpose of admission only CHA defines elderly as 58 years of age or older.

H. Rehabilitation

Two phases of renovation for the building are currently being planned. The first phase is designed to address immediate needs which include a new roof and replacement of the make-up air units for all corridors and the laundry room. The work will be undertaken over the next six to eight months.

The second phase will be an extensive renovation intended to extend the useful life of the building for the foreseeable future. An in-depth evaluation of the buildings condition has recently been completed and has identified significant areas of work to be undertaken. The items identified include exterior masonry repairs, substantial repair or replacement of mechanical distribution piping and other mechanical system replacements, energy efficiency measures including new thermostats and extensive air sealing, elevator repairs, modifications to approximately 14 units, to common areas, and to the playground to enhance handicap accessibility, as well as selective kitchen, bath and flooring replacements and many other items.

The extent of renovations will be dependent on approval of the requested rent increase and the Owner's ability to secure additional financing for 402 Rindge Apartments. It will also be dependent on the number of households who choose Project Based Vouchers; the more households who choose these vouchers the greater the level of rehab that can be undertaken.

If any units at 402 Rindge are required to be renovated as handicap accessible (due to the extent of renovations being completed) current residents with mobility restrictions requiring accessible housing will be given priority for occupancy of those units, and the present resident of any affected unit will be offered another appropriately-sized unit in the building. If the resident being relocated does not need the features of the newly accessible unit, then that resident would have the option of returning to his/her "old" unit (so long as no current resident of 402 Rindge Apartments or qualified applicant is in need of those features); and if there was a current resident of 402 Rindge or qualified applicant in need of a unit with those features, then the displaced resident will have the option to return to the first vacancy of appropriate size on his/her old floor.

The Owner will hold planning meetings with residents for the purpose of obtaining input into, and keeping residents informed of, its plans and timetable for renovations. The Owner will provide advance written notice (of at least 48 hours) to tenants of times workers will need to be in each unit; will work with residents who need special accommodations during the renovations; will use its best efforts to accommodate tenants in scheduling work and in minimizing disruption (e.g. water and electricity shut-offs, noise); and, in the few instances where it is required, will minimize the time needed for temporary relocation to accommodate work inside the units. Renovation funds will pay for temporary storage, moving and any temporary housing expenses, if required during the renovation period. The Owner will try to provide a place for residents to go on-site (e.g the community room with bathroom facilities) during the renovations.

For residents who have to move, the Owner will negotiate a written relocation agreement and provide as much notice as possible of any move.

I. Process and Responsibilities

- The CHA will send a notice to each resident household inviting them to contact the CHA regarding EV eligibility.

- The CHA will meet with each household in the property who is interested in receiving an Enhanced Voucher or a Project-Based Voucher, in order to determine eligibility. (For the CHA definition of who qualifies as a household see **Attachment D**). To be eligible for an Enhanced Voucher, annual household income must be at or below 95% of Area Median income (AMI). To be eligible for a Project-Based Voucher, annual household income must be at or below 80% of AMI (see **Attachment A**).

- Households who elect either an Enhanced Voucher or a Project-Based Voucher will be screened by the CHA (and may denied) only for income eligibility, immigration eligibility, and the federally-mandated reasons found at 24 CFR 982. 552(b) and 982.553.

- Any family that has opted to participate in the Project-Based Voucher program, but that is determined to be over-income to participate, will be reviewed for eligibility for receipt of an Enhanced Voucher.

- Once each family has been income certified, the CHA will apply to HUD for sufficient funding for every income eligible family and for any other eligible apartment. The CHA will also inspect the units of households approved for EVs or PBVs to be sure that they comply with Housing Quality Standards.

- The Owner and the CHA will enter into a Housing Assistance Payments (HAP) contract for a specified number of apartments in the building, including:
  - all units occupied by residents who elect to project-base their Enhanced Vouchers and are eligible for Project-Based Vouchers;
  - all units that receive Enhanced Vouchers, but are vacant at the time the voucher is issued; and
  - an additional number of units (bringing the total number of PBVs to 110) that will be issued on a "stand-by" basis, to be added to the contract upon turnover or internal transfer of units not initially receiving Project-Based Vouchers. For example, if the initial number of households who convert their EV to a PBV were 45, then the additional number of "stand-by" PBVs that will be added to the HAP would be 65. Existing tenants who did not initially receive PBVs but who later become eligible for and elect to receive them will receive priority for stand-by PBVs.

- The initial HAP contract term will be 15 years. The CHA will offer to renew the HAP contract on comparable terms for at least 3 additional five-year periods, provided that 402 Rindge is in compliance with the contract, and subject to continuation of the CHA's Moving to Work authority (or alternative authority) and adequate appropriations.

- 402 Rindge, as a condition of the HAP contract, will keep the Project-Based Voucher units affordable for the duration of the HAP contract, with a commitment to renew the contract on comparable terms for the maximum period offered.

- The initial HAP contract rents for PBV units will be set at 120% of the Fair Market Rents (FMRs) for Cambridge in effect on the date of contract execution ($1,250, $1,397, and $1,745, for 0BR, 1BR, and 2BR units, respectively).

- The initial contract rents for EV units will also be set at 120% of the Fair Market Rents (FMRs).

SO AGREED.

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402 Rindge Corporation
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Cambridge, MA 02141
1-28-2014
Date

Gregory Russ, Executive Director
Cambridge Housing Authority
362 Green Street
Cambridge, MA 02139
1-28-14
Date

Attachment A

CHA INCOME LIMITS (as of 12/14/13)

Household Size	80% Area Median Income (AMI) **Project-Based Vouchers**	95% (HUD Median FY2014) **Enhanced Vouchers**
1 person	$47,450	$62,600
2 persons	$54,200	$71,500
3 persons	$61,000	$80,450
4 persons	$67,750	$89,400
5 persons	$73,200	$96,550
6 persons	$78,600	$103,700

Attachment B

MINIMUM RENT FOR TENANTS WITH ENHANCED VOUCHERS WHO REMAIN AT 402 RINDGE

Residents with Enhanced Vouchers who remain at 402 Rindge will pay rent of 30% of adjusted household income for rent. **However, there is a minimum rent which such residents must pay regardless of income.**

Initial Minimum Rent: This minimum rent is the dollar amount that the resident was paying towards rent on the day of the mortgage prepayment.

Change in Minimum Rent: However, if a resident's gross household income decreases by at least 15% from the income received on the mortgage prepayment date, then a new minimum rent is set which is based on the percentage of income (instead of a dollar amount) that the resident paid for rent on that date. This percentage remains in effect for as long as the resident remains at 402 Rindge with the Enhanced Voucher.

This new minimum percentage is the higher of: 1) the percentage of adjusted monthly income that the resident paid for rent on the mortgage prepayment date; or 2) 30%. This percentage is applied to the resident's (reduced) adjusted monthly income to determine the resident's new rent.

EXAMPLE: On September 30, 2013, a 55 year old resident was living in a one bedroom apartment, had wages of $1500/month, and was paying rent of $685 (basic rent). As a result, he was paying 46% of his income rent ($685 ÷ 1500 = 45.66%).

With the enhanced voucher, the resident's rent would remain at $685 because that amount is greater than 30% of his adjusted income (.30 x $1500 = $450).

If, later, the resident (with the enhanced voucher) had a 20% decrease in his income, from $1500 to $1200, his rent would decrease and be calculated based on the percentage of income (46%) he was paying on September 30, 2013. His new rent would be 46% of $1200, that is $552.

Attachment C: Cambridge Housing Authority Occupancy Guidelines

CHA has a policy of basing subsidy size on the following guidelines:

NUMBER OF BEDROOMS	MINIMUM PERSONS PER UNIT	MAXIMUM PERSONS PER UNIT
	Fewest Household Members	*Most Household Members*
0 Bedrooms	1 person	1 person
1 Bedroom	1 person	2 people
2 Bedrooms	2 people	4 people
3 Bedrooms	3 people	6 people
4 Bedrooms	4 people	8 people
5 Bedrooms	5 people	10 people
6 Bedrooms	6 people	12 people

1. An exception to subsidy size may be made in the case of a reasonable accommodation for a person with disabilities.

2. The following principles govern the size of the subsidy for which an applicant will qualify:
   a. Generally, two people are expected to share a bedroom.

   b. Two children will be required to share a bedroom except as follows:

      i. Children of the same sex, seventeen years of age and below, whose birth dates are more than ten years apart, will not be required to share a bedroom.

      ii. Children of different sexes will share a bedroom, with the oldest permissible age for sharing set at seven years of age.

   c. Adults (eighteen and over) who are spouses or in an equivalent relationship are required to share a bedroom.

   d. Adults (eighteen and over) who are co-heads are not required to share a bedroom although they may do so at their request.

   e. Adults (eighteen and over) who are neither spouses nor co-heads are not required to share a bedroom although they may do so at their request;

   f. A single head of household parent will not be required to share a bedroom with his/her child, although they may do so at their request.

g. An unborn child will not be counted as a person in determining subsidy size.

h. Subsidy size will be determined by the household members present (including custody arrangements) at the time of screening with exception made for household members temporarily away for school or military service or children in temporary custody of an agency, provided that there is expected reunification within the ensuing twelve-month period. For children in temporary custody of an agency, see CHA Administrative Plan for the Federal Housing Choice Voucher Program.

i. In cases of joint legal or physical custody, the household will be awarded a bedroom only if it can be shown that, over the past twelve months, the child has spent more than 50% of their time living with the household. This is defined as 182.5 days of the year, which do not need to run consecutively. In no event can a child receive federal subsidy concurrently at more than one unit.

j. While a live-in aide may be assigned a bedroom and added to the lease as a permitted occupant, the aide has no survivorship rights to the subsidy. Single elderly or disabled households with live-in aides will be assigned a two-bedroom subsidy.

k. CHA does not permit a live-in aide's family members to reside in the subsidized apartment.

l. Foster children or foster adults who are listed on the application or lease will be housed in accordance with the guidelines above.

m. Living rooms may be used as a bedroom at a household's discretion, subject to the State Sanitary Code.

Attachment D: Definitions

Household:

A household can be any of the following:

1. Two or more persons residing in the same dwelling as their primary residence:
   a. All of whose income and resources are available to meet the household's needs; and
   b. Who are either related by blood, marriage, or operation of law; or
   c. Who have otherwise evidenced a stable inter-dependent relationship.
2. One person.
3. Disabled household.
4. Elderly household.

The following do not meet the definition of a household:

- Borders, lodgers, or transient paying guests;
- Unrelated adults who have not lived as household members on a regular basis.

Head of household: The adult member of the household who is the head of the household for purposes of determining income eligibility and rent and has legal responsibility for lease compliance.

Disabled household: A household whose head and/or spouse or sole member is a person with disabilities. The term "disabled household" may include two or more persons with disabilities living together, and one or more persons with disabilities living with one or more persons who are determined to be essential to the care or well-being of the person or persons with disabilities. A disabled household may include persons with disabilities who are elderly.

Elderly household: A household whose head, spouse and/ or sole member is an elderly person. The term "elderly household" includes an elderly person, two or more elderly persons living together, and one or more persons who are determined to be essential to the care or well-being of the elderly person or persons. An elderly household may include elderly persons with disabilities and other household members who are not elderly.

Elderly person: An individual who is at least sixty (60) years of age. However, for the purpose of admission, an elderly person is an individual who is at least fifty-eight (58) years of age.