



PUTNAM GARDENS
MANAGEMENT AGREEMENT

between Putnam Gardens LLC
and the Cambridge Housing Authority



Equal Housing Opportunity

Putnam Gardens LLC, c/o Putnam Gardens Manager LLC
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Attachments:

- A. Description of the Property
- B. Project Documents
- C. Management Plan
- D. Operating Budget
- E. Administrative Plan for Rental Assistance Demonstration (RAD) Developments

This Agreement is made as of this 23rd day of December 2014 between Putnam Gardens LLC (hereinafter “Owner”) and Cambridge Housing Authority. (hereinafter “Managing Agent”).

**ARTICLE 1
APPOINTMENT AND ACCEPTANCE**

The Owner appoints the Managing Agent as exclusive agent for the management of the property described in Section 3.1 of this Agreement, and the Managing Agent accepts the appointment, subject to the terms and conditions set forth in this Agreement. The Managing Agent shall exercise diligence and care, in accordance with appropriate industry standards, in the management of the Property, and shall furnish the Owner with its advise, expertise, and judgment in such management.

**ARTICLE 2
TERM OF AGREEMENT**

This Agreement will be in force on a year-to-year basis beginning on the 23rd day of December, and shall be automatically renewed each anniversary thereafter until the earlier of (i) the termination or expiration of the Ground Lease, or (ii) the termination of this Agreement by the Owner or Agent in accordance with the provisions of Section 6.8, Termination.

**ARTICLE 3
MANAGEMENT AUTHORITY**

3.1 Description of Property to be Managed. The property to be managed by the Managing Agent under this Agreement (hereinafter referred to as "the Property") is a housing development financed in part by (a) Mortgage and subordinate financing provided by Citibank NA; (b) Low Income Housing Tax Credits; and (c) Cambridge Housing Authority. The Property is described as follows:

NAME: Putnam Gardens
LOCATION: 64 Magee Street
NO. OF DWELLING UNITS: 122 units

Exhibit A sets forth a description of the Property as well as descriptions of the various funding sources and affordability restrictions on the Property.

3.2 Requirements of the Property. The Property has been developed using Low Income Housing Tax Credits. The Owner has entered, or will enter into a Tax Credit Regulatory Agreement with the Department of Housing and Community Development (and an Affordable Housing and Tax Regulatory Agreement with the Massachusetts Development Finance Agency. The Property is subject to certain additional operational requirements and

restrictions contained in the loan documents of the Lenders, the Tax Credit Regulatory Agreement, and the other documents listed on Exhibit B, all of which are collectively referred to herein as the “Project Documents”. The Owner will furnish the Managing Agent with copies of the Project Documents.

- 3.3 Management Plan. Attached hereto as Attachment C and incorporated herein is a copy of the Management Plan for the Property, which provides a comprehensive and detailed description of the policies and procedures to be followed by the Owner and the Managing Agent in the operation, management and maintenance of the Property. This Management Agreement generally defines the nature of the Managing Agent’s duties, responsibilities and obligations, with the intention that reference be made to the Management Plan for more detailed policies and procedures. Accordingly, the Owner and the Managing Agent shall comply with all applicable provisions of the Management Plan, regardless of whether specific reference is made thereto in any particular provision of this Agreement. The Owner reserves the right to make changes to the Management Plan in order to comply with applicable laws and other requirements, and the Managing Agent hereby consents to such changes. The Owner will promptly provide the Managing Agent with written notice of any such changes. Further, the Owner and Managing Agent shall, from time to time, make such changes to the Management Plan as are necessary to ensure the safe and successful operation of the Property. This Agreement shall govern any conflict between this Agreement and the Management Plan.
- 3.4 Agent Acknowledgement. The Managing Agent acknowledges that it has reviewed the Project Documents and the initial operating budget for the Property attached hereto as Exhibit D and hereby advises the Owner that, based on its experience, the initial operating budget is adequate to meet the operational needs of the Property and to meet the requirements set forth in the Project Documents, provided that the Property is rehabilitated as currently proposed. In addition, the Managing Agent also advises the Owner that, in the Managing Agent’s professional opinion, the Property can be managed as to comply with the requirements of the Project Documents, and Section 42 of the Internal Revenue Code of 1986, as amended, governing the Low Income Tax Credit (the “Tax Credit”).
- 3.5 Regulatory Agreements. The Property has been acquired utilizing funds from various sources including but not limited to: private financing; Low Income Housing Tax Credits, tax exempt bonds issued by MassDevelopment, and the Cambridge Housing Authority. Therefore, the units are subject to the specific grant agreements as well as applicable state and federal rules and regulations relative to those programs as well as the terms and conditions outlined in the relevant documents associated with those funding sources. All one hundred twenty-two (122) units in the Property are being subsidized by the U.S. Department of Housing and Urban Development through the Cambridge Housing Authority, pursuant to a Housing Assistance Payment Contract, are subject to applicable federal rules and regulations governing those programs as amended in the applicable statutes and (1) any regulations issued by HUD for the RAD program, as they become effective, (2) all current requirements in HUD handbooks and guides, notes (including but not limited to, Notice PIH 2012-32 Rev-1 as it may be amended from time to time), and all future updates, changes and amendments thereto, as they become effective, and (3) the

RAD Use Agreement to be entered into by the Company, Cambridge Housing Authority, and HUD and the Housing Assistance Payment Contract – Rental Assistance Demonstration (RAD) for the Conversion of Public Housing to Project Based Section 8 by and between the Company and the Cambridge Housing Authority, as amended, all as may be affected by any waivers of such requirements by HUD.

The following chart illustrates the operating subsidy and anticipated income requirements for Putnam Gardens units:

Units by Funding Source and Income Targets	RAD PBV Subsidy
LIHTC, <30% AMI	12
LIHTC, <60% AMI	104
Non-LIHTC, <80%	6
	122

- 3.6 Compliance with Laws. In performing its duties under this Agreement, the Managing Agent will comply with all pertinent local, state and federal laws, codes, ordinances, regulations, and directives, including but not limited to: Section 42 of the Internal Revenue Code of 1986, as amended; the United States Housing Act of 1937 and the Consolidate and Further Continuing Appropriations Act of 2012 (Public Law 112-55) which authorized the Rental Assistance Demonstration (RAD) program, both, as amended and affected by the Cambridge Housing Authority’s Moving to Work Agreement; the Fair Housing Act, 42 U.S.C. 3601-19; Title VI of the Civil Rights Acts of 1964 (Public Law 88-352, 78 Stat. 241); the Age Discrimination Act of 1975, U.S.C. 6101-07; Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act, 42 U.S.C. 12181-89; all requirements imposed by or pursuant to the applicable Regulations of HUD issued pursuant to those laws; regulations issued pursuant to Executive Order 11063; and Title VIII of the 1968 Civil Rights Act.
- 3.7 Basic Information. Upon the execution hereof, the Owner shall furnish the Managing Agent with all the information in the Owner’s possession with respect to the maintenance and operation of the Property, including plans and specifications; operating manuals and similar materials as available. With the aid of this information and thorough inspection by competent personnel, the Managing Agent shall thoroughly familiarize itself with the character, location, construction, layout, plan and operation of the Property, and especially of the electrical, heating and ventilation and plumbing systems and other mechanical equipment.

**ARTICLE IV
SERVICES OF THE MANAGING AGENT**

- 4.1 Marketing. The Managing Agent will make preparation for and implement marketing activities outlined in the Management Plan in accordance with the needs of the Property. All marketing activities will comply with federal, state, and local requirements including Section 42 of the Internal Revenue Code, and the Cambridge Housing Authority’s

Administrative Plan for Rental Assistance Demonstration (RAD) Developments which is Part II of the Administrative Plan for the Federal Housing Choice Voucher Program.

4.2 **Rentals.** The Managing Agent will offer for rent and will rent the dwelling units located as described in Section 3.1. Incident thereto, the following provisions will apply:

- a. The Managing Agent will provide on-site management services as required by the Management Plan, and as necessary to effectively and economically operate the Property.
- b. During the construction and rehabilitation of the Property, the Managing Agent will relocate the existing tenants of the Project within the dwelling units when available in compliance with applicable statutes and regulations.
- c. The Managing Agent will make all necessary preparation to the dwelling units as described in the Management Plan. The Managing Agent will show dwelling units to prospective tenants. The Managing Agent will lease dwelling units in the Property as to assure full occupancy to the extent feasible.
- d. The Managing Agent will follow the approved Administrative Plan for Rental Assistance Demonstration (RAD) Developments which is Part II of the Administrative Plan for the Federal Housing Choice Voucher Program for Cambridge Housing Authority. A copy of said Administrative Plan is attached as Exhibit E.
- e. The Managing Agent will take and process applications for rentals during normal business hours and at other times as may be warranted, and in accordance with the Management Plan and the aforementioned Administrative Plan for Rental Assistance (RAD) Developments for Cambridge Housing Authority. The Owner agrees to accept for placement any applicant that is deemed eligible for placement in accordance with the terms of the aforementioned Administrative Plan for RAD Developments and Section 42 for LIHTC units as applicable.
- f. The Managing Agent will prepare all dwelling leases and will execute same in its name, identifying itself thereon as Managing Agent for the Owner. Dwelling leases will be in a form approved by the Owner, but individual leases need not be submitted for approval to the Owner, provided that in no event will rents and other charges exceed those permitted by the Project Documents and Regulations.
- g. The Managing Agent shall determine the maximum rent that may be charged for each unit in accordance with the Project Documents, and shall not charge or collect any rent exceeding the maximum rent established by the Project Documents for any unit.

- h. The Managing Agent will counsel all prospective applicants and residents regarding eligibility for initial and continued occupancy in accordance with the Project Documents and all applicable laws, rules and regulations.
- i. The Managing Agent will make determinations regarding appropriate reasonable accommodations that are necessary to afford persons with disabilities or handicaps an equal opportunity to use and enjoy dwelling units.
- j. The Managing Agent will conduct a joint inspection of each dwelling unit along with the new resident prior to move-in. The Managing Agent and the resident upon occupancy will sign an inspection report form which will document the unit's conditions. Prior to a planned move-out, the Managing Agent will conduct a joint inspection with the resident, and identify any required repairs exceeding normal wear and tear. The Managing Agent will also conduct annual inspections of each dwelling unit in order to ascertain the adequacy of care of the unit by the residents and any necessary repairs. The Managing Agent will conduct additional inspections as situations may warrant.
- k. The Managing Agent will conduct an orientation session with each new resident, including providing the resident with information regarding his/her responsibilities including but not limited to the lease, rules and regulations, unit care, and management and maintenance contacts.
- l. The Managing Agent will perform other acts and deeds as requested by the Owner as are reasonable, necessary and proper in the discharge of the Agent's rental duties under this Agreement.

4.3 Collection of Rents and Other Receipts.

- a. The Managing Agent shall collect when due all rent, charges and other amounts receivable on the Owner's account in connection with the management and operation of the Property. Such receipts (except for residents' security deposits, which shall be handled in the manner specified in the Management Plan and Section 5.2 of this Agreement) shall be deposited in an account (the "Putnam Gardens Rental Account") separate from all other accounts and funds, with a bank whose deposits are insured by an agency of the United States Government. Except for amounts due to the Managing Agent pursuant to the provisions hereof, the Managing Agent shall have no property interest in the Putnam Gardens Rental Account. The Putnam Gardens Rental Account shall, at all times during the term hereof, be under the control of, and in the name of, the Owner.
- b. The Managing Agent will collect and deposit security deposits in accordance with the terms of each tenant's lease and as specified in Section 5.3 of this Agreement.

4.4 Enforcement of Leases.

- a. The Managing Agent is responsible for the enforcement of all lease provisions, and will secure full compliance of each tenant with the terms of his or her lease. Voluntary compliance will be emphasized by the Managing Agent to the end that involuntary termination of tenancies may be avoided to the maximum extent consistent with sound management of the property. Nevertheless, the Managing Agent will lawfully terminate any tenancy when, in the Managing Agent's judgment, sufficient cause (including, but not limited to nonpayment of rent) for such termination occurs under the terms of the tenant's lease.
- b. The Managing Agent is authorized to consult with legal counsel of its choice to bring actions for evictions, and to execute notices to vacate and judicial pleadings incident to such actions. Reasonable attorney's fee and other necessary costs such as court fees, constable fees and other necessary costs incurred in connection with such actions will be billed as property expenses. Notwithstanding anything herein to the contrary, the Managing Agent shall have the power to terminate and accept termination of tenancies, settle, compromise, and release claims against tenants, reinstate leases, give consents provided for in leases, and take all required action to evict tenants when necessary, subject to Owner approval.

4.5 Maintenance and Repair. The Managing Agent will maintain and repair the Property in a efficient manner and in accordance with applicable local, state and federal laws, ordinances, and codes, and in a condition at all times acceptable to the Owner, including but not limited to cleaning, painting, plumbing, carpentry, and such other maintenance and repair work as may be necessary. Incident thereto, the following provisions will apply:

- a. The Managing Agent will provide all routine care and preventive maintenance to the Property.
- b. The Managing Agent will contract with qualified independent contractors for repairs beyond the capability of regular maintenance employees of the Managing Agent, subject to the Owner's prior approval and in accordance with the Management Plan. Unless specifically identified in the annual operating budget, the Managing Agent shall not enter into any contract that requires payments in excess of \$5,000 without prior written consent of the Owner. Further, any contract with an entity that has an identity of interest with the Managing Agent must be approved by the Owner in writing prior to execution. All such identity of interest contracts must contain a clause allowing cancelation by the Owner upon 30 days notice.
- c. The Managing Agent will systematically and promptly receive and investigate all service requests from residents, take such action thereon as needed, and will keep and distribute records of the same as follows:

1. Emergency requests will be received and serviced on a twenty-four (24) hour basis. All emergency repairs will be corrected or abated within 24 hours. Complaints of a serious nature shall be reported to the Owner after investigation, together with a recommendation as to the disposition thereof.
 2. Routine repairs will be completed with reasonable promptness. The Managing Agent shall notify the Owner as to the cause of the delay and the estimated completion date for any repair which exceed twenty-one (21) working days, excluding extenuating circumstances.
 3. The Managing Agent will maintain a work order log that will contain, at a minimum, the date and time the work order was received, the nature of the repair, and the completion date. The work order log will be available for inspection by the Owner upon request.
- d. The Managing Agent is authorized to purchase all materials, equipment, tools, appliances, supplies, and services necessary to proper maintenance and repair subject to the limits set forth in the budget approved by the Owner.
 - e. Notwithstanding any of the foregoing provisions, the prior approval of the Owner will be required for any expenditure which exceeds \$5,000 in any one instance, for labor, materials, or otherwise in connection with the maintenance and repair of the property; except for recurring expenses within the limits of the operating budget or for emergency repairs involving manifest danger to persons or property or required to avoid suspension of any necessary service to the property. In the latter event, the Managing Agent will inform the Owner of the facts as promptly as possible.
 - f. The Managing Agent will take such action as may be necessary to comply promptly with any and all orders or requirements affecting the property, placed thereon by any federal, state, county, or municipal authority having jurisdiction thereover, as well as authorities of the Board of Fire Underwriters or other similar bodies; the Managing Agent is nonetheless subject to the same limitation contained in Paragraph (e) of this section in connection with the making of repairs and alterations. The Managing Agent shall not take any action under this Paragraph (f) so long as the Owner is contesting, or has affirmed its intention to contest, any such order or requirement.
 - g. The Managing Agent will perform other acts and deeds as requested by the Owner as are reasonable, necessary and proper in the maintenance and repair of the Property.
- 4.6 Utilities and Services: The Managing Agent will make arrangements for water, sewage, trash disposal, snow removal, and pest extermination as necessary. Managing Agent will make such contracts as may be necessary to secure these services. Cost shall be

reimbursable by the Owner in accordance with Section 5.2, and any specific expenses or cost incurred by the Managing Agent in procuring utilities through a bundling of properties and/or through market procurement shall be reimbursed by the Owner in accordance with Section 5.1.

- 4.7 **Employees.** The Management Plan prescribes the duties of the personnel to be regularly employed in the administration, supervision, and management of the Property. All such personnel shall be employees of the Managing Agent and not the Owner and shall be hired, paid, supervised, and discharged by the Managing Agent. The Managing Agent shall adhere to personnel policies and practices common to the housing management profession. The Managing Agent will hire only individuals who are competent by experience and training to perform tasks required of it by this Agreement.
- 4.8 **Operating and Capital Budgets.** Annual operating and capital budgets for the property will exist, as approved by the Owner. Annual disbursements for each type of operating and capital expense itemized in the budgets will not exceed the annual amount authorized by the approved budget. In addition, the Managing Agent will prepare a recommended operating and capital budgets for each subsequent fiscal year and will submit the same to the Owner at least sixty (60) days before the beginning of each new fiscal year, which for purposes of this Agreement shall be January 1st. The Owner will promptly inform the Managing Agent of changes, if any, incorporated in the annual budgets, and the Managing Agent will keep the Owner informed of any anticipated deviation from the receipts or disbursements stated in the approved budgets.
- 4.9 **Records and Reports.** In addition to any other requirements specified in this Agreement or the Management Plan, the Managing Agent will have the following responsibilities with respect to records and reports:
- a. The Managing Agent will establish and maintain a comprehensive system of records, books and accounts as required under generally accepted accounting standards and other regulatory requirements. All records, books, and accounts will be subject to examination at reasonable hours by authorized representatives of the Owner.
 - b. The Managing Agent will establish tenant files containing copies of Leases, standard property management correspondence such as regular tenant correspondence, lease violation documentation, etc., certification forms, notices, and other documentation required by Owner as necessary to conform to the requirements of its Regulatory Agreements as identified in Section 3.5.
 - c. **Monthly Reports.** By the twentieth of each month, the Managing Agent will prepare a monthly report in form satisfactory to the Owner and consistent with the Managing Agent's duties hereunder, containing and including (i) an unaudited rent roll for the Property showing rent collections, vacancies, physical occupancy and qualified Tax Credit occupancy; (ii) receipts and disbursements during the previous month; (iii) schedule of accounts receivable and payable; and (iv) reconciled bank statements for

the Rental Development Account and Security Deposit Account as of the end of the previous month.

- d. Annual Reports. No later than sixty (60) days after the end of the fiscal year, the Managing Agent shall furnish to the Owner a draft of the federal tax information and a complete annual financial report for the Project based upon an examination of the books and records of the Owner and including (i) a report containing audited financial statements for the prior fiscal year, including a profit and loss statement, a balance sheet, a statement of member's equity, and a cash flow statement and commencing with the first full year of stabilized operations, a certification that the initial and ongoing leasing and verifications of tenant eligibility are in compliance with the applicable provisions of the IRS Code and Regulations; (ii) an unaudited comparison of the actual results of the operations of the Property during the prior fiscal year with operating budget for such year; (iii) a report of the occupancy level of the Property; (iv) a statement indicating if there are any operating deficits or anticipated operating deficits, and if so, the manner in which it is anticipated such deficits will be funded; (v) a narrative explaining significant deviations in the operations of the Property from projected operations and outlining and explaining any material or significant occurrences affecting the Property or the Owner; (vi) a report on the use of MBEs and minority workers in the development of the Project and a report on the use of MBEs and the payment of minority worker salaries, wages and benefits in the operation of the Property; and (vii) any other information regarding the Property and its operations during the prior fiscal year reasonably requested by the Owner.
- e. Final Annual. After approval by the Owner, the final completed reports shall be prepared and certified by the Owner's certified public accountant in accordance with the requirements of the Owner and any directives of the Lenders and in conformity with generally accepted accounting principles applied on a consistent basis. The final reports are due March 15th.
- f. Tax Information. The Agent shall, not later than March 1st of every year, cause to be provided to the Owner all necessary tax information required for filing the annual tax return of the Owner. The Owner will respond with comments on such drafts within seven (7) days after receipt. The Agent shall, not later than March 15th of every year, cause to be provided to the Owner the final annual tax information.

4.10 Bids, Discounts, Rebates. The Managing Agent will obtain contracts, materials, supplies, utilities, and services on the most advantageous terms to the Property. The Managing Agent shall solicit bids in writing for all contractor services, materials, utilities, or supplies with a cost greater than \$5,000 for those items that can be obtained from more than one source. The Managing Agent will secure and credit to the Owner, and not receive or retain for itself, all discounts, rebates, or commissions obtainable with respect to purchases, service contracts, and all other transactions regarding the property. The Managing Agent may contract with affiliates of the Managing Agent for the provisions of goods and services to the Property, provided that the terms of any such contract are

competitive with those obtainable from non-affiliated parties and are otherwise in compliance herewith.

- 4.11 Compliance with Governmental Orders. The Managing Agent will take such action as may be necessary to comply promptly with any and all governmental orders or other requirements affecting the property, whether imposed by federal, state, county, or municipal authority, subject, however, to the limitation stated in Section 4.5.e with respect to repairs. The Managing Agent shall, however, take no such action so long as the Owner is contesting, or has affirmed its intention to contest, any such order or requirement. The Managing Agent will notify the Owner, in writing, of all notices of such governmental orders or other requirements within seventy-two (72) hours of the time of their receipt.
- 4.12 Compliance with Regulations, Contracts and Agreements. Unless otherwise specifically directed by the Owner, the Managing Agent will be responsible for full compliance with the Regulations, and with all contracts and agreements relating to the Property, including without limitation, all Property Documents and leases affecting the Property; provided, however, that such compliance will be an expense of the Property and the Managing Agent will not be required to make any payments from its own funds or incur any individual liability. The Managing Agent shall not knowingly permit the Property, or any portion thereof, to be used for any purpose that might void any policy of insurance relating to the Property or that might render any loss thereunder uncollectible.
- 4.13 Non-Discrimination. In the performance of its obligations under this Agreement, the Managing Agent will comply with the provisions of any federal, state, or local law prohibiting discrimination in housing on the grounds of race, color, creed, sexual orientation, marital status, familial status, handicap, or national origin, including, without limitation: the Fair Housing Act, 42 U.S.C. 3601-19; Title VI of the Civil Rights Acts of 1964 (Public Law 88-352, 78 Stat. 241); the Age Discrimination Act of 1975, U.S.C. 6101-07; Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act, 42 U.S.C. 12181-89; all requirements imposed by or pursuant to the Regulations of HUD (24 CFR) issued pursuant to those laws; regulations issued pursuant to Executive Order 11063; and Title VIII of the 1968 Civil Rights Act.
- 4.14 Drug-Free Workplace. Neither the Managing Agent nor any employee of the Managing Agent shall at any time fail to comply with the Federal Drug Free Workplace Act of 1988 or any regulations promulgated thereunder, including without limitation the regulations at 24 CFR Part 24 (April 1, 1992).

ARTICLE V COMPENSATION, DEPOSITS, AND DISBURSEMENTS

- 5.1 Compensation. The compensation which the Managing Agent shall be entitled to receive for services performed under this Agreement shall be as follows:

- a. Management fee. The annual management fee which the Agent shall be entitled to receive for management services performed under this Agreement shall be in the amount of six percent (6%) of the Effective Gross Income for the Project. “Effective Gross Income” shall have the meaning ascribed to it in the Owner’s Amended and Restated Operating Agreement dated on or about the date hereof, as may be amended from time to time.
- b. Utility procurement fee. In the event that the Managing Agent procures utilities through a bundling of properties and/or through market procurement, the Managing Agent shall any administrative and procurement related fees, as they are allocated across properties, shall be payable upon receipt of a detailed bill from the Managing Agent..
- c. Extraordinary maintenance administration fee. The Managing Agent shall bill monthly for actual staff and sundry costs associated with supervising and administering any extraordinary maintenance activity completed after the initial development period is completed. In no event shall the Owner be responsible for paying any fee pursuant to this clause unless it first consented to such extraordinary maintenance activity in writing.
- b. Except as otherwise provided in the Agreement, all bookkeeping, clerical, and other management overhead expenses (including, but not limited to, costs of office supplies and equipment, data processing services, postage, transportation for managerial personnel, and telephone services) will be borne by the Managing Agent out of the management fee and will not be billed as a separate expense.

5.2 Deposits to and Disbursement from Rental Development Account.

- a. The Agent shall deposit all rent and other receipts collected in accordance with Section 4.3 (except for residents’ security deposits) in an account separate from all other accounts and funds, with a bank whose deposits are insured by an agency of the United States Government. Such account shall be referred to herein as the Putnam Gardens Rental Account.
- b. From the funds collected and deposited into the Putnam Gardens Rental Account pursuant to Section 4.3 above, the Managing Agent shall make the following disbursements promptly when payable, each in accordance with the Operating Budget:
 1. Compensation payable to the Managing Agent, pursuant to Section 5.1 of this Agreement, for its services hereunder.
 2. Reimbursement to the Managing Agent for compensation payable to the employees specified in Section 4.7 above and for the taxes and assessments payable to local, state and federal governments in connection with the employment of such personnel. Notwithstanding the foregoing, if

such employees aren't devoted to the property full time, compensation pursuant to this section shall only be charged to the Owner on a ratable basis for the time spent at the project. Compensation for the Managing Agent's employees must be approved by the Owner as part of the project's annual budget.

3. All sums due and payable by the Owner as expenses of the Property authorized to be incurred by the Managing Agent under the terms of this Agreement, including but not limited to: necessary repairs and services, materials and supplies, legal services, utilities, insurance, taxes and rent refunds due to residents.
 4. The payments required to be made monthly or periodically by the Owner to the Lenders, including the amounts due to the Lenders for principal amortization, interest, mortgage insurance premiums, ground rents, taxes and assessments, insurance premiums, and the amount required by any Lender for allocation to a replacement or operating reserve.
 5. Unless otherwise required by the Project Documents, the amounts provided in the approved budget to be set aside for any replacement and operating reserves (the "Project Reserves").
- c. Except for the disbursements outlined in clauses (b) 1 through (b) 5 above, funds shall be disbursed or transferred from the Putnam Gardens Rental Account only as the Owner may from time to time direct in writing.
 - d. In the event that the balance in the Putnam Gardens Rental Account is at any time insufficient to pay disbursements due, the Managing Agent will within thirty days inform the Owner of that fact and the Owner shall then either authorize a draw by Agent on the Project Reserve or remit to the Managing Agent sufficient funds to cover the deficiency. In no event shall the Managing Agent be required to use its own funds to pay for such disbursements.

5.3 Deposits to and Disbursement from Security Deposit Account.

- a. All security deposit funds collected in accordance with Section 4.3 b. above by the Managing Agent shall be deposited promptly in a master interest bearing escrow account insured by an agency of the United States of America in accordance with the laws of the Commonwealth of Massachusetts. This account shall be used by the Managing Agent exclusively for security deposits of the Property, shall be referred to herein as the Security Deposit Account and shall be titled: Putnam Gardens, LLC Security Deposit Account.
- b. From funds collected and deposited by the Managing Agent in the Security Deposit Account, pursuant to Section 4.3 b. above, the Managing Agent will disburse to each tenant, on an annual basis, an interest payment equal to the

amount each tenant is entitled to receive pursuant to Massachusetts General Laws Chapter 186, Section 15B.

- c. In accordance with the terms of each lease, upon termination of a lease, the Managing Agent will reimburse the tenant the security deposit plus accrued, but unpaid interest minus any deductions determined by the Managing Agent to be payable for damages caused beyond normal wear and tear and consistent with currently accepted management practices.

5.4 Deposits to and Disbursements from Project Reserve Accounts.

- a. Unless otherwise required by the Project Documents, the Managing Agent will deposit amounts to be set-aside for Project Reserves (disbursed from the Rental Agency Account pursuant to Article 5.2.b.5. above) in interest-bearing accounts in an institution whose deposits are insured by an agency of the United States of America. These accounts shall be used by the Managing Agent exclusively for Project Reserves and shall be referred herein as the Project Reserves Accounts.
- b. Unless the Project Documents require a different disbursement process, the Managing Agent will make disbursements from the Project Reserve Accounts for the purposes permitted by the terms of the Project Documents and only after receiving prior approval of the Owner, unless specified in an approved budget.

**ARTICLE VI
MISCELLANEOUS REQUIREMENTS**

- 6.1 Notices. Any notice, consent, approval or other notice or communication required or permitted under this Agreement shall be in writing and shall be given to the other party either by (i) hand delivery, (ii) first class mail (postage prepaid), (iii) reliable overnight commercial carrier, or (iv) telecopy or other means of electronic transmission if confirmed promptly, at the address set forth below:

Owner: Putnam Gardens Manager LLC
On behalf of Putnam Gardens, LLC
Essex Street Management, Inc.
c/o 362 Green Street
Cambridge, MA 02139
Attn. Clerk

Managing Agent:
Cambridge Housing Authority
362 Green Street
Cambridge, MA 02139
Attn. Director of Operations

With a copy to:

Wells Fargo Affordable Housing Community Development Corporation
301 S. College Street, MAC D1053-170
Charlotte, NC 28288
Attn: Director of Tax Credit Asset Management

and

Steven Weiss, Esq.
Cannon Heyman & Weiss LLP
726 Exchange Street, Suite 516
Buffalo, NY 14210

Notice shall be deemed given on the date received or on which delivery is refused. A party may change its address by giving written notice to the other party as specified herein.

- 6.2 Insurance. The Managing Agent shall continue to maintain the insurance set forth on Attachment F and it shall be kept in effect at all times. The Managing Agent will maintain worker's compensation and similar insurance as required by law. The Managing Agent shall furnish Owner with certificate evidencing insurance coverage, which shall provide that no policy shall be cancelled or altered without 30 days' prior written notice to Owner. Insurance coverage must at all times be acceptable to the Lenders.
- 6.3 Covenant Against Contingent Fees. The Managing Agent warrants it has not employed any person to solicit or secure the Agreement upon any agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the Owner the right to terminate this Agreement or, at its discretion, to deduct from the Managing Agent's fee the amount of such commission, brokerage or contingent fee.
- 6.4 Right to Audit. The Owner reserves the right to conduct or to appoint others to conduct examinations, at the Owner's expense, without notification, of the books and records maintained for the Owner by the Managing Agent and to perform any and all additional audit tests relating to the Managing Agent's activities hereunder.
- 6.5 Confidentiality. All information and data to which the Managing Agent may have access under this Agreement and all information and data that are received by the Managing Agent from the Owner shall be treated in confidence. Such information and data shall be used only for purposes in performing the work and shall not be duplicated, used or disclosed to any third party without the prior written permission of the Owner.
- 6.6 Ownership of Documents. All reports, data or information produced by the Managing Agent in the course of performing this Agreement shall become the property of the Owner upon their approval by the Owner or upon termination of the Managing Agent's services hereunder. The Managing Agent shall deliver to the Owner all such reports, data or information, and the Managing Agent shall have no claim for further employment or

additional compensation as a result of exercise by the Owner of its full rights of ownership of these documents and materials.

6.7 **Indemnification.** The Managing Agent shall not be liable to the Owner for any loss or damage not caused by the Managing Agent's own negligence or failure to comply with its obligations hereunder. The Owner will indemnify the Managing Agent against and hold the Managing Agent harmless from:

- a. Any liability, damages, costs and expenses (including without limitation reasonable attorney's fees) sustained or incurred for injury to any person or property in, about and in connection with the Project, from any cause whatsoever, unless such injury shall be caused by the Managing Agent's own negligence or failure to comply with its obligations hereunder.
- b. Any liability, damages, penalties, costs and expenses, statutory or otherwise, for all acts properly performed by the Managing Agent pursuant to this Agreement and/or instructions of the Owner.

The foregoing indemnity shall be on the condition that the Managing Agent promptly advises the Owner of its receipt of information concerning any such injury and the amount of any such liability, damages, penalties, costs and expenses.

The Managing Agent will indemnify and hold harmless Owner from any loss, cost, liability or expense (including without limitation reasonable attorney's fee) which arises as a result of any negligence or misconduct on the part of the Agent, its agents or employees, or any failure by Agent to comply with its obligations under this Agreement

6.8 **Termination.**

- a. Either party to this Agreement shall have the right to terminate this Agreement on thirty (30) days written notice to the other party upon the occurrence or continuation of any of the following:
 1. A default by either party to meet its obligations, duties or responsibilities hereunder and such default continues for a period of thirty (30) days after written notice thereof from the one part to the other, or
 2. The filing of a petition in bankruptcy by the Owner or the issuance of a decree or order by court having competent jurisdiction adjudging the Owner bankrupt or insolvent, or approving a petition seeking a reorganization, or other relief with respect to such party under any bankruptcy or any other similar applicable law or any jurisdiction, but only if such decree or order shall have continued undischarged or unstayed for a period of sixty (60) days.

- b. Notwithstanding the foregoing, either party may cure a breach of this Agreement within thirty (30) days of receipt of notice of such breach by:
 - 1. Giving notice in writing of its intention to cure such breach within seven (7) days of receipt of any notice to terminate for cause, and
 - 2. Demonstrating to the satisfaction of the terminating party within said thirty (30) days that such breach has been cured.
- c. This contract may also be terminated upon mutual agreement of the parties to do so.
- d. This contract may be terminated by the Owner upon the commission of fraud, violation of law, any action constituting bad faith or breach of fiduciary duty (each, a “Violation”) by the Managing Agent. Notwithstanding the foregoing if a Violation is caused by a single, identifiable employee and such employee is immediately suspended and discharge procedures commenced by the Managing Agent upon written notice from the Owner and any monetary damage suffered by the Owner are paid to Owner by the Managing Agent within five (5) business days of receipt of such written notice (or the necessary claim is filed with the Managing Agent’s insurer within such five-day period and the Managing Agent continues to diligently pursue the processing and payment of such claim), this Agreement shall not terminate.
- e. Upon termination, the Managing Agent will submit to the Owner the following (immediately unless otherwise indicated below):
 - 1. Any financial statements required by this Agreement.
 - 2. All leases, contracts, insurance policies, bonds, books, records, files, plans, equipment and other materials and documents in the Agent’s possession or control and relating to the Project.
 - 3. Project keys, coded entry devices, passwords or codes related to the Project or accounts maintained in its behalf.
 - 4. Reconciliation of all unpaid bills. The Owner shall provide the Managing Agent with payment for all unfunded obligations or liabilities which the Managing Agent properly incurred on behalf of the Owner hereunder, provided, however, that the Managing Agent must provide the Owner with a written summary of all such amounts and supporting invoices within sixty (60) days of termination of this Agreement.

5. The Managing Agent also agrees to cooperate with any successor property manager to ensure a smooth transition of operations upon termination of this Agreement.
- 6.9 Assignment. The Owner may assign this Agreement either directly or on a collateral basis to any entity which purchases or otherwise acquires Owner’s interest in the Project and to any lender providing funding to the Project. The Managing Agent agrees to cooperate in connection with any such assignment, to subordinate this Agreement, if required, to the mortgage lien of any such lender, and to execute and deliver any documents reasonably requested in connection therewith. The Managing Agent will neither subcontract or assign its responsibilities and/or rights under this Agreement without the prior written consent of the Owner and any purported subcontracting or assignment without the Owner’s prior written consent shall have no effect.
- 6.10 Amendment. This Agreement and specified attachments constitutes the entire Agreement between the Managing Agent and Owner and no amendment, alteration, modification, or addition to this Agreement shall be valid or enforceable unless expressed in writing and signed by the party or parties to be bound thereby.
- 6.11 Waivers. The waiver of any of the terms and conditions of this Agreement on any occasion or occasions shall not be deemed as waiver of such terms and conditions on any future occasion.
- 6.12 Severability. In the event that any portion of this Agreement is held to be invalid, illegal or unenforceable for any reason, the remaining portion of this Agreement shall remain in effect.
- 6.13 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the Commonwealth of Massachusetts.

IN WITNESS WHEREOF, the parties have, by their duly authorized officers, executed this Agreement effective on the date first written above.

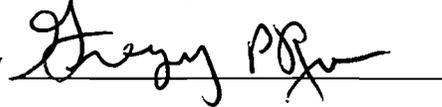
OWNER:

By



MANAGING AGENT:

By



Title Authorized Signatory
Putnam Gardens LLC

By: Putnam Gardens Manager LLC, its Managing Member
By: Essex St Management Inc., its Managing Member

Title Executive Director
Cambridge Housing Authority

ATTACHMENT A

DESCRIPTION OF PROPERTY

A certain parcel of land with the buildings and improvements thereon situated on the Putnam Avenue, Cambridge, Middlesex County, Commonwealth of Massachusetts, and shown on a plan entitled "Property Line Map, Cambridge Housing Authority P.H.A. Aided Low Rent Housing Project, Mass 3-3, Magee St., Putman Ave. & Callender St., Cambridge, Massachusetts" dated January 23, 1952, by Henry F. Bryant & Sons, Inc. (the "Plan") which Plan is recorded with the Middlesex South Registry of Deeds as Plan No. 182 of 1953 at Book 8031, Plan 85, bounded and described as follows:

Beginning at the southeasterly corner of the described premises at the intersection of Putnam Avenue and Callender Street and running N25-46-10E by the easterly side line of said Putnam Avenue a distance of 122.58 feet to an angle; Thence N14-45-00E by said side line a distance of 164.91 feet to a point of curvature; Thence by a curve to the right with a radius of 10.00 feet a distance of 17.84 feet to a point of tangency, said curve connecting the easterly side line of Putnam Avenue with the southerly side line of Magee Street; Thence S63-01-30E by said side line a distance of 419.67 feet to a point of curvature; Thence southeasterly southerly and southwesterly by a curve to the right with a radius of 65.00 feet a distance of 80.02 feet to a point of tangency; Thence S 7-28-30W by the westerly side line of Magee Street a distance of 235.52 feet to Callender Street; Thence N82-44-00W by the northerly side line of said Callender Street a distance of 60.43 feet to an angle; Thence N64-15-01W by the northeasterly side line of Callender Street a distance of 475.09 feet to the point of beginning; and containing 144,758 Square feet of land more or less.

Included within the above described parcel is a lot of registered land bounded and described as follows:

A certain parcel of land situate in Cambridge, in the County of Middlesex and said Commonwealth, bounded and described as follows"

NORTHERLY by Magee Street, thirty-five feet;

EASTERLY by land now or formerly of James J. Sullivan, seventy-five and 75/100 feet;

SOUTHERLY by land now or formerly of Walter H. Murdock, thirty-five feet; and

WESTERLY by land now or formerly of Sarah W. Jaques and Martha E. Whittemore, seventy-five and 70/100 feet.

All of said boundaries are determined by the Court to be located as shown on a plan, as approved by the Court, filed in the Land Registration Office a copy of a portion of which is filed in the Registry of Deeds for the South Registry District of Middlesex County in Registration Book 2, Page 577, with Certificate No. 737.

ATTACHMENT B

PROJECT DOCUMENTS

- Ground Lease
- RAD Use Agreement
- Amended and Restated Operating Agreement of the LLC
- Tax Credit Regulatory Agreement and Declaration of Restrictive Covenants
- Affordable Housing and Tax Regulatory Agreement
- Citibank NA Mortgage Notes and Documents
- Cambridge Housing Authority Mortgage Notes and Documents
 - Cambridge Housing Authority Acquisition Loan
 - Cambridge Housing Authority Program Loan
 - Cambridge Housing Authority Affordable Housing Restriction

ATTACHMENT C
MANAGEMENT PLAN

MANAGEMENT PLAN

FOR

PUTNAM GARDENS



Equal Housing Opportunity

*Putnam Gardens LLC c/o Putnam Gardens Manager LLC
362 Green Street, Cambridge, MA 02139*

Tel (617) 864-3020 Fax (617) 547-9821 TTY (800) 545-1833 Ext. 112

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OVERVIEW

Putnam Gardens LLC owns the three buildings known as the Putnam Gardens property. Putnam Gardens provides 122 units of housing for families assisted with project-based vouchers provided by the U.S. Department of Housing and Urban Development through its Rental Assistance Demonstration (RAD) program. These 3 three-story masonry buildings which were initially occupied in 1953 and last comprehensively modernized in 1993, now requires a another round of comprehensive modernization. The scope of the upcoming modernization which will begin in January 2015 will include improvements interior and exterior improvements, and building system upgrades. New kitchens (cabinets, appliances, and fixtures) and bathrooms (nex fixtures and finishes), new flooring and painting, replacement of baseboard heating, and insulation of exterior walls will be completed. Building system improvements include fire alarm updates, building sprinkler system installation, heat plant replacement, roof and masonry repairs, new trash collection sheds, and improved lighting. The renovated unit mix of Putnam Gardens will remain: 15 one-bedroom units, 66-two-bedroom units, 29 three-bedroom units, and 12 four-bedroom units. Six units are handicapped accessible and three units are sensory-adapted.

Putnam Gardens Manager LLC its capacity as manager of the Putnam Gardens LLC, is responsible for the management and maintenance of the property including rent-up and marketing, daily operation, maintenance and repairs, budgeting, accounting including rent collection, and resident relations. In administering these services, Putnam Gardens LLC will enter into a management agreement with the Cambridge Housing Authority (CHA) to manage and maintain the property.

I. GENERAL INFORMATION

A. Property

Putnam Gardens LLC owns and manages Putnam Gardens which is located at the intersection of Putnam Avenue, and Magee and Callendar Streets in the Riverside

neighborhood of Cambridge. The Management Office is located at 84 Magee Street. Putnam Gardens is a 122-unit family development that will be preserved and comprehensively modernized via this revitalization project. The site includes a community building which houses the management office and provides a community room for the development, three residential buildings containing the 122-units of housing, and four new trash collection sheds

B. Approach to Management

Putnam Gardens Manager LLC, on behalf of Putnam Gardens LLC (hereinafter “Owner”) will be utilizing the services of CHA as a Managing Agent (hereinafter “Managing Agent”) in the management and maintenance of the Putnam Gardens LLC units. The Managing Agent is authorized to make all decisions on behalf of the Owner as required by the Management Agreement and to ensure the effective and economical management of the Putnam Gardens LLC units.

C. Consultations with Owner

The Managing Agent will consult the Owner before taking action under the following conditions:

1. Any single expenditure in excess of Five Thousand Dollars (\$5,000), not already approved during the budget process.
2. Any withdrawals from the Property’s Operating Reserves, not already approved during the budget process.
3. Before making any substantial capital improvements to the property that are not included and/or approved in the budget.

In the event of an emergency situation, where the Owner cannot be contacted, the Managing Agent will be empowered to take whatever action is necessary to mitigate the

problem. The Owner will be immediately notified of the situation and what actions were taken to abate the problem.

D. Compliance with Local, State and Federal Laws and Regulations

In the operation of the Putnam Gardens LLC program, the Owner, the Managing Agent will comply with pertinent local, state and federal laws, codes, ordinances, regulations and directives, including but not limited to: Section 42 of the Internal Revenue Code of 1986, as amended; the United States Housing Act of 1937 and the Consolidate and Further Continuing Appropriations Act of 2012 (Public Law 112-55) which authorized the Rental Assistance Demonstration (RAD) program, both as amended and affected by the Cambridge Housing Authority's Moving to Work Agreement; Fair Housing Act, 42 U.S.C. 3601-19; Title VI of the Civil Rights Acts of 1964 (Public Law 88-352, 78 Stat. 241); the Age Discrimination Act of 1975, U.S.C. 6101-07; Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act, 42 U.S.C. 12181-89; the Cambridge Housing Authority's Moving to Work Agreement; and all requirements imposed by or pursuant to the applicable Federal and State Regulations issued pursuant to those laws; regulations issued pursuant to Executive Order 11063; and Title VIII of the 1968 Civil Rights Act.

E. Governing Documents and Authorities

The units comprising the Putnam Gardens LLC program have been acquired and revitalized utilizing funds from various sources including but not limited to: LIHTC equity from Wells Fargo Affordable Housing Community Development Corporation; a first mortgage from Citibank NA; a subordinate loan from Citibank NA; an acquisition mortgage provided by Cambridge Housing Authority; and a Cambridge Housing Authority program loan. Consequently, the units are subject to applicable state and federal rules and regulations relative to those programs as well as the terms and conditions outlined in the relevant document associated with those funding sources. All 122 units will be receiving on-going federal project-based voucher subsidies and are subject to applicable federal rules and regulations governing those programs as amended in the applicable statutes and (1) any

regulations issued by HUD for the RAD program, as they become effective, (2) all current requirements in HUD handbooks and guides, notes (including but not limited to, Notice PIH 2012-32 Rev-1 as it may be amended from time to time), and all future updates, changes and amendments thereto, as they become effective, and (3) the RAD Use Agreement to be entered into by the Company, Cambridge Housing Authority, and HUD and the Housing Assistance Payment Contract – Rental Assistance Demonstration (RAD) for the Conversion of Public Housing to Project Based Section 8 by and between the Company and the Cambridge Housing Authority, as amended, all as may be affected by any waivers of such requirements by HUD.

The following chart illustrates the operating subsidy and income requirements for all units:

Units by Funding Source and Income Targets	RAD PBV Subsidy
LIHTC , <30% AMI	12
LIHTC, <60% AMI	104
Non-LIHTC, <80% AMI	6
Total	122

F. Key Contact Persons

The following persons are the key contacts for the various entities involved in the ownership and operation of the Putnam Gardens LLC:

Owner: Putnam Gardens LLC
Putnam Gardens Manager LLC, Managing Member
c/o Essex Street Management, Inc.
362 Green Street, Cambridge, MA 02139
Attn. Clerk
Tel: (617) 864-3020

Managing Agent: Director of Operations
Cambridge Housing Authority
362 Green Street, Cambridge, MA 02139
Tel: (617) 864-3020

II. MANAGEMENT OF PROGRAM

A. Personnel

Services provided by Managing Agent shall comply with Management Agreement executed between the Owner, and be performed in accordance with accepted professional techniques, federal, state and local agency guidelines, and all applicable local, state and federal laws and regulations.

a. Staffing Plan

The CHA's Management Department shall be responsible for the overall administration, management and maintenance of the Putnam Gardens property. Daily property management shall consist of a combination of CHA Property Manager, Assistant Manager, and/or Manager's Aide, who shall be responsible for the day-to-day operations, and shall report directly to the CHA Director or Deputy Director of Operations. The Property Management staff will be trained in all aspects of federal, state and local housing programs, including reporting, accounting, budgeting and enforcing all operational policies and procedures for the programs.

Staff at CHA's Central Office will handle other functions, such as processing rent payments and providing accounting services.

b. Personnel Policy

The Managing Agent shall have written personnel policies and practices that conform to non-discriminatory and equal employment opportunity requirements in its hiring and employment practices. Applicants and employees will not be discriminated against because of age, race, color, creed, national origin, ancestry, disability, sexual orientation, marital status or family status. The Managing Agent shall be committed to a policy to assure equal opportunity in employment, and to take

affirmative action to provide employment opportunities for residents, minority, women, and persons with disabilities.

B. Tenant Selection

a. Affirmative Marketing/Outreach

A marketing plan will be implemented as warranted as needed, and in accordance with the CHA Administrative Plan for Rental Assistance Demonstration (RAD) Developments which is Part II of the Administrative Plan for the Federal Housing Choice Voucher Program, and all applicable laws, regulations and requirements.

b. Resident Selection Plan

Resident selection at Putnam Gardens will comply with the CHA Administrative Plan for Rental Assistance Demonstration (RAD) Developments which is Part II of the Administrative Plan for the Federal Housing Choice Voucher Program, subject to any adjustments required to comply with Section II (B) (c) below and as it may be amended from time to time. The Owner agrees to accept for placement any applicant that is deemed eligible for placement in accordance with the terms of the above-referenced Administrative Plan for RAD Developments

c. Income Eligibility Requirements

No household will be admitted to a unit at Putnam Gardens whose income and assets exceeds applicable limits as specified by the requirements of Section 42 of the Internal Revenue Code, or the Section 8 program, whichever is applicable.

C. Leasing and Lease Enforcement

a. Lease

A lease will be executed between the Owner and each resident household upon occupancy, and a copy of the executed lease/agreement will be kept in the resident folder. The term of the lease/agreement will be for one year which will automatically self renew from year to year unless otherwise terminated in accordance with its terms and conditions. The lease/agreement is to be kept current at all times, reflect the rent being charged and state the conditions of occupancy.

b. Security Deposits

Every new resident will be required to pay a security deposit prior to occupancy in an amount as established by CHA's Security Deposit Policy. Security Deposits will be held by the Managing Agent in a special bank account and will be returned to the resident within 30 days of the termination of his/her tenancy if the apartment is left in a satisfactory condition and full notice was given for termination by the resident plus any accrued interest. The administration of security deposits will be in accordance with CHA's Security Deposit Policy as it may be amended from time to time.

c. Resident Orientation

All new residents will be required to participate in a resident orientation program to familiarize themselves with the policies and procedures of the building within seven days of lease execution. This orientation program will be performed by the Managing Agent or its designee, and will cover the lease; rules and regulations; maintenance/repairs policy; rent collection; housekeeping; and operation of equipment within the apartment.

d. Emergency Procedures

The Managing Agent shall instruct all residents on the proper procedures to follow in the event of a general maintenance, fire or medical emergency.

e. Lease Enforcement

The Managing Agent is responsible for ensuring the full compliance of the terms of the lease by all residents. All provisions of the lease will be thoroughly explained to the resident by the Managing Agent prior to the time leases are signed. The Managing Agent will emphasize voluntary lease compliance.

The Managing Agent will initiate a lawful termination of a tenancy where there is sufficient cause (including, but not limited to, non payment of rent) that a resident has violated a term of his/her lease. The Managing Agent will provide written notice of lease termination in accordance with the provisions of the lease and with any applicable requirements of local law.

f. Termination of Lease

A resident must give 30 days prior written notice of intent to terminate the lease. The Managing Agent may terminate the lease when a resident violates the terms of its lease.

g. Eviction

The Managing Agent shall consult with legal counsel of its choice to bring actions for evictions in the name of the Owner, and to execute notices to vacate and judicial pleadings required by such actions.

h. Unit Inspections

Move-In Inspection: The Managing Agent will conduct a move-in inspection with a new resident prior to the resident signing the lease. The overall condition of the unit and provided equipment shall be adequately documented in an inspection report form, and the inspection report form signed both by the Managing Agent and the resident.

Annual Inspections: The Managing Agent will annually inspect each unit approximately 2 months prior to the lease anniversary date to check on housekeeping, maintenance, and other lease compliance issues.

Move-Out Inspection: When a termination notice is received, the Managing Agent shall conduct a unit inspection with the outgoing resident prior to keys being handed in. The resident shall be notified and charged for any resident caused damages beyond normal wear and tear in accordance with the security deposit law.

Additional Inspections: The Owner or the Managing Agent at its sole discretion may randomly and periodically inspect units when it believes there are reasonable grounds for an inspection, and with proper notice to the resident.

Recordkeeping Requirements: Managing Agent shall keep copies of all unit inspections in both resident and unit files.

i. Parking

Putnam Gardens will have 44 parking spaces for 122 units. There is no fee charged to residents to park on site, and reserved parking spaces are not available. The Manager will follow CHA parking policy. The site will have van

accessible/ADA parking spaces available. Bicycle parking will be provided at the site, with racks located in various locations.

j. Laundry

There is not a common laundry facility at this site. Laundry hook-ups will be provided in every unit, and every unit will be provided with a new energy efficient washer. In the instance, the hook-ups will only allow for a stackable washer and dryer, the unit will be provided with a stackable unit.

k. Pet Policy

Pets will be permitted at Putnam Gardens in accordance with the CHA Pet Policy, as it may be amended from time to time.

D. Rent Collection Policies and Procedures

a. Rent Calculation Methodology

Rent. All new residents will pay rent calculated by the Managing Agent based upon their income in accordance with the CHA's Administrative Plan for RAD developments using the method and income limits established by CHA's MTW Program, and/or IRS Section 42. The Managing Agent will verify income and calculate rent in accordance with CHA's standard practices and procedures.

b. Payment of Rent and Other Charges

Rents. Rents are due and payable on or before the first day of each month. Each month, the Managing Agent will review rent collection activity and issue a notice to terminate tenancy (i.e. fourteen day notices) and a notice to legal to initiate eviction

proceedings as applicable to residents who have not paid their rent and/or fixed monthly service fee.

Maintenance Charges. The Managing Agent shall notify in writing residents when charges for maintenance repair and other services are assessed. These charges shall become due and payable 30 calendar days after the Managing Agent has notified the resident.

Location to Send Payments. All payments must be made by check or money order to Putnam Gardens LLC, and mailed to the Owner at an address established by the Managing Agent prior to their due dates.

c. Rent and Other Charge Arrears

The Managing Agent shall prepare a notice to terminate tenancy (i.e. fourteen day notices) for delivery by a constable to residents who have not paid their rent by the 14th day of the month. If a resident remains in arrears after that period, the Managing Agent will complete a supplemental form and submit it to its legal counsel so it may bring legal action for eviction in accordance with the terms of lease. The Managing Agent will make every effort to secure voluntary compliance by each resident with the terms of his or her lease.

d. Redetermination Of Rent And Family Composition Changes

The income, allowances, and family composition of each household will be redetermined in accordance with the CHA's MTW Rent Simplification Program and the requirements of Section 42 of the Internal Revenue Code. The CHA, in its roles as managing agent, will perform the recertification in accordance with CHA's standard practices and procedures which include third party verifications to verify income, allowances, and expenses.

Increases in rent shall be effective on the scheduled recertification date, with 30 days advance notice, provided the resident has complied with all reporting requirements. Decreases in rent shall take effect on the first day of the month after the month in which the change was reported and verified.

A resident is required to report changes in household composition and income in accordance with CHA's current recertification policy.

Changes to household composition will not be permitted unless a new household member meets the income and resident screening eligibility criteria specified in the CHA Administrative Plan for Rental Assistance Demonstration (RAD) Developments which is Part II of the Administrative Plan for the Federal Housing Choice Voucher Program, and whose addition conforms to the occupancy standards established for the building.

If a family member has vacated the household, documentation must be provided to prove this.

e. Change in Resident's Income Eligibility Status

A resident who at the inception of his/her tenancy is qualified for a low-income housing tax credit unit at Putnam Gardens but who no longer qualifies due to income may remain as agreed by the Owner and in accordance with the requirements of the Internal Revenue Service and in compliance with the property's Affordable Housing Agreements and/or Restrictions

f. Utilities

The Owner provides heat and hot water. Residents are responsible for payment of electricity usage in their apartment including electric cook stoves.

The Managing Agent shall serve as the central management agent for all energy management and conservation tasks for all public housing developments converting under the RAD program. These tasks include energy management services including energy procurement, the sale of energy related attributes, energy reporting, and conservation planning. The Managing Agent, to save operational costs to a property, may procure utilities through a bundling of properties and/or through market procurement.

E. Maintenance and Repair

The Managing Agent shall be responsible for maintenance and repair that include, but are not limited to, general maintenance, trash collection, snow removal, landscaping, procuring and administering ongoing maintenance contracts, extraordinary maintenance, emergency repairs, regular cleaning of common areas and hallways, pest extermination, and other maintenance and repair work as may be necessary to keep the units/buildings in decent, safe and sanitary condition and in a condition at all times acceptable to the Owner. The Managing Agent shall employ maintenance personnel who are knowledgeable about the mechanical and maintenance aspects of property management.

a. Warranty and Preventive Maintenance Procedures

Warranty. The Managing Agent will maintain and exercise all warranties (when warranted) for all equipment, appliances, building components, etc. in existence at the property.

Preventive Maintenance. The Managing Agent will develop a budget and schedule of preventive maintenance activities for mechanical equipment, appliance and general maintenance in accordance with operating procedures and industry standards. A copy of the preventive maintenance schedule shall be provided to the Owner on an annual basis.

The Managing Agent will test and inspect the mechanical equipment and appliances in accordance with preventive maintenance schedule. Improperly installed or inoperative equipment and appliances will be identified and fixed.

b. Maintenance by Outside Contractors

The Managing Agent shall contract with qualified independent contractors for repair beyond the capability of its regular maintenance employees. In all instances, the Agent shall inspect and approve completed work prior to payment.

c. Emergency Maintenance Repairs

The Managing Agent shall receive and service all emergency maintenance repair calls on a twenty-four hour basis. An emergency is defined as a problem that could pose an immediate and serious threat to health or safety of the resident, or to the building. All emergency repairs will be repaired or abated within 24 hours during the workweek and 36 hours during the weekend.

d. Routine and Minor Repairs

The Managing Agent will perform routine and/or minor repairs. Electrical, plumbing and heating repairs, etc., which require the services of a licensed technician, will be made by skilled staff and/or service companies. In all instances, the Managing Agent shall supervise and inspect completed work performed by a licensed technician/service company, prior to any payment for services.

The Managing Agent will ensure that routine and/or minor repairs are completed with reasonable promptness, which typically will not exceed twenty-one days.

e. Major Repairs

The Managing Agent will review unbudgeted major repairs (i.e. extraordinary maintenance) in excess of \$5,000 with the Owner before any work proceeds, emergencies excluded. The Managing Agent shall not make changes, additions, or improvements to the units without the Owner's prior approval.

f. Trash Disposal

Until completion of the new trash collection sheds, residents will dispose of garbage and deposit trash in the trash chute provided on every floor. After completion of the new trash collection sheds, trash will be collected in those locations. Refuse will be removed from the site by the City of Cambridge.

g. Energy Conservation

The conservation of energy is an ongoing concern. Therefore, the Managing Agent shall utilize as appropriate a preventive maintenance program to keep operations at peak efficiency. The Managing Agent shall instruct residents on the proper use of all appliances and heating and air conditioning to ensure maximum comfort and efficiency.

The Managing Agent shall closely monitor energy consumption and compare it to existing records to determine if excessive energy is being used, and if so, what can be done to remedy the situation.

h. Resident Charges

The Managing Agent shall charge and bill a resident for any misuse or damage to the unit or building caused by the resident or his/her guest. The Managing Agent shall develop an itemized listing of additional resident charges, including charges for lockouts, and provided said listing to residents and Owner on an annual basis.

i. Vacancy Preparation

Prior to a move-out, the Managing Agent will inspect the apartment and identify the cleaning, repairs and painting to be performed prior to reoccupancy. All resident-caused damages will be noted and reported to the Managing Agent for possible charges to the former resident. The Managing Agent will perform the identified work immediately after the unit is vacated so the unit can be readied for reoccupancy to occur within ten (10) business days and vacancy loss can be minimized.

j. Maintenance Records

Repair and maintenance requests will be recorded in a log kept by the Managing Agent with the date of the request, name and apartment number of resident, description of work, date work is scheduled, date of work completion, and cost of labor and materials, as warranted either. Repair and maintenance request will be handled promptly during normal working hours; emergencies will be covered on a twenty-four (24) hour basis.

k. Authorization for Repairs

The Managing Agent is authorized to make purchases or to order repairs up to the amount of \$5,000 (emergencies excepted) unless such items have previously been scheduled as part of the preventive maintenance program or included in the approved budget. Any emergency repairs or repairs as part of the preventive maintenance program will be reported to the Owner as soon as possible thereafter.

l. Procurement Requirements

The Managing Agent, in conformance with the CHA's Procurement Policy as it may be amended from time to time, shall obtain contracts, materials, supplies, utilities, and services for Putnam Gardens LLC units in accordance with all applicable provisions of M.G.L. Chapter 30B; M.G.L. Chapter 30, Section 39M; and M.G.L. Chapter 149 Sections 44 A-J, and the authority granted under the CHA Moving to Work Agreement ("MTW Agreement") with the U.S. Department of Housing and Urban Development, so long as such Agreement is in effect.

F. Resident Relations

a. Tenant Concerns

Residents are encouraged to report any problems, issues or concerns to the Property Manager directly.

b. Resident Orientation

The Managing Agent will provide a detailed orientation to each resident upon move-in. The orientation shall cover the lease, rules and regulations, maintenance/repairs policy, rent collection, housekeeping, and operation of equipment within the apartment.

c. Resident Relocation

In implementing the Putnam Gardens Revitalization, the Managing Agent will follow federal, state, and local laws applicable to any resultant resident relocation, and shall conform to the written relocation plan negotiated and executed.

G. Accounting Policies and Procedures

a. Operating and Capital Budgets

The Owner will approve the Putnam Gardens LLC annual operating and capital budgets. The Managing Agent will prepare and submit draft operating and capital budgets for every fiscal year (which shall operate from January 1 through December 31), and will submit it to the Owner at least sixty (60) days before the beginning of each new fiscal year. The Owner will review and approve the operating and capital budgets, and provide final operating and capital budgets to the Managing Agent on a timely basis. Annual disbursements for each type of operating and capital expense outlined in the budgets shall not exceed the amount authorized therein.

b. Project Account

The Managing Agent will maintain a separate bank account in its name and designated as the “Putnam Gardens LLC Operating Account”. All receipts of the Owner or on behalf of the Owner arising from the operation of the Putnam Gardens LLC shall be deposited by the Managing Agent into the account. The Managing Agent shall have no property interest in the Operating Account. The Project Account shall, at all times, be under the control of the Owner.

All disbursements from the Operating Account shall be governed by the terms of the Management Agreements between the Owner and the Managing Agent and shall not exceed the annual amount authorized by the approved Operating Budget, unless otherwise approved by the Owner. The Managing Agent shall utilize funds from the Operating Account to pay utilities, management and maintenance fees, insurance, mortgage payments, and taxes.

Except as specified above, funds shall be disbursed or transferred from the Operating Account only as the Owner may from time to time direct in writing. In the event that the balance in the Operating Account is at any time insufficient to pay disbursements due and payable, the Managing Agent shall immediately inform the Owner of that fact and the Owner shall then remit to the Managing Agent sufficient funds to cover the deficiency. In no event, shall the Managing Agent be required to use its own funds to pay such disbursements.

c. Internal Controls

The Managing Agent will provide computerized accounting services. The annual operating and capital budgets, carrying charge collections, vacancies, bills, etc. will be entered into the computer at the end of each month. Within twenty (20) working days after the end of each month, reports will be generated and will indicate cumulative expenses to date, as well as total income, so that the project's cash flow can be monitored easily.

H. Records and Reports

a. Resident and Unit Maintenance Records

Resident and unit maintenance records, including all leases, Move-In/Move-Out Inspection forms, and other resident or unit-related items shall be maintained by the Managing Agent, and available for review by the Owner at all reasonable times.

b. Accounting Records

The Managing Agent will maintain the program's financial books, records, and accounts, including rent roll, bank statements, paid invoices with purchase orders, checks and canceled checks and all other financial documents related to the Putnam

Gardens LLC program at its central office, and will make them available for examination by the Owner or those authorized by the Owner at all reasonable times.

c. Reports

General. The Managing Agent will prepare, in a timely fashion, reports as required by the regulatory and funding agencies and Management Agreement, and in conformance with federal, state and local agency requirements. Reports shall include but not be limited to: statement of miscellaneous expenses for reimbursement; occupancy, management, maintenance update reports, financial and accounting reports as necessary and warranted, and all necessary other reports as may be required by regulatory agencies.

Specific Reports. Specific reports shall be prepared and furnished by the Managing Agent to the Owner as follows:

- **Monthly.** By the 20th of each month, monthly reports reporting on (i) an unaudited rent roll for the Project showing rent collections, vacancies, and physical occupancy, (ii) receipts and disbursement during the previous month, (iii) schedule of accounts receivable and payable, and (iv) reconciled bank statements for the Operating Account, Security Deposit Account and the Project Reserve Accounts as of the end of the previous month.
- **Annual.** No later than 60 days after the end of the fiscal, year, draft of the federal tax information and a complete annual financial report for the Project based upon an examination of the books and records of the Owner and including (i) a report containing audited financial statements for the prior fiscal year, including a profit and loss statement, a balance sheet, and a cash flow statement; (ii) an unaudited comparison of the actual results of the operations of the Project during

the prior fiscal year with operating budget for such year; (iii) a report of the occupancy level of the Project; (iv) a statement indicating if there are any operating deficits or anticipated operating deficits, and if so, the manner in which it is anticipated such deficits will be funded; (v) a narrative explaining significant deviations in the operations of the Project from projected operations and outlining and explaining any material or significant occurrences affecting the Project or the Owner; (vi) a report on the use of MBEs and minority workers in the development of the Project and a report on the use of MBEs and the payment of minority worker salaries, wages and benefits in the operation of the Project; and (vii) any other information regarding the Project and its operations during the prior fiscal year reasonably requested by the Owner.

- Final Annual. After approval by the Owner, the final completed reports shall be prepared and certified by the Owner's certified public accountant in accordance with the requirements of the Owner and any directives of the Lenders and in conformity with generally accepted accounting principles applied on a consistent basis.
- Tax Information. The Agent shall, not later than March 1 of every year, cause to be provided to the Owner all necessary tax information required for filing the annual tax return of the Owner. The Owner will respond with comments on such drafts within seven (7) days after receipt. The Agent shall, not later than March 15 of every year, cause to be provided to the Owner the final annual tax information.

d. Audit

The Managing Agent shall cause an annual audited financial statement of the Putnam Gardens LLC operations to be prepared by an independent certified public

accountant acceptable to the Owner, based upon the preparer's examination of the books and records of the Owner and the Managing Agent, and in accordance with Generally Accepted Accounting Principles. The report shall be prepared and shall be certified by the preparer and shall be submitted to the Owner within sixty (60) days after the end of the fiscal year. Compensation for the preparer's services shall be paid out of the Project Account as an expense of the project.

ATTACHMENT D
OPERATING BUDGET

Operating Expenses

Property: Putnam Gardens 12.12.14

	<u>Total</u>	<u>Per Unit Per Year</u>	<u>Per Unit Per Month</u>	<u>Notes</u>
Administrative				
Staff and Benefits	162,544	1,332	111	
AM Fee	-	-	-	
Accounting Fee	-	-	-	
Pro-rated Site Costs	20,000	164	14	
Telephone	4,414	36	3	
Office Expenses	17,231	141	12	
Legal	5,000	41	3	
Audit	17,500	143	12	
Tax Credit Compliance	9,150	75	6	
Investor Member AM	-	-	-	
Misc	15,900	130	11	
Total Admin	251,739	2,063	172	
Management Fee	139,169	1,141	95	
Maintenance				
Maintenance Payroll	191,672	1,571	131	
Taxes/Fringe	77,688	637	53	
Repairs and Supplies	30,000	246	20	
Contracts	133,000	1,090	91	
Decorating Expenses	14,000	115	10	
Cleaning Contract	3,000	25	2	
Security	8,000	66	5	
Trash Removal	3,500	29	2	
Snow Removal	-	-	-	
Elevator Maintenance	-	-	-	
Fire Alarm Maintenance	2,500	20	2	
Extraordinary Maintenance	10,000	82	7	
Total Maintenance	473,360	3,880	323	
Utilities				
Electricity	25,266	207	17	
Heat and Hot Water	126,481	1,037	86	
Gas	-	-	-	
Water and Sewer	120,773	990	82	
Total Utilities	272,520	2,234	186	
Real Estate Taxes	38,000	311	26	
Insurance	75,237	617	51	
Replacement Reserves	52,000	426	36	
Resident Services	88,934	729	61	
Other: Misc. Expenses	-	-	0	
Total Other	254,171	2,083	174	
Total Operating Expense	1,390,959	11,401	950	
<i>Net of TUR</i>	<i>1,028,439</i>	<i>8,430</i>		
<i>Net of TURI</i>	<i>953,202</i>	<i>7,813</i>		

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ATTACHMENT E

**ADMINISTRATIVE PLAN FOR RENTAL ASSISTANCE
DEMONSTRATION (RAD) DEVELOPMENTS**

Cambridge Housing Authority

ADMINISTRATIVE PLAN FOR
RENTAL ASSISTANCE
DEMONSTRATION (RAD)
DEVELOPMENTS

**Part II of the Administrative Plan for the
Federal Housing Choice Voucher Program**



362 Green Street, Cambridge, MA 02139 | P: 617.864.3020 F: 617.868.5372 | www.cambridge-housing.org



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About this Plan

The Cambridge Housing Authority is participating in the Rental Assistance Demonstration Program (RAD) sponsored by the U.S. Department of Housing and Urban Development. Through RAD, nearly all of CHA's federally-assisted public housing will be converted to RAD over a period of time, anticipated to commence in December, 2014.

When a development is converted to RAD, there will be a new owner of the property, which will be a Limited Liability Company (LLC). An affiliate of the CHA is a member of the LLC, together with an investor. The CHA will continue to be the manager of the development under a Management Contract with each LLC. Because RAD is part of the Housing Choice Voucher Program, CHA is amending its Federal Housing Choice Voucher Administrative Plan to include the RAD developments. Under CHA's Moving To Work Demonstration Program (MTW), CHA has revised some RAD and voucher requirements to reflect public housing operations and resident rights as contained in the CHA Admissions and Continued Occupancy Policy (ACOP).

As RAD closings occur, and RAD becomes effective for particular developments, the provisions of Part 2 of the Administrative Plan will apply to the converted development. Residents will be notified when this occurs. Because the provisions of the ACOP and the Administrative Plan are similar, operations at the developments and the impact on admissions, occupancy, transfer, terminations, and grievance rights, should be continuous and without interruption.

Applicability

Except as specifically referenced in this Part Two of the Administrative Plan, Part One of the Administrative Plan does not apply to CHA RAD developments. All aspects of the CHA RAD program are governed by this Part Two.

Part Two of the Administrative Plan covers all developments listed in Chapter 1, Section C, once the development has converted to RAD. The anticipated dates for conversion are listed in this plan; however, until the conversion actually occurs and residents are notified that the conversion has been completed, the developments will continue to be governed by the Admissions and Continued Occupancy Policy (ACOP) for the Public Housing Program.

CHAPTER 1 GENERAL PROVISIONS

A. Mission Statement

The mission of the Cambridge Housing Authority is to develop and manage safe, high quality, affordable housing for low-income individuals and families in a manner in which promotes citizenship, community and self reliance.

B. Purpose of this Administrative Plan

The purpose of this Plan is to provide current and prospective resident households and the greater Cambridge community with a comprehensive guide to the policies governing CHA's federally subsidized RAD program. The Plan is designed to serve as both a reference document and a guidebook for individuals looking for specific information about CHA's RAD operations. The Executive Director is authorized by the Board of Commissioners to modify and implement procedures as needed in order to meet the requirements of this Plan and its implementation in the federal RAD program.

The Plan includes a section of definitions of terms used throughout the document. Generally, procedures are referenced, but not described in this Plan.

C. Application of this Administrative Plan

This Plan applies to the following federal family and elderly/disabled sites, once they have converted to RAD:

RAD Phase 1 Properties	
<u>Property</u>	<u>Anticipated Conversion Date</u>
Washington Elms	April 1, 2015
Newtowne Court	April 1, 2015
Putnam Gardens	January 1, 2015
Manning Apartments	April 1, 2015
Woodrow Wilson Court	April 1, 2015
LBJ Apartments	January 1, 2015
JFK Apartments	January 1, 2015
Lincoln Way	January 1, 2015
Jackson Gardens	January 1, 2015
RAD Phase 2 Properties	
<u>Property</u>	<u>Anticipated Conversion Date</u>
Corcoran Park	January 1, 2016
Jefferson Park	January 1, 2016
Burns Apartments	January 1, 2016
Truman Apartments	January 1, 2016
Russell Apartments	January 1, 2016
Roosevelt Towers (Low-Rise)	January 1, 2016
Small Elderly Properties*	January 1, 2016
Scattered Sites and Condos**	January 1, 2016

* Small Elderly Properties include: 116 Norfolk Street, St. Paul's Residence, Robert C. Weaver Apartments, and 45 Linnean Street.

**** Scattered Sites and Condos include: River Howard Homes, Willow Street Homes, Garfield Street, 15 Inman Street, 12-18 Hingham Street, Cambridgeport Commons, Family Condos (87 Amory Street, 4 Centre Street, 175 Richdale Avenue, 15-C Roberts Road, 13 Seagrave Road, 245 Washington Street, 244 Hampshire Street, 88 Hancock Street, 2 Chestnut Street, 20 Chestnut Street, and 118 Trowbridge Street), Elderly Condos (2353 Massachusetts Avenue, 14 Ware Street), 19 Valentine Street, 6-8 Fairmont Street, 121 Jackson Street, 125-127 Whittermore Street, 8-10 Columbus Avenue, and 226 Norfolk Street.**

D. Special Programs

CHA collaborates with several different community based agencies to administer housing programs that accommodate the needs of applicants with special circumstances that make it difficult for them to be admitted into or maintain continued occupancy in a standard RAD unit. These special programs are located at the following RAD developments:

- Lyndon B. Johnson Apartments and Putnam School,— ESP / PACE (Elder Service Plan / Program of All-Inclusive Care for the Elderly);**
- St. Paul’s Residence, a Single Room Occupancy program ---Home Start and Aids Action Committee/Cambridge Cares about Aids (AAC/CCA); and**
- 116 Norfolk Street, a congregate housing program administered by New Communities, Inc.**
- Pathways to Permanent Housing is operated at a variety of RAD developments.**

The process for admitting residents into the ESP/ PACE units and the Home Start/CCA units is based on the applicant’s status as a client of the referring agency, a streamlined eligibility screening (income, immigration status and CORI) and apartment availability as determined by an agreement with each agency. The applicants for 116 Norfolk Street follow the admissions and tenant selection procedures for congregate housing.

- 1. ESP PACE Program: Agreements between the Cambridge Housing Authority and the Cambridge Health Alliance’s Elder Service Plan (ESP) establish programs in two of RAD developments (Putnam School Apts. and L.B. Johnson Apts.). At each of these developments, an entire floor or congregate apartment is designated for housing ESP clients. ESP provides a comprehensive care program that operates to meet medical, hygienic, nutritional and housekeeping needs of program participants.**
 - a. All participants access the program via a referral from the Elder Service Plan and must be clients of the PACE Program who are willing to comply with the program rules and requirements.**
 - b. PACE Program clients may be referred by the PACE Program for placement on one of CHA’s special PACE Program floors. Persons who are referred must then be screened for admission to CHA to ensure that they meet the streamlined eligibility criteria. Upon approval by CHA, such applicants are then given priority placement on the applicant waiting list for specific units at the participating developments.**
- 2. St. Paul’s Residence: St. Paul’s Residence is a Single Room Occupancy (SRO) program for elderly and disabled individuals. Admissions to St. Paul’s residence are generated from a centralized SRO waiting list or are reserved for referrals of homeless individuals who are clients of Home Start, Inc., and Aids**

Action Committee/ Cambridge Cares About Aids (AAC/CCA). Both Home Start and AAC/CCA may house up to six (6) clients, of the 19 program participants.

- a. All applicants are exempt from the requirement to be able to document past housing history or provide comparable verifications.
 - b. When a unit is available for an agency placement, CCA or Home Start refers clients who are then screened for all other relevant eligibility criteria. Upon approval, the referred individual is given priority placement on the site-based waiting list and is offered the next available unit.
3. **116 Norfolk Street Congregate Housing: New Communities, Inc.** provides both management and social services to the residents of 116 Norfolk Street, a congregate housing program for elderly and disabled persons. The admissions process is based on the approved admissions and tenant selection plan for congregate housing.
- a. Applicants must attend a tour of the facility and complete the application and screening process for congregate housing.
 - b. Final admissions decisions are made by a Multi-Disciplinary Assessment Team (MAT) that consists of a social worker from a community based agency and representatives from the Cambridge Housing Authority, the Cambridge Health Alliance, and Somerville Cambridge Elder Services. The Deputy Director of Operations completes a final review of the file and approves the applicant for admission.
 - c. Approved applicants are placed on the site-based waiting list to await an apartment offer based on date of application.
4. **Pathways to Permanent Housing:** The Pathways to Permanent Housing Program takes advantage of the CHA's status as part of the federal Moving to Work demonstration, making flexible use of the CHA's voucher funds to provide a wider range of housing options to survivors of domestic violence; and fund a community liaison staff position at Transition House. The Community Liaison not only supports the clients in the program, but also provides critical assistance to the CHA staff in responding to domestic violence issues as they arise, and assisting CHA tenants and voucher participants in navigating issues related to domestic violence.

E. Fair Housing and Non Discrimination

1. Civil rights laws guarantee the rights of applicants and resident households to equal treatment by the Housing Authority in operating its programs. It is the policy of CHA to comply with all federal Civil Rights laws and applicable state laws in effect and subsequently enacted, including but not limited to:
 - a. Title VI of the Civil Rights Act of 1964, which forbids discrimination on the basis of race, color, religion, or national origin;

CHAPTER 2 DEFINITIONS

Adjusted Income

Household income after allowable deductions.

Administrative Plan

The CHA plan that sets forth the agency's local policies with regards to admissions, occupancy and subsidy standards.

Affiliated Non-Profit

A non-profit corporation that has the same Board of Directors as the CHA Board of Commissioners, so is controlled by the CHA Board of Commissioners.

Applicant or Applicant Household

A household that has applied for, or is currently on the waitlist for a federally assisted RAD Development operated by CHA.

Assets

Means cash (including checking accounts), stocks, bonds, savings, equity in real property, or the cash value of life insurance policies. Assets do not include the value of personal property such as furniture, automobiles and household effects or the value of business assets.

Choice Mobility

For residents of projects that have project-based vouchers, the option to obtain a Housing Choice Voucher after a defined period of residency that can be used to rent a private apartment.

Co-Head of Household

An adult member of the household who has the same rights and authority as a head of the household for purposes of determining income, eligibility, and rent.

Congregate Housing

Housing where an individual or family has a private bedroom or living quarters but shares common areas with other residents such as kitchens, baths and recreational spaces.

Designated Housing

A property or portion of a property designated only for occupancy only by elderly or disabled households.

Disability

- 1. The definition of a person with a disability for purposes of a reasonable accommodation and fair housing follows the definition in Section 504 of the Rehabilitation Act, the American with Disabilities Act, the Fair Housing Act, Massachusetts General Laws Chapter 151B and any other applicable statutes:**

- a. "Disability" means a physical or mental impairment which substantially limits one or more major life activities; a record of such an impairment; or being regarded as having such an impairment. Disability does not include current use or current addiction to illegal drugs.

2. The definition of a person with disabilities for the purpose of program eligibility is:

- a. A person has a disability as defined in section 223 of the Social Security Act (42 U.S.C. 423) which means:

- Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months; or
- In the case of an individual who has attained the age of 55 and is blind (within the meaning of "blindness" as defined in section 416(i)(1) of this title), inability by reason of such blindness to engage in substantial gainful activity requiring skills or abilities comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time.

- b. A person with disabilities is determined to have a physical, mental, or emotional impairment that:

- Is expected to be of long-continued and indefinite duration;
- Substantially impedes his or her ability to live independently; and
- Is of such a nature that such ability could be improved by more suitable housing conditions; or

- c. Has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 15002)

- d. The term "developmental disability" means a severe, chronic disability of an individual five (5) years of age or older that:

- Is attributable to a mental or physical impairment or combination of mental and physical impairments;
- Is manifested before the individual attains age 22;
- Is likely to continue indefinitely;
- Results in substantial functional limitations in three (3) or more of the following areas of major life activity;
 - Self-care;
 - Receptive and expressive language;
 - Learning;
 - Mobility;
 - Self-direction;
 - Capacity for independent living; and
 - Economic self-sufficiency; and

- o reflects the individual's need for a combination and sequence of special, interdisciplinary, or generic services, supports, or other assistance that is of lifelong or extended duration and is individually planned and coordinated, except that such term, when applied to infants and young children means individuals from birth to age five (5), inclusive, who have substantial developmental delay or specific congenital or acquired conditions with a high probability of resulting in developmental disabilities if services are not provided.
3. The term “person with disabilities” does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.
 4. A full description of CHA’s Reasonable Accommodations Policy is in Chapter 11 of this Plan.

Disabled Household

A household whose head and/or spouse of head or sole member is a person with disabilities. The term “disabled household” may include two (2) 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.

Drug-Related Criminal Activity

The illegal manufacture, sale, distribution, use or possession of a controlled substance with intent to sell, distribute, or use the drug.

Elderly Household

A household whose head and/or spouse or sole member is an elderly person. The term “elderly household” includes an elderly person, two (2) or more elderly persons living together, and one (1) 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 fifty-eight (58) years of age.

Emancipated Minor

A person under eighteen (18) years of age who does not live or intend to live with his or her parents.

Enterprise Income Verification (EIV) System

Enterprise Income Verification System (EIV) is a system intended to provide a single source of income-related data to Public Housing Authorities and the U.S. Department of Housing and Urban Development for use in verifying the income reported by households participating in assisted housing programs. EIV provides CHA administrators with income data from a number of federal databases including, the Department of Health and Human Services’ National Directory of New Hires Data (NDNH) and the Social Security Administration.

Full-Time Student

A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended.

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.

Household

A household can be any one of the following:

- 1. Two (2) or more persons who live or will live regularly in an apartment 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. Disable household.**
- 4. Elderly household.**

The following instances do not meet the definition of a household:

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

Household in Good Standing

Is a household that within the past twenty four (24) months:

- 1. Is current on rent without having a history of nonpayment or late payment; and if applicable, is current on a repayment agreement;**
- 2. Is current on gas, electric and/or water (if paid by the household) payments to utility suppliers or is current with any repayment agreement with utility suppliers;
 - a. Head of household and/or spouse/co-head of household must be named on utility bills and/or payback agreements with utility providers.****
- 3. Is in compliance with the terms of the lease and any house rules or property policies. The household file demonstrates no repeated or serious violations of the material terms of the lease, house rules or property policies;**

4. Meets reasonable housekeeping standards as documented by housekeeping inspection reports; and
5. Has not destroyed, defaced, damaged or removed any part of an apartment or the property as documented by housekeeping inspection reports or work orders or other reliable documentation of damage or abuse.
6. Households with pending legal actions or appeals are not in good standing until resolution of the action or appeal favorable to the household.

Income

As described in Chapter 5 of this Plan, there are two (2) types of income calculated by CHA. They are:

Annual Income (as defined under CHA's MTW program): means all amounts, monetary or not, which go to, or on behalf of the head of household or spouse (even if temporarily absent) or to any other household member; or are anticipated to be received from a source outside the household during the period following admission or regular reexamination effective date and that are not included in the list of excluded income in Chapter 5 and Appendix 1 of this Plan.

Adjusted Income (as defined under CHA's MTW program): the income upon which income-based rent is based, means Annual Income less the allowable childcare or medical deductions.

How CHA determines household income using its MTW flexibility is fully described in Chapter 5 of this Plan.

Limited English Proficiency (LEP) Policy

CHA's language policy to ensure meaningful access to individuals regardless of primary language spoken. Persons who do not speak English as their primary language or who have limited ability to read, write, speak, or understand English are provided language assistance through the LEP Plan, which can be found in Chapter 11.

Limited Liability Company (LLC)

A Limited Liability Company has a Manager, which is an affiliate of the CHA, and Member, which is a tax credit investor who contributes money to develop the project.

Live-in Aide

A person who resides with elderly, and/or persons with disabilities, who:

- Is determined to be essential to the care and well-being of the persons;
- Is not obligated for the support of the persons; and
- Would not be living in the apartment except to provide the necessary supportive services.

A Live-in Aide may be assigned a bedroom but is not added to the lease. See Chapter 3 (page 3-11, item k.) of this Plan for details on the Live-in Aide policy.

Management Contract

An agreement between the Owner and the CHA that provides that CHA continue to operate the RAD development.

Maximum Rent

For each development, the maximum rent is either the Tax Credit Maximum Rent or \$1 below the RAD Contract Rent, whichever is higher. The Maximum Rent for each property is identified in the Rent Schedule for that Property. Rent Schedules can be found in Appendix 3 of this Plan.

Moving to Work (MTW)

Moving to Work (MTW) is a federal demonstration program that allows public housing authorities (PHAs) to design and test ways to:

1. Promote self-sufficiency among assisted families;
2. Achieve programmatic efficiency;
3. Reduce costs; and
4. Increase housing choice for low-income households.

To permit the flexibility needed for this level of innovation, Congress exempted participating PHAs from much of the Housing Act of 1937 and related U.S. Department of Housing and Urban Development (HUD) regulations to allow an MTW Agency the freedom to develop programs to meet the unique needs of the each Agency's community. CHA was one of the first PHAs in the nation to join the demonstration program.

Net Assets

Means the cash value, after deducting reasonable costs that would be incurred in disposing of:

- Real property (land, houses, mobile homes);
- Savings (CDs, IRA or KEOUGH accounts, 401K accounts) checking and savings accounts, and precious metals;
- Cash value of whole life insurance policies;
- Stocks and bonds (mutual funds, corporate bonds, savings bonds); and
- other forms of capital investments (business equipment).

Over-Housed

When a household occupies a unit that is too large for their household composition, pursuant to CHA occupancy guidelines in Chapter 3 of this Plan.

Owner

The Owner of a RAD development is a Limited Liability Company that holds the legal title to the property. CHA continues to have control of the Owner through an affiliated non-profit of the CHA.

Preference

Refers to the priority CHA gives to some applications for housing over others, as described in Chapter 4, Section B. of this Plan.

RAD Contract Rent

The total amount of rent (made up of a tenant portion and a subsidy) for a given unit type. The contract rent is defined in CHA's Commitment to enter a Housing Assistance Payment (CHAP) for each property.

Rental Assistance Demonstration (RAD) Program

The Rental Assistance Demonstration (RAD) is a program that authorizes HUD to allow Public Housing properties to convert to long-term Section 8 rental assistance contracts.

Reasonable Accommodation

Is defined in Chapter 11 of this Plan.

Tax-Credit Maximum Rent

The maximum rent (made up of a tenant portion and a subsidy) that can be charged for a unit under the Low-Income Housing Tax Credit (LIHTC) program guidelines. In instances where subsidy is paid, the tax credit max can be exceeded

Tax-Credit Unit

The Low-Income Housing Tax Credit (LIHTC) program provides that investors in low-income affordable housing projects receive a dollar-for-dollar credit against their Federal tax liability. This is a way to raise funds to redevelop and preserve low-income housing. Units in tax credit projects must be rented to eligible low-income individuals for a 15-year period.

Tenant Rent

The amount payable monthly by the household as rent to CHA.

Total Tenant Payment

The amount paid by a household to CHA, as rent plus the estimated amount the household pays for utilities not supplied CHA, as defined in the lease.

Under-Housed

When a household occupies a unit that is too small for their household composition, pursuant to CHA occupancy guidelines in Chapter 3 of this Plan.

Utility Allowance

CHA's estimate of the average monthly utility bills (except telephone and television) for a household. This estimate considers only utilities paid directly by the household. If all utilities are included in the rent, there is no utility allowance. Utility allowances vary by apartment type and are listed on the property's rent schedule.

Veteran

Those honorably discharged individuals that performed wartime service as defined in M.G.L. c. 121B, Section 1 and their spouses who are part of the household, surviving spouses, parents, and other dependents of a deceased veteran.

Violence Against Women Act (VAWA) Policy

The Violence Against Women Act (VAWA) assists CHA in providing rights under the Violence Against Women Act ("VAWA") to its applicant households, RAD households and other program participants. The VAWA policy is found in Chapter 11 of this Plan.

CHAPTER 3 TENANT SELECTION AND ASSIGNMENT PLAN

A. Qualifying for Admission

The policy of CHA is to admit only applicants who meet the following ten criteria:

1. Is a household.
2. Does not have net assets at the time of admission in excess of \$100,000, with the exception of elderly and disabled households are not bound by this requirement.
3. At least one household member must be a U.S. citizen or have eligible immigration status as required by HUD.
4. Must provide or authorize CHA to obtain documentation of Social Security numbers for all household members, or HUD issued Alternative Identification Numbers for household members who do not have Social Security numbers.
5. Meet CHA's screening criteria, including completing a CHA-approved pre-occupancy orientation session as required.
6. Applicants who own real property in which s/he can legally reside are not qualified unless:
 - a. A household member or members are unable to reside in the property because of domestic violence; or
 - b. The applicant is making a good faith effort to sell the property; or
 - c. The property is owned in a country where there is verifiable evidence that the household would face retribution or repression were they to return to the country where the property is owned.
7. Unless up-to-date on a payback agreement, applicants cannot owe any money to CHA, other Public Housing Authority or owner of state or federally assisted housing. If the applicant cannot enter into a payback agreement, the debt must be paid in full.
8. Applicants must be able to obtain utility service applicable to the particular site, and if requested, provide evidence of service. Service must be in the name of the head of household, co-head, or spouse of the head of household.
9. Applicant has income that does not exceed 80% of Area Median Income or CHA's asset limits for program eligibility.

10. Applicant is not a single full-time student (enrolled as a student at an institution of higher education, as defined under section 102 of the Higher Education Act of 1965) under the age of 24 without dependents. Veterans and persons with disabilities are exempt.

B. Screening Applicants for Admission

1. All applicants will be screened in accordance with this Plan.
2. CHA typically relies on third party verifications to determine an applicant's ability to comply with the terms of CHA's lease.
3. The lease is the basis for screening of applicants under this Plan. To confirm an applicant's eligibility and in accordance with CHA's tenant selection procedures, CHA reviews the past three (3) to five (5) years of housing history. Eligibility hinges on an applicant's ability to show that she/he can comply with the terms of CHA's lease as follows:
 - a. To pay rent and other charges, such as utility bills, in a consistently timely manner;
 - b. To care for and avoid damaging the apartment and common areas;
 - c. To use facilities and equipment in a reasonable way;
 - d. To create no health, or safety hazards, and to report maintenance needs in a timely manner;
 - e. Not to interfere with the rights and peaceful enjoyment of others, and to avoid damaging the property of others;
 - f. Not to engage in criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other households or staff;
 - g. Not to engage in drug-related criminal activity on or off the premises; and
 - h. To comply with necessary and reasonable rules and program requirements.
4. Applicants whose housing situations make it difficult for CHA to determine whether or not the applicants are able and willing to comply with lease terms have to demonstrate the ability and willingness to comply with lease terms with or without a reasonable accommodation. CHA considers alternative means of demonstrating the ability and willingness to comply with the lease terms such as:
 - a. Proven ability to make regular, recurring payments;
 - b. Proven ability to comply with rules similar to lease requirements; or

- c. **Other reasonable evidence of the ability and willingness to comply with a lease.**
- 5. **Applicants must be able to demonstrate the ability and willingness to comply with the terms of CHA's lease, either alone or with assistance, at the time of admission. Availability of assistance in complying with the lease is subject to verification by CHA.**
- 6. **If an applicant or a member of his/her household owes money to CHA, other Public Housing Authority or owner of state or federally assisted housing, the applicant is rejected, unless s/he is current on a payback agreement. If the applicant owes money to CHA or another Public Housing Authority, and there is no payback agreement in place, then the debt must be paid in full within thirty (30) days and such failure to make full payment will result in a finding of ineligibility.**
- 7. **CHA will reject an applicant if any household member has been evicted from any state or federally assisted housing for drug related criminal activity in the past five (5) years. However, CHA may admit the applicant if CHA determines that:**
 - a. **The applicant can provide documentation that the household member that was evicted has successfully completed a supervised drug rehabilitation program; or**
 - b. **The household member that was evicted has died, is imprisoned or is in some other way permanently incapacitated and physically unable to enter CHA property; or**
 - c. **The applicant's household will not include the household member that was evicted and agrees not to allow that member on the property.**
- 8. **CHA will reject applicants if CHA determines that:**
 - a. **Any household member was convicted of manufacture or production of methamphetamine on the premises of any federally assisted housing; or**
 - b. **Any household member is subject to a lifetime registration requirement under a State sex offender registration program.**
- 9. **CHA may reject an applicant if CHA determines that:**
 - a. **Any member of the household is currently engaging in illegal use of a drug; or**
 - b. **CHA has reasonable cause to believe that a household's illegal use or pattern of illegal use of a drug, may threaten the health, safety, or right to peaceful enjoyment of the premises by other households; or**
 - c. **Any member of the household's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other households; or**

- d. Any member of the household is fleeing to avoid prosecution, or custody or confinement after conviction, for a felony crime; or
 - e. Any household member has a criminal history of violence against persons or properties, or serious drug related offense. Criminal incidents may include but are not limited to:
 - Homicide or murder, arson, armed robbery, drug trafficking, drug distribution, drug manufacture, domestic violence, weapons offenses, criminal sexual assault, home invasion, child molestation and other crimes against children.
 - f. Any household member has a criminal history in the past five (5) years that involves crimes against persons or property including but not limited to:
 - Vandalism or destruction of property, possession of illegal drugs, threats or harassment, assault or fighting, burglary or breaking and entering, robbery.
 - g. Any household member has outstanding warrants or pending criminal proceedings related to any of the criminal activities listed in (a.)-(f.), above.
10. An applicant that has intentionally misrepresented information related to eligibility, preference for admission, housing history, allowances, household composition or rent will be rejected.
- CHA will move to evict any household admitted on the basis of misinformation.
11. Screening Applicant Claiming Mitigating Circumstances:
- a. If negative information is received about an applicant, CHA will consider the time, nature, and extent of the applicant's past conduct and factors (also referred to as mitigating circumstances) that might indicate favorable future conduct. To be considered, the factors indicating favorable future conduct must be verifiable.
 - b. CHA will consider applicants with negative behavior in their recent past if s/he can document, to CHA's satisfaction, that s/he has been rehabilitated.
12. An applicant with a disability that believes a denial is connected to his/her disability is advised to seek reasonable accommodation prior to requesting an informal meeting or Conference Panel.
13. Once status is determined, qualified and unqualified applicants are contacted.
- a. Qualified applicants are notified in writing by CHA that his/her file has been certified (approved) and are either offered a unit or are provided an estimated waiting time for an offer at the site the applicant chose.

- b. A Notice of Denial is sent to unqualified applicants. The notice states a brief reason for the denial and offers the applicant the opportunity to appeal.
- c. If CHA's denial is based on an applicant's criminal history, a copy of the criminal history report and the part of the criminal record that makes the applicant unqualified will be included with the notice of denial.
- d. If applicants dispute the reason for denial they have the right to have the decision reviewed.
 - Applicants receiving Notices of Denial can request to have the denial reconsidered by the Director of Operations or a designee by submitting a request within ten (10) business days of receipt of the denial.
 - Denials reconsidered and upheld by the Director of Operations or a designee can be appealed to CHA's Conference Panel within ten (10) business days of receipt of the denial.
 - Requests for Conference Panels can be obtained through CHA's Legal Department.
- e. If an application is denied, the applicant cannot reapply for one (1) year after the date of the final denial.

C. Making Apartment Offers

1. For apartments with accessible features offers are made in the following order:
 - a. Approved transfer household that needs the apartment features and resides at any other CHA site;
 - b. A household from the waiting lists that needs the apartment features;
 - c. Any transfer list household, including households that do not need the apartment features;
 - d. Any waiting list household, including households that do not need the apartment features.
2. Apartments in family sites are offered to New Admissions in the following order:
 - a. Approved Emergency Admissions;
 - b. Households from the waiting list, sorted by preference and then by date and time of application.
3. Apartments in elderly sites are offered to New Admissions from the waiting list in the following order:
 - a. Approved Emergency Admissions;
 - b. Elderly applicants with a preference, sorted by time and date of application;

- c. Elderly applicants without a preference, sorted by time and date of application;
 - d. Other applicants with a preference, sorted by time and date of application; and
 - e. Other applicants without a preference, sorted by time and date of application.
4. CHA's Designated Housing Plan requires that 13.5% of residents in elderly sites be non-elderly disabled households.
 - a. Apartments are offered to non-elderly disabled New Applicants before any other New Applicants when the number of non-elderly households drops below 13.5% at any site.
 - b. CHA will continue offering apartments to non-elderly disabled New Applicants until the site reaches the 13.5% requirement.
 5. Each fiscal year, seventy five percent (75%) of each family site's vacant units are offered to New Admissions and up to twenty five percent (25%) are offered to qualified under-housed resident households on CHA's transfer waiting lists. Over-housed, Emergency, Life Threatening Conditions, Reasonable Accommodations, Relocations for Modernization and Designated Housing transfers do not count against a site or neighborhood portfolio's 25% annual transfer cap.
 - a. Every site, regardless of size or past transfer activity is allowed to make at least one transfer each fiscal year.
 - b. CHA does not use a ratio to determine offers in elderly sites.
 - c. When filling a vacant unit by transfer, CHA selects households by alternating between the site-based and central transfer waitlists. See Chapter 9 of this Plan for details on CHA's transfer policy.
 6. Applicants whose income exceeds 60% of Area Median Income (AMI) are ineligible for a LIHTC unit and therefore will remain at the top of the waiting list. They will not receive an apartment offer until an appropriately sized non-tax credit unit is available.
 7. From time to time CHA may determine that there needs to be a preference for selecting households from the waiting list with incomes from 40% to 80% of Area Median Income (AMI). However, CHA will use the Annual Plan process or an amendment to the Plan to activate this preference in any CHA fiscal year (April 1 to March 31). In either case a thirty (30) day public notice is required. This preference will operate in a ratio to other new admissions from the waiting list. There will also be a cap on the total number of such families to be housed in any given fiscal year. The cap will be based on the percentage of 40% to 80% families on the waiting list as described in the Annual Plan.
 8. When making an offer to the waiting list, CHA will match the apartment available to the highest placed certified applicant for an apartment of that size, type and special features (if applicable). Remember, the applicant's placement on the waiting list is determined by preference and date/time of application. The

only time that applicants are taken out of order is when an applicant qualifies for emergency status or CHA is using its option to target applicants who are between forty percent (40%) to eighty percent (80%) of area median income (AMI); or the apartment being offered has accessible features and the next applicant household that needs the features is further down on the waiting list; or the apartment being offered is a tax credit unit and the applicant at the top of the waiting list is ineligible for the LIHTC program.

9. The applicant must accept any apartment offered within three (3) business days of the date the offer is communicated (by phone or from the delivery day if by mail, or the method of communication designated by an applicant household with disabilities). If the apartment being offered is not ready please see Section D on "Showing Apartments and Leasing Requirements."
 - a. If the applicant fails to respond to the offer of an apartment within the three (3) business day time period, s/he will be removed from the waiting list.
 - b. After sixty (60) days, applicants withdrawn from the waiting list during screening for failure to respond have the opportunity to show good cause for not responding, but have no rights to appeal if CHA does not see good cause for reopening the application.
 - c. If the applicant declines the offer of an apartment without good cause, his/her application will be removed from the waiting list and will be unable to reapply for one (1) year.
 - d. If CHA moves to remove the applicant from the waiting list for rejection of an apartment, CHA will forward a letter by first class mail, informing the applicant of the action and offering the applicant an opportunity to appeal the removal to a Conference Panel.
 - e. CHA does not remove an applicant from the waitlist if reasonable circumstances prevented the applicant from responding to an offer.
 - f. CHA allows extensions to the three (3) day time period when there are reasonable circumstances.
10. "Good cause" refusals of apartment offers do not result in removal from the waiting list. The applicant must be able to document one of the situations below in order to show "good cause":
 - a. The applicant is willing to move but it is unable to do so at the time of the offer because of temporary hospitalization or recovery from illness of the head of household, other household members or live-in aide;
 - b. The applicant demonstrates that acceptance of the offer would place a household member's life, health or safety in jeopardy; or

- c. The apartment is inappropriate for the applicant's disabilities, or the household does not need the accessible features of the apartment offered and does not want to be subject to the thirty (30) day notice to move contained in CHA's lease.
- 11. If a unit becomes available in a development whose waiting list contains no applicants, CHA will offer the unit to the top twenty (20) certified applicants by application date, on every other site-based waiting list, for the appropriate bedroom size and development type, based on application date and preference.
 - a. Affirmative responses to offers will be sorted by application date and time.
 - b. If an offer is made and accepted by an applicant, the applicant is removed from all other waiting lists.
 - c. All other applicants' status on the waiting lists remains unchanged.
 - d. Applicants may refuse the offer with or without good cause. Applicants refusing offers of units are not removed from waitlist in this instance.
- 12. When it becomes necessary to offer an accessible apartment to a non-disabled applicant/current household, CHA will require the household to agree, in writing, to move to an available non-accessible apartment within thirty (30) days from when the accessible features of the apartment are needed by a current household or an applicant from the waiting list. This requirement is also reflected in the lease or addendum to the lease signed with the applicant household.
- 13. If an applicant is being screened for a tax credit or new construction property and the household is determined to be ineligible for that property (e.g. over-income, student status, etc.), the applicant will be allowed to select another waiting list. The household will be placed on that waiting list based on the original application date and preference.

D. Showing Apartments and Leasing Requirements

- 1. Applicants have an opportunity to see the apartment being offered before they accept the offer and lease the apartment.
- 2. If CHA offers apartments that are not "ready," meaning that CHA is still preparing the apartment for a new occupant, the property manager will verbally describe the remaining work to be completed and will provide this information in writing.
 - a. Applicants who are offered and then shown an apartment that is not "ready" are not exempted from the three (3) day time limit noted above.
 - b. An applicant refusing with good cause will be offered another apartment in the same site when one becomes available.

- c. The applicant will pay the pro-rated rent and security deposit at the time of lease-up. If the lease-up date is within ten (10) days of the end of the month, the applicant must pay the pro-rated rent plus the rent for the following month. Only money orders will be accepted as payment.
 - d. If an applicant does not have the full amount due at the time of lease-up CHA will accept fifty percent (50%) of the total amount due (including security deposit) to hold the apartment for the applicant.
 - CHA will temporarily hold the apartment for five (5) business days.
 - The applicant forfeits the payment and is removed from the waitlist if the remaining amount due is not paid in full within five (5) business days of the original lease-up date.
 - The pro-rated rent due is based on the original lease-up date, not the day the remaining payment is made.
 - e. Applicants who cannot view the apartment because of the action or inaction of a CHA employee will be provided additional time to accept an offer.
 - f. CHA will not move a household into an apartment that does not meet basic habitability standards, including applicable HUD and CHA occupancy standards and the State Sanitary Code.
3. The head, spouse, and other co-head of the household and an authorized representative of CHA must sign the lease prior to move in.
4. Prior to move in, the household will be required to pay a security deposit as provided by Massachusetts General Laws. The security deposit will be the lesser of \$200 or an amount equal to the first month's rent.
 - If a household transfers from one CHA apartment to another, the Operations Department will execute a new lease for the new apartment unless the circumstances described in Chapter 9 (E) (3) apply.
5. At the time of leasing, the new household will receive a copy of CHA's lease and the following attachments:
 - a. Resident Orientation Packet and Handbook;
 - b. Pet Policy (if applicable);
 - c. Any additional amendments or riders;
 - d. LEP statement;
 - e. Lead paint notification;

- f. "How to Pay Your Rent" handout;
- g. "How to Apply for a Hardship Rent";
- h. Statement on Reasonable Accommodation and Accessibility; and
- i. VAWA statement.

E. Occupancy Guidelines

1. Only families of the appropriate size will be allowed to occupy apartments. This Plan maintains the quality of the apartments, while preserving them from excessive wear and tear or underutilization. Exceptions to apartment size may be made in the case of a reasonable accommodation for a person with disabilities.

NUMBER OF BEDROOMS	MINIMUM PERSONS PER UNIT	MAXIMUM PERSONS PER UNIT
	<i>Fewest Household Members</i>	<i>Most Household Members</i>
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

2. The following principles govern the size of the apartment for which an applicant will qualify:
 - a. Generally two (2) people are expected to share a bedroom.
 - b. Children of the same sex, eighteen (18) years of age and below, whose birth dates are more than ten (10) years apart, will not be required to share a bedroom.
 - c. Children of opposite sexes will not be required to share a bedroom.
 - d. Adults (eighteen (18) and over) who are spouses are required to share a bedroom.
 - e. Adults (eighteen (18) and over) who are co-heads are not required to share a bedroom, but may do so at their request.
 - f. Adults (eighteen (18) and over) who are neither spouses nor co-heads are not required to share a bedroom although they may do so at their request.
 - g. 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.

- h. An unborn child will not be counted as a household member in determining apartment size.
- i. Apartment size will be determined by the household members present (including custody arrangements) at the time of application 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 a twelve-month period.
- j. In cases of joint legal or physical custody, the household will be awarded a bedroom only if, over the past twelve months, the child has spent more than 50% of their time living with the household, or other reasonable evidence of a change in custody.
- k. A live-in aide may be assigned a bedroom but will not be added to the lease.
- l. CHA does not permit a live-in aide's household members to reside in the apartment.
- m. Foster children or foster adults who are listed on the application or lease will be housed in accordance with the guidelines above.
- n. One-bedroom apartments in designated elderly properties will be leased first to elderly couples or single persons with live-in aides, second to single person households.
- o. Occupancy standards are subject to the State Sanitary Code.
- p. Living rooms may be used as a bedroom at a household's discretion, subject to the State Sanitary Code.

F. Family Reunification

CHA may approve additional bedroom(s) for applicant or resident families requesting additional bedrooms for purposes of reunification of household members. CHA must obtain verification from the appropriate agency that this is a household for whom the lack of adequate housing is a primary factor in the imminent placement of the household's child or children in out-of-home care, or in the delay of the return of a child or children to the household from out-of-home care.

CHAPTER 4 APPLYING FOR FEDERAL RAD DEVELOPMENTS, WAITING LISTS, PREFERENCES

A. Organization of the Waiting Lists

1. Site-based Waiting Lists: CHA has federally subsidized properties¹ located throughout the City of Cambridge that are designated as Elderly/Disabled, Family or Single Room Occupancy. Each separate waiting list is maintained for a development or neighborhood by bedroom size. Applicants can submit an initial application with up to three (3) waiting lists choices. Waitlists are organized by development or neighborhood portfolio as follows:

FAMILY SITES (WAITLIST ORGANIZATION)			
JACKSON GARDENS	JOHN CORCORAN PARK	LINCOLN WAY	NEWTOWNE COURT
ROOSEVELT TOWERS* (mid-rise)			

The following properties are grouped together as a portfolio which includes multiple properties as follows:

JEFFERSON PARK	PUTNAM GARDENS	ROOSEVELT TOWERS (low-rise)	WASHINGTON ELMS
JEFFERSON PARK EXTENSION 121 JACKSON STREET 125-127 WHITTEMORE AVENUE 13 SEAGRAVE ROAD 175 RICHDALE AVENUE 41 CONCORD AVENUE 8-10 COLUMBUS AVENUE GARFIELD STREET	12-18 HINGHAM STREET 15 INMAN STREET 19 VALENTINE STREET 2 & 20 CHESTNUT STREET 4 CENTRE STREET 6-8 FAIRMONT STREET RIVER HOWARD HOMES WOODROW WILSON COURT 34 MT. AUBURN STREET	118 TROWBRIDGE STREET 15-C ROBERTS ROAD 226 NORFOLK STREET 244 HAMPSHIRE STREET 87 AMORY STREET 88 HANCOCK STREET WILLOW STREET HOMES 14 WARE STREET	245 WASHINGTON STREET, APT. C

ELDERLY/DISABLED SITES (WAITLIST ORGANIZATION)			
FRANK J. MANNING APTS.	HARRY S. TRUMAN APTS.	JOHN F. KENNEDY APTS.	LINNAEAN STREET
LEONARD J. RUSSELL APTS.	LYNDON B. JOHNSON APTS.	MILLERS RIVER APTS.*	

The following property is grouped together as a portfolio which includes multiple properties as follows:

DANIEL F. BURNS APTS.
WEAVER APARTMENTS 2353 MASS AVENUE (5 CONDOS)

SINGLE ROOM OCCUPANCY (SRO)-2	
ST. PAUL'S RESIDENCE	116 NORFOLK STREET

* Indicates a development which will not convert RAD

- a. Prior to making their selection, applicant will be informed of the length of each list, the average number of vacancies filled each year for each property and the estimated waiting period that the applicant can expect.

¹ These do not reflect state subsidized sites located at Putnam School, Jefferson Park (State), and the 3 congregate buildings on Woodbridge, Hammond, and Aberdeen Streets.

- b. Applicants can change their site selection(s) once per year.
- c. The waiting list and offers are administered by the Operations Department out of CHA's Central Office and not at the properties.
- d. The waiting list uses a two-tiered preference system. This system gives applicants qualifying for a preference an opportunity to receive an apartment offer ahead of applicants that do not have a preference. The preferences are a way of organizing the waiting lists to address local housing issues and agency policy. Without preferences applicants on a waiting list would be "organized" only by the date and time of application.

B. The Preference System

- 1. Applications are placed on a waiting list in one of the following groups:
 - Emergencies
 - Preference
 - No Preference

PREFERENCE APPLICANTS – *Will be housed first*

- Those permanently living in Cambridge
- Those living in a Cambridge shelter or transitional facility – including those relocated out of Cambridge by the Department of Housing and Community Development (DHCD) or another service provider
- Non-resident applicants employed or about to be employed in Cambridge
- Veterans as defined in Massachusetts General Laws (M.G.L.) c. 121B § 1

ALL OTHER APPLICANTS – *Will be housed after all Preference Applicants*

- 2. Within each group applications are ordered on the waiting list by the date and time an application is received.
- 3. As units become available CHA selects applicants from the top of the list and works down. Applicants without a preference will only be selected when CHA runs out of applicants with a preference.
- 4. The following preference policies are universally applied to the Federal RAD Programs through its governing documents.
 - a. **Emergencies:** Households with emergency status that also meet eligibility requirements are housed ahead of all other families on a waiting list.

NOTE: Please see Section C below for a complete discussion of the emergency criteria.

- b. **Preference:** A preference will be granted to applicants who are otherwise qualified for Federal RAD program and who, at the time of the offer (immediately prior to execution of a lease) are verified to meet one of the following criteria with the understanding that each criterion carries equal weight and shall not be ranked or combined in any way to grant a "higher" preference:

Resident of Cambridge: An applicant who is permanently living in Cambridge on the date that s/he submitted a preliminary application, the date of screening, and the date of final certification. Although there is no requirement that an applicant live in Cambridge for a specified period of time before becoming eligible as a household, the applicant's housing arrangements must have been intended to be permanent and not temporary in nature. However, if an applicant is temporarily living with relatives or friends in Cambridge or living in a shelter in or outside of Cambridge and in either case, the applicant's last permanent residence and domicile was in Cambridge, then s/he shall still be considered a resident of Cambridge. Residents also include households living in Congregate Housing or Single Room Occupancy arrangements, as well as families that receive housing assistance under a Federal or State program in Cambridge.

EXAMPLE: An applicant that applied while sleeping on a friend's sofa for a few nights does not count as a "permanent" resident of Cambridge. However, if this applicant could show his/her last permanent place of residence was Cambridge, s/he would qualify for a preference.

Residency and Transitional Households: An applicant that is currently living in a Cambridge shelter or transitional facility OR was living in a Cambridge shelter or transitional facility but was later relocated by the Department of Transitional Assistance (DTA) and/or service provider to a facility outside of Cambridge.

EXAMPLE: An applicant applies to the waiting list from the Hildebrand Shelter here in Cambridge and after seven (7) months is transferred to another shelter facility in Medford because of space constraints. The applicant continues to be considered a resident.

Employed or about to be Employed: Any non-resident applicant employed or about to be employed in Cambridge on the date of application, the date of screening, and the date of final certification. This includes self-employed persons who can demonstrate specific arrangements to carry out their employment activity in Cambridge. The preference for employment is not limited to permanent, continuous or full-time employment.

EXAMPLE: An applicant residing in Somerville but working in Cambridge is eligible for preference.

Veterans: Those honorably discharged individuals that performed wartime service as defined in M.G.L. c. 121B, Section 1 and their spouses who are part of the household, surviving spouses, parents, and other dependents of a deceased veteran that apply for any housing receive a preference. Veterans as defined in M.G.L. c.121B § 1 with the same date of application applying for housing will receive a preference in the following order:

- Veterans with a service-connected disability;

- Families: surviving spouses who are part of the household, parent(s) or other dependent(s) of deceased veterans whose death was service connected; and
- Other veterans.

5. Non-Preference Households: Families on the waiting list without a preference.

C. Emergency Status

CHA has a process where an applicant with a preference can be moved to the top of the list if the household meets certain criteria. Should an applicant meet the criteria, they are deemed to have emergency status and are screened for the next available apartment in a RAD Development that suits their household need or, in some cases, a Housing Choice Voucher.

- Emergency status for a victim of domestic violence requires that the situation meet certain conditions as described below.
- Emergency status applicants in other categories must first qualify for a preference as described in B. 4., above.

1. Emergency Criteria for Victims of Domestic Violence:

- Victim of domestic violence:** The applicant or household member is a victim of domestic violence (as defined in the Abuse Prevention Act at M.G.L. c. 209A or the Violence Against Women Act, (Pub.L. 109-162, 2005), and:
 - The applicant has been displaced from his/her Cambridge dwelling unit due to domestic violence and has not secured permanent housing; further the last incident of abuse (threatened, attempted, actual) has occurred within six (6) months of CHA's receipt of the emergency application; or
 - The applicant or household member is recently displaced or likely to be displaced from his/her Cambridge dwelling unit due to the loss of income from an abuser who must leave the home (e.g. restraining order issued); and the applicant's rent is documented to be more than 50% of his/her monthly adjusted income as a result of the loss of income from the abuser being separated from the household.
- If emergency status is granted, CHA will consider this an emergency to be addressed by the issuance of a voucher.
- In determining emergency status under the domestic violence category the applicant must show:
 - That s/he is/was a permanent and approved resident of the Cambridge dwelling unit;

- That the abuser is/was also a permanent and approved resident of the Cambridge dwelling unit when potential displacement is claimed through loss of income; and
- That he/she, or affiliated individual (a spouse, parent, brother or sister, or child of a victim or an individual to whom the victim stands in loco parentis; or any other individual, tenant, or lawful occupant living in the resident household of that individual), is a victim of domestic violence by submission of a certification and, if required by CHA, provide third party documentation as described below.

The certification form to be submitted is provided by HUD as part of compliance with the Violence Against Women Act (VAWA). A copy of the form can be found on CHA's website and is available from CHA's Central Office. Depending on initial review of the circumstances, CHA may require more specific, third party documentation to verify that the applicant or household member is a victim of domestic violence.

Third party documentation includes a police or court record of the domestic violence; other documentation signed by the victim and an employee, agent, or volunteer of a service provider, a social service provider, domestic violence shelter staff, school personnel, attorney, social worker or a medical professional (psychologists and mental health providers) from whom the victim has sought assistance in addressing the domestic violence. The professional will attest, under penalties of perjury, to the professional's belief that the incident(s) in question are bona fide incidents of abuse. CHA shall not make contact with the abuser if doing so would create a risk of harm to the person claiming abuse and CHA shall maintain confidentiality of all information as per the VAWA policy (See Chapter 11b of this Policy).

If the applicant is granted emergency status, the applicant must provide the name of the abuser (unless provision of such information poses risk of danger) and shall certify that the abuser will not reside with the applicant.

2. **Other Emergencies:** For the remaining emergency categories the applicant must first qualify for a preference category as defined above and meet the specific criteria of the emergency category
 - a. **Victim of a Natural Disaster:** The applicant is a preference household and has been left without housing because of natural disaster such as a fire or a flood.
 - The applicant must show that s/he was a permanent and approved resident of the property;
 - The applicant or any member of the household was not responsible for the situation that caused the displacement; and the damage to the property must be sufficient enough that the property has been condemned and repairs are estimated to exceed two (2) months.
 - b. **Notice to Vacate by the City of Cambridge:** The applicant is a preference household and has been given notice by the City to vacate an apartment and did not know of the issues that led to the order to vacate.

- The applicant must show that s/he was a permanent and approved resident of the property;
 - The applicant or any member of his/her household was not responsible for nor substantially contributed to any of the issues that led to the order to vacate;
 - The conditions that led to the condemnation or other orders to vacate the property could not have been evident at the time that the applicant and his/her household moved into the apartment.
- c. **No Fault Eviction:** The applicant is a preference household and is imminently faced with displacement by court order in a “no fault” eviction case and the applicant has an absolute deadline to vacate their current home within ninety (90) days or a time set by court order; or has been displaced by court order in a “no fault” eviction case within six (6) months of CHA’s receipt of the emergency application and has not secured permanent housing.
- Receipt of a notice to vacate from a landlord is not sufficient. Applicant must show documentation that the landlord has received a judgment for possession and receipt of the judgment was not based on a default by the applicant; and
 - The applicant can show that his/her total household income is less than 60% of AMI and has been less than 60% of AMI for the proceeding twelve-month period.
 - “No fault” evictions shall not include evictions for nonpayment of rent.
3. Applicants who are determined to lack a preference and/or none of the emergency criteria apply to their circumstances are precluded from being considered for emergency status and will be provided with a detailed explanation of the reasons for the denial. This explanation will inform the applicant of his/her right to appeal the staff decision directly to the Executive Director or his/her designee by submitting a written response and/or additional information within twenty-one (21) days. The Executive Director’s decision regarding preference eligibility is final with no right to appeal.
4. Applicants who are determined to have a preference and appear to fall within one of the emergency criteria will be provided the opportunity to document their situation to a CHA staff person that was randomly assigned to perform the intake.
- While a CHA staff person does not advocate on behalf of the applicant, s/he is expected to work with the applicant to collect documentation that will support the applicant’s claim.
 - Once the applicant has been provided sufficient time to document their situation, the staff person will present the applicant’s case to the Emergency Review Committee.
 - The Emergency Review Committee shall be made up of no less than three (3) members of the Leased Housing Department and will be chaired by the Director of Leased Housing or his/her designee and will meet once per week.

- The Emergency Review Committee will only review documentation contained in the applicant's file, no testimony or presentation from the applicant is allowed. The staff person that performed the intake presents the documentation to the committee.
 - The Emergency Review Committee makes a recommendation to the Executive Director based on the documentation contained in the file at the time of the presentation unless the Chair, at his/her sole discretion, opts to table a recommendation and request additional information.
 - The recommendation of the Emergency Review Committee is sent to the Executive Director or his/her designee and s/he may either concur or overturn the recommendation.
5. CHA's Conference Panel will hear appeals related to those cases that have advanced through the Emergency Review Committee, and whose case has been acted on by the Executive Director or his/her designee.
 6. Only one emergency application for a particular emergency per household will be accepted.

EXAMPLE: A mother and daughter who lost their two-bedroom apartment to fire cannot each apply for a one bedroom through the emergency application process. They must apply as a household for a two bedroom. They can each apply for a one-bedroom unit through CHA's standard wait list.

D. Maintaining the Site-Based Waiting Lists

1. CHA will update its waiting list periodically, by contacting all applicants in writing or by the method designated at initial application by applicants with disabilities.
 - a. Once the preliminary application has been submitted, it is the responsibility of the applicant to notify CHA in writing of any changes of address.
 - b. Applicants only need to submit one change of address form, regardless of how many lists they are on.
 - c. CHA will send all correspondence relating to a pending application to the address provided by the applicant.
 - d. Correspondence marked as "unknown, return to sender, forwarding address unknown, no such address" will result in the removal of that applicant from all programs – RAD and the Housing Choice Voucher (HCV) Program – waiting lists.
2. Applicants may apply for up to three (3) sites.
 - a. Each site list is then set up by preference group and then within the group, by date and time of application.

- A final, single, site choice must be made when an applicant is called in to begin being screened for a unit.
- b. With respect to placement, each list works independently of another.
- Depending on the rate of vacancies at each property, an applicant could be 10th from the top on one list and 100th from the top on another list, even though the preference group is the same and the date of application is the same.
 - Written changes submitted by an applicant will affect all lists that the applicant has applied for.
3. Applicants are notified by an interest letter from CHA to select a final development choice from the three (3) developments initially selected in their application. Once an applicant has selected a final development choice, they are removed from the other RAD waitlists. Applicants who do not respond to the interest letter by the specified deadline will be withdrawn from all RAD waitlists.
4. Applicants are given a new application date when a change in circumstances results in their application receiving a preference under the CHA's policies (see Chapter 4, Section B(4) above). The application is re-sequenced with the date of preference status change, which will then determine position on the waitlist.
- a. If an applicant status changes to having a local preference, they become a preference applicant with the new date (the date when they received their preference status).
- b. If an applicant changes from having had a local preference to no longer having a preference, they keep their original application date, but now as a non-preference applicant.

EXAMPLE: Sally, Ramon and Frantz all qualified for a preference. On 11/30/2007, Sally has a change of circumstances and is no longer eligible for a preference and needs to be moved from the local preference group to the no preference group. In this case, Sally retains her application date of 7/23/07 and is placed on the list between John and Sharon.

Prior to Change (Sally qualified for a Preference)		After Change		
1. Ramon	4/19/2007	1. Ramon	4/19/2007	
2. Sally	7/23/2007	2. Frantz	11/10/2007	<i>With Preference</i>
3. Frantz	11/10/2007	3. John	5/4/2006	<i>No Preference</i>
4. John	12/5/2006	▶ 4. Sally	7/23/2007	<i>Now without Preference</i>
5. Sharon	10/22/2007	5. Sharon	10/22/2007	

5. If an applicant's eligibility for a specific bedroom size changes while on a waiting list, the applicant's position will be adjusted on the list so that s/he is placed on the list with other applicants eligible for similarly sized apartments.

- a. **Additions to applicant households:** Except in cases of birth, marriage, change(s) of custody, family reunification, and/or adoption, applicants adding household members will receive a new application date.
 - b. **Subtractions from applicant households:** Applicants removing household members will retain their original application date. If a household reduces to a bedroom size that is not accepting new applicants (waitlist is closed), the applicant will not be placed on the closed waitlist.
6. Throughout the process of admission, applicant's rights are protected; all applicants are entitled to know the reason for any CHA decision related to the award of preferences and/or rejection for housing. Additionally, hearing procedures have been established and are available to applicants so that they can present information in support of their positions.
7. All contact from CHA is made through the US Postal Service unless, as an individual with disabilities, an alternative method has been pre-arranged.
 - a. Applicants are responsible for maintaining an active mailing address with CHA.
 - b. Applicants who fail to respond to a mailing relating to the RAD waiting list will be withdrawn from all RAD waiting lists. Applicants who are also on Housing Choice Voucher (HCV) Program waiting list will not be removed from the HCV list.
 - c. When an applicant fails to respond, and CHA takes action to withdraw the applicant from the waiting list, the following apply:
 - After six (6) months, and absent any reasonable accommodation issues for an individual with disabilities, the Director of Operations or his/her designee in his/her sole discretion may reopen an application. The decision of an application may be reopened is final and not subject to appeal.
 - Applicants who are removed from the waiting list can reapply if/when the list is open one year from the date the application was withdrawn.
 - When there is an error by CHA, withdrawn applicants will have their applications reopened.
8. Applicants will be removed from the RAD waiting lists if applicant:
 - a. Fails to respond to CHA correspondence regarding RAD;
 - b. Is found ineligible for failure to pass the screening process; or
 - c. Refuses an offer of an apartment without good cause.
 - d. Fails to attend a scheduled screening (failure to attend a rescheduled (second attempt) screening without 48 hours notice to CHA); or

- e. **Accept an offer of a unit in A RAD Development.**

E. Processing Applications for Admission

1. **CHA will accept and process preliminary applications in accordance with CHA's procedures. When accepting preliminary applications, CHA does not verify any information supplied and does not accept any corresponding documentation. CHA assumes that the facts certified by the applicant in the preliminary application are correct. The facts will be verified later in the application process.**
2. **Every preliminary application for admission to a RAD development shall include the date and time of application; applicant's race and ethnicity; preference eligibility determination; the apartment size(s) for which eligible; and the specific site-based waiting lists for which s/he has applied.**
3. **Applicants who approach the top of a waiting list will be asked to come to CHA for an interview to complete a final applicant file. Applicants who fail to attend their scheduled interview or who cannot be contacted to schedule an interview will have their applications withdrawn from the federal waiting list as noted in Section D above, subject to reasonable accommodations and/or good cause. The following information will be verified according to CHA's procedures, to determine qualification for admission to CHA's housing:**
 - a. **Preference status;**
 - b. **Income eligibility;**
 - c. **Assets and asset income (only if applicable for program); and**
 - d. **Citizenship or eligible immigration status.**
4. **Third party written, faxed or electronic verification is the required form of documentation. CHA may also use prior year income information, such as tax returns, and adjust the income for inflation to determine an annual income. CHA may use discretion in accepting other forms of documentation. For more information regarding use of prior income see page 5-1, A.3**

ATTACHMENT F

INSURANCE REQUIREMENTS OF MANAGEMENT AGENT

TYPE OF INSURANCE	AMOUNT OF COVERAGE
Directors and Officers	\$1,000,000
Fiduciary Bond	\$1,000,000 (single loss limit)
Commercial Liability which includes Personal and Advertising Liability, Public Officials Liability, Employment Benefits Administration as well as Lead Based Paint Liability and mold, fungi and bacteria coverage	\$1,000,000 per occurrence/\$2,000,000 aggregate
Automobile	\$1,000,000 (combined single limit each accident)
Workman's Compensation	Statutory