

## PROPERTY MANAGEMENT OPERATIONS PLAN

Abode Services, Allied Housing, and Housing for Independent People



# Subject Property: Pedro Street Apartments

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**Ground Lease Holder:**

The County of Santa Clara  
70 W. Hedding Street  
East Wing, 11<sup>th</sup> Floor  
San Jose, CA 95110

**Owner:**

Chang USA, LLC  
Management: Westlake Realty Group  
1301 Shoreway Road, Suite 175  
Belmont, CA 94002

**Agent:**

Abode Services, Allied Housing, Housing for Independent People  
481 Valley Way  
Milpitas, CA 95035  
Phone (408) 941-1850 • Fax (408) 941-0294

**Subject Property Address:**

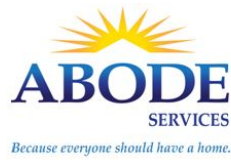
1185 Pedro Street  
San Jose, CA 95126  
APN 264-05-066  
Approx. 47,691 SF (building size)  
Approx. 69,696 SF (property size)  
Year Built: 1977 Rehab: 2020 (Left Wing)  
Construction Class: Wood Frame  
Stories: 2  
Classification: Residential Group R-2.1 / Temporary Interim Housing

The following plan is intended to provide a summary of the important aspects of the approach to management of projects by Abode Services/Housing for Independent People/Allied Housing. This plan is designed to define the duties and responsibilities of the owner and managing agent, and to outline a management program that will assure the physical, financial, and social well-being of the project.

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# 1. Introduction

## **A. About Abode Services, Allied Housing, & Housing for Independent People**

Housing for Independent People (HIP) and Allied Housing (Allied) are both governed by the same Board of Directors as Abode Services (Abode). For the purposes of this document, "the Agency" shall refer to Abode, Allied and HIP. Both Allied and HIP have staffing contracts with Abode to achieve greater cost effectiveness and to ensure that all staff remain focused on the common mission of the agencies. The senior management team and Executive Director are the same for all three agencies and their time is allocated to each respective agency on a pro-rata basis in accordance with the staffing contract between Abode and HIP and Allied. The Director of Property Management is a member of the senior management team of Abode.

While the three agencies remain legally independent 501(c)3 non-profit organizations with separate accounting, separate audits and separate 990 filings, they are strategically aligned around the same mission of ending homelessness by providing homes for extremely low income and special needs populations.

Allied Housing is the primary entity that performs housing development activities. Allied, HIP and Abode are the owner of various properties within the Abode Services' projects. The Owner and Agent have agreed on the delegation of the authority of the total management of the project HIP as the managing agent through the execution of the Management Agreement as the instrument of authority.

### **Mission Statement**

The Agencies' mission is to end homelessness by assisting low-income, un-housed people, including those with special needs, to secure stable, supportive housing, and to be advocates for the removal of the causes of homelessness.

## **B. Relationship between Owner and Agent**

HIP as the Agent ("the Agent") is the property management division within Abode Services and is responsible for operating the supportive housing properties that the agency owns outright. Allied housing is the co-owner of multiple tax credit properties and is a development partner as co-general partner and the managing general partner does the property management and Abode does the onsite resident services. The property management division has a mission to do property management in a way that balances the needs of vulnerable and challenged residents with the needs of the property and community. The goal of the department, as throughout the agency, is to create a stable housing environment that acts as a foundation from which residents can improve their life.

## **C. Organizational Chart**

The Board of Directors oversees the Executive Director, who oversees the Chief Operating

Officer and the Chief Financial Officer. The CFO oversees the entire accounting department. The Chief Operating Officer oversees all of the programs and operations of the agency as well as the Vice President of Property Management and the Director of Property Management. The Director of Property Management oversees both new development and property and asset management for the agency and supervises the Project Management Department for new developments and acquisition/rehab developments as well as the Property and Asset Supervisor. The Property and Asset Supervisor supervises the Property Management staff. The Property Management staff supervises the maintenance and janitorial staff.

#### **D. Revisions & Updates**

All revisions and updates to the management plan must be approved by the Director of Property Management and the Vice President of Property Management and, at times, the Funder(s) and/or Investor(s). Any changes to the plan shall result in a new revision date at the bottom of each page of the manual. Previous versions shall be archived.

#### **E. Related Documents**

The Abode Services Employee Handbook contains all policy and procedures relating to employment as an Abode Services Employee. All staff of Abode, Allied and HIP are all Abode Services Staff. The Abode Services Policies and Procedure Manual also governs how staff are to perform their job duties.

## **2. Roles & Responsibilities**

#### **A. Day to Day Operations**

The Agent staff is responsible for the day-to-day operation of the project. Agent staff are accountable to the Director of Property Management. Through reports, the Director of Property Management is responsible to the Owner. The Agent is responsible for proper resident selection per the established resident selection criteria, and the certification and recertification of residents, rents being properly collected and computed, establishing a control system for operating the project on a sound fiscal and physical basis, and the training and supervision of project personnel.

Within the parameters of the regulatory agreements and this Management Plan, the Managing Agent will make decisions without consulting the Owner in the general day-to-day operating of the project (s). The Property Manager of the project is responsible for day-to-day business and activities at the project level and is in charge of the supervision of all personnel assigned to the project.

In cases of emergency, the Agent will act promptly to safeguard the health and welfare of the residents and to safeguard the assets of the complex or to prevent additional damage to assets.

#### **B. Annual Operating Budgets**

Agent will comply with all reporting requirements per the regulatory agreement and other terms as required by the Owner, Funder(s) and/or Investor(s). Approximately 60 days prior to fiscal year end the Asset Manager shall develop a schedule of projected revenues, expenses, vacancy rates, debt service and cash flow for the properties for the following fiscal year. The budget will then be submitted for approval prior to implementation. The Agent shall not amend the budget during the fiscal year without prior approval.

The Agent, except in the case of an emergency, is required to get approval of the Owner in cases of

any expenditures which exceed the approved budget unless the expense does not increase the budget amount for such expense by more than 15% and which, when combined with any decrease in the budgeted amounts, does not cause an overall increase in the budget.

### **C. Compliance and Reporting**

Periodic reports will be provided as directed by the Owner and Funder(s) and/or Investor(s) requirements. Vacancy and rent losses will be recorded monthly in both the rent rolls and the monthly financial report.

The Agent will be responsible for making recommendations to the Owner to help formulate the operating policies of the project. These recommendations will be formulated for the overall well-being of both the residents and the project. The Owner will determine the general policies which the Agent shall enforce on their behalf.

The Director of Property Management reports monthly to the Vice President of Property Management and the Chief Operating Officer on the status of all new construction, acquisition/rehab, and other properties that the agency manages. This report is incorporated into the monthly report to the Board of Directors. The Vice President of Property Management is also part of the Board's Housing Development Committee which includes senior staff and board members and some members from the community.

Submission of budgets to Owners at least sixty (60) days before the beginning of the fiscal year unless there are separate regulatory requirements. Changes to be incorporated in the approved budget shall be promptly reported to the Vice President of Property Management or his or her designee, who will incorporate such changes and forward the budget to Owner.

Monthly the site level staff will meet with the Property & Assets Supervisor and provide current information on occupancy, maintenance, security, resident relations, etc.

### **D. Annual Certified Audit**

An annual financial report and/or supplemental report will be prepared by a Certified Public Accountant acceptable to the Owner, Funder(s) and/or Investor(s). After the end of every fiscal year, June 30th, independent auditors perform a financial audit on each of the three agencies, Abode, Allied and HIP. This report will be based upon the preparer's examination of the Project's books and records. It will be certified by the preparer and the Agent and will be submitted to the Owner within 180 days of the end of fiscal year unless an earlier timeline is otherwise required by the Owner, Funder(s) and/or Investor(s). After the agency receives the audit and it is approved by the Board of Directors, the audit is transmitted to the property's various funder for review.

Compensation for the preparer's services will be paid out of the Operating Account as a Property expense.

### **E. On-Site Manager**

The On-Site Manager (Night Manager) is a permanent staff person who will reside on the Property where there are 16 units or more (State Law Requirements) in an apartment made available by the Owner. The On-Site Manager maintains a consistent line of communication and reports directly to the Property Manager.

### **F. Service Coordinator**

The owner will provide or contract with a Service Coordinator to assist the residents in obtaining social services, etc. The Property & Asset Supervisor will cooperate fully to enable the Services

Coordinator to carry out his/her responsibilities. Abode Service Coordinators report to the Resident Services Manager, who reports to the Director of Social Services, who reports to the Director of Programs.

## **G. Insurance**

The Owner will arrange for the project to be insured for fire and other hazards, general liability, and contingencies in such amounts and for such periods as required by the Funder(s) and/or Investor(s). The Owner will inform the Agent of insurance to be carried for the Property and its operations, and if directed Agent will always cause such insurance to be placed and kept in effect. The Owner will approve the insurance coverage, Agent will pay insurance premiums out of the General Operating Account and insurance premiums will be treated as Property expenses.

All policies will name Owner, Agent, Abode Services and Funder(s) as an additional insured on the certificate of insurance in amounts acceptable by the Owner, Funder(s) and/or Investor(s). The Agent will investigate, document and report all accidents, claims and potential claims and maintain records of all claims and losses relating to the Property.

## **3. Personnel, Policies & Staff Arrangements**

### **A. Equal Opportunity Employment**

Abode Services is an equal opportunity employer; all employment procedures are implemented without regard to race, color, creed, religion, national origin, ancestry, citizenship status, age, sex, gender (including gender identity and gender expression), marital status, sexual orientation, pregnancy (including childbirth and related medical conditions), medical condition (including genetic characteristics), physical or mental disability, military service or veteran status, political activity or affiliation, taking or requesting statutorily protected leave, or any other basis protected by state law, federal law, or local ordinance.

Hiring decisions are made after careful consideration of each applicant in light of factors, and only those factors, which relate directly to job performance. Therefore, the best qualified applicant will be chosen for each job opening. Similarly, those chosen for advancement must demonstrate individual ability, responsibility, personal effort to prepare themselves for advancement, and commitment to the agency's effectiveness in carrying out its mission.

Interim staffing in response to cyclical overload, extended absence, or special skill requirements may be accomplished at project expense by temporary assignments or Agent staff. Not only will this assure continuity by those trained in Agent policies and procedures, but it will provide opportunity for cross-training and career development within Abode Services.

Abode Services complies with all the relevant and applicable provisions of the Americans with Disabilities Act (ADA) and the California Fair Employment and Housing Act. Abode Services will not discriminate against any qualified employee or job applicant with respect to any terms, privileges, or conditions of employment because of a person's physical or mental disability. Abode Services will make reasonable accommodation wherever necessary for all employees or applicants with disabilities, provided that the individual is otherwise qualified to safely perform the duties and assignments connected with the job and provided that any accommodations made do not impose an undue hardship on Abode Services, as defined by law. Employees and applicants should direct requests for accommodation to their supervisor or hiring manager. Each accommodation request will be handled on a case-by-case basis and



every reasonable effort will be made to comply with it.

Equal employment opportunity notices are posted as required by law. The notices summarize the rights of employees to equal opportunity in employment and list the names and addresses of the various government agencies that may be contacted in the event that any person believes he or she has been discriminated against.

Management is primarily responsible for ensuring that Abode Services' equal employment opportunity policies are implemented, but all members of the staff share in the responsibility for assuring that by their personal actions the policies are effective and apply uniformly without regard to race, color, creed, national origin, ancestry, citizenship status, sex, gender (including gender identity), marital status, sexual orientation, pregnancy, age, religion, medical condition (including genetic characteristics), physical or mental disability, military service status or any other basis protected by state law, federal law, or local ordinance.

Any employees, including supervisors, involved in discriminatory practices or conduct may be subject to discipline, up to and including discharge.

## **B. Job Descriptions**

Job Descriptions for each position are on file with Human Resources at Abode Services. All staff for Abode, Allied, and HIP are employed by Abode Services. Allied and HIP have property management agreements that include staffing contracts with Abode to provide appropriate staffing for the operational needs of these two agencies.

## **C. Timesheets and Payroll Procedures**

Timesheets are filled out online using our online payroll system and are to be submitted by 5pm weekly on a Friday and again on the last day of the pay period. Supervisors are to review and approve time sheets for their direct reports by 10am the following business day. Abode uses an outside payroll vendor to handle all payroll functions.

## **D. Training**

HIP has a regular training program for their on-site staff. Staff is also encouraged to participate in local training and informational programs as well as training provided by management organizations such as AHMA, CAA, IREM, & NHCM.

HIP/Allied/Abode believes in hiring personnel with previous experience in their field. Nevertheless, all personnel will receive training specific to the regulatory agency policies and procedures.

This training will consist of the following:

1. One to One counseling and supervision on the part of the Property & Asset Supervisor of the project;
2. Written guidelines, manuals and materials;
3. Requirements of non-discrimination, reasonable accommodations and fair housing;
4. Periodic attendance at special training workshops sponsored by various property management associations for the purpose of updating and renewing work-related skills and/or continued education requirements for specialized certifications;

5. Monthly Safety Training;
6. Specific training in policies and procedures of the Regulatory Agencies and Funder(s) and/or Investor(s) as applicable are to be provide to the Property staff and those who oversee the Property to ensure compliance to program and regulatory requirements.

The cost for said training shall be set forth in the Proposed Operating Budget. Minimally all staff members will receive training in Human Resources issues like discrimination, sexual harassment, Fair Housing, Safety and Emergency Procedures.

### **E. Employee Handbook**

The Abode Services Employee Handbook, together with all applicable federal and state laws, shall be followed regarding the rights, responsibilities, procedures, forms, benefits, etc. in connection with employment by the project

### **F. Grievance Procedure**

Grievances are resolved first with the Property Supervisor and Property Manager. If resolution has not been met, it can be appealed to the Director of Property Management, if resolution has still not been obtained, then it is appealed to the Chief Operating Officer, who has authority to make a final decision.

### **G. Fair Housing, Equal Opportunity & Statements of Non- Discrimination**

It is the policy of the Agent to comply fully with the Title VI of the Civil Rights Act of 1964, Title VIII and Section 3 of the Civil Rights Act of 1968 (As amended by the Community Development Act of 1974), Executive Order 11063, Section 504 of the Rehabilitation Act of 1973, the Age of Discrimination Act of 1975, and any legislation protecting the individual rights of residents, applicants or Staff which may subsequently be enacted.

HIP/Allied/Abode does not discriminate based on race, color, creed, religion, sex, national origin, age, familial status, handicap, ancestry, medical condition, physical handicap, veteran status, sexual orientation, AIDS, AIDS related condition (ARC), mental disability, or any other arbitrarily basis in the leasing, rental, or other disposition of housing or related facilities, (including land), included in any Development or Developments under its jurisdiction or in the use or occupancy thereof.

HIP/Allied/Abode shall not on account of race, color, sex, religion, age, handicap, disability or national origin:

- A. Deny to any applicant the opportunity to apply for housing, nor deny to any eligible applicant the opportunity to rent suitable housing.
- B. Provide housing that is different than that provided to others;
- C. Subject a person to segregation or disparate treatment;
- D. Restrict a person's access to any benefit enjoyed by others in connection with the housing program;
- E. Treat a person differently in determining eligibility or other requirements for admission;

- F. Deny a person access to the same level of services, or
- G. Deny a person the opportunity to participate in a Planning or advisory group, which is an integral part of the housing program.

HIP/Allied/Abode shall not automatically deny admission to a particular group or category of otherwise eligible applicant. Each applicant will be treated on an individual basis in the normal processing routine.

HIP/Allied/Abode will seek to identify and eliminate situations or procedures that create a barrier to equal housing opportunity for all. In accordance with Section 504, HIP/Allied/Abode will make reasonable accommodation for individuals with handicaps or disabilities (applicants or residents). Such accommodations may include changes in the method of administering policies, procedures, or services.

In addition, HIP/Allied/Abode may perform structural modifications to housing and non-housing facilities on sites where such modifications would be necessary to afford full access to the housing program for qualified individuals with handicaps. In reaching a reasonable accommodation with, or performing structural modifications for, otherwise qualified individuals with handicaps, HIP/Allied/Abode is not required to:

- A. Make structural alterations that require the removal or altering of a load-bearing structural member;
- B. Provide an elevator in the housing property solely for the purpose of locating accessible apartments above or below the grade level;
- C. Provide support services that are not already part of its housing programs;
- D. Take any action that would result in a fundamental alteration in the nature of the program or service;
- E. Take any action that would result in an undue financial and administrative burden on HIP/Allied/Abode, including structural impracticality defined in the Uniform Federal Accessibility Standards.

## **4. Marketing, Leasing, Preferences & Resident Selection**

### **A. Affirmative Fair Housing Marketing Practice**

An affirmative marketing strategy will be used for recruitment, designed to assure equal access to all units by eligible applicants in all categories protected by federal, state, or local anti-discrimination laws. The Managing Agent will comply with all practices and procedures in accordance with the Resident Selection Criteria and/or as required by mortgagee, lender and/or all government agencies to insure that the prescribed fair housing goals are met in the operation of the project per Federal Code (24)CFR, part 200.620 (a)- (c) and the agencies Housing First principles as documented by California Code, Welfare and Institutions Code – WIC § 8255.

To assure enough applicants on the waitlist outreach will be made in accordance with the specifications of the Marketing Plan and in accordance with the established Resident Selection Criteria. The Property Manager, fully familiar with established selection criteria including the preferences and the waitlist as addressed in the applicable regulatory agreements for the

property, is responsible for resident selection. If review by a rejected applicant is requested, this is done by the next level of supervisor who was not involved in the initial selection for housing.

## **B. Equal Access in Marketing**

Marketing performed by the Agent/Owner will be consistent with the resident population the Property was designed to serve in accordance with the Regulatory Requirements, Marketing Plan and Resident Selection Criteria. The marketing of the Property will ensure equal access to units for all person in any category protected by Federal, State and Local laws governing discrimination.

## **C. Advertising and Media**

Advertising and media contact are coordinated in accordance with the Marketing Plan and Resident Selection Criteria. With the approval of the Owner, Lender(s) and/or Investor, the Agent will develop Lease Agreements, Community Rules, application and certification forms and such documentation as may be necessary to facilitate the selection and admission of residents into the Property according to the Marketing Plan, Resident Selection Criteria and in accordance with applicable regulatory requirements. Advertising may include placing unit availability notices in newspapers, specialized publications and newsletters, agency websites and e-blast distributions to reach potential applicants.

All advertising will include the following:

- Equal Housing Opportunity logos and affirmative marketing slogans and/or statements on all marketing and advertising materials;
- Display of Fair Housing posters in rental office and locations;
- An Equal Housing Opportunity logo on the project's sign;
- Handicap Accessibility logs (where applicable);
- Notice of nondiscrimination on the basis of disability on all marketing and advertising materials; and
- Announcement of our TDD phone number.

Advertising will be directed to all potential applicants regardless of race, color, religion, sex, disability, familial status, or national origin. Additional outreach and advertising activities may include contacting local civic and community organizations in the area to disseminate information about the Property, its referral criteria and provide agent/owner contact information.

## **D. Preferences**

Preferences are not permitted if they in any way negate affirmative marketing efforts or fair housing obligations. The following preferences apply to the subject property and all other preferences as indicated in the Marketing Plan and Resident Selection Criteria in accordance with the regulatory requirements.

Existing Resident Preferences – the following actions are always given priority for current household members as applicable.

- i. A unit transfer (or move-out/move-in transfer depending on funding type) due to domestic violence, dating violence, sexual assault or stalking as it pertains to a VAWA Emergency Transfer.

- ii. A unit transfer based on the need for an accessible unit, a verifiable medical necessity, or any other reason due to the need of a reasonable accommodation.
- iii. A unit transfer of a non-disabled individual living in a wheelchair accessible unit to accommodate an applicant on the Waiting List in need of a wheelchair accessible unit. A lease addendum will be executed for non-disabled applicants selected for a vacant accessible unit, which requires them to transfer should a non-accessible unit becomes available or if a disabled individual is selected for the unit.
- iv. A unit transfer based on the need of an emergency temporary relocation. If a unit becomes uninhabitable due to a catastrophe or emergency, the resident family will be given any open unit for temporary living quarters until their unit is repaired (prior approval required from agent/owner).

## E. Rental Procedures

Initial and ongoing leasing will include the rental procedures and selected marketing activities (marked with X) for the subject property based on priority levels and approved referral criteria below:

Selection	Priority	Referral Criteria
		Direct 1:1 Funding Source Referral – Coordinated Assessment and Entry System and other Local Housing Programs/Systems frequented by vulnerable people experiencing homelessness. These referral sources are notified when a unit is becoming available as soon as it is known along with a projected unit ready date. The referral source sends a set number of applicants contact information to property management. Property management contacts these applicants to determine interest in the specific property, and if interested, follows the rental procedures.
		Direct 1:1 Funding Source Referral – Housing Authority HAP Contract Units, other Project-Based / Subsidized Housing Units or Veteran’s Administration Supportive Housing (VASH) Units. These referral sources are notified when a unit is becoming available as soon as it is known along with a projected unit ready date. The referral source sends a set number of applicants contact information to property management. Property management contacts these applicants to determine interest in the specific property, and if interested, follows the rental procedures.
		General Referral – If there are no required direct referrals or in-house unit transfers, priority is given to chronic homeless or individuals with a homeless background being referred directly from shelters, street outreach, drop-in centers, and other crisis or homeless response programs/systems. An informational flyer is created and distributed first to those agencies that serve homeless individuals, then to local newspapers and publications serving the area, Public agencies, Social Service agencies and local community groups. The flyer will indicate information about the property, and about the specific locations and distribution sites where an application can be obtained.
		Waiting List - If there are no required direct referrals or in-house unit transfers, the unit will be rented to applicants on the new applicant waitlist (the Waitlist) subject to site-

		specific preferences (if applicable) or as indicated by the regulatory agreement or Resident Selection Criteria on a first come first serve basis following the rental procedures.
		Master Leasing – In compliance with the regulatory agreement and Resident Selection Criteria the property may master lease its units to another agency instead of directly to applicants in order to better meet the agencies mission. A master lease is when another non-profit or public agency leases one or more units as an agency. That agency then provides housing for their residents as either a sub-leasee or a program participant. The agency sends applicant information to the property to ensure eligibility and agent processes all applicants in accordance with regulatory requirements and rental procedures.
		Other – See Resident Selection Criteria

1. Units shall be marketed in accordance with the Marketing Plan and the Resident Selection Criteria. Procedures will be followed to assure that waiting lists (if applicable) are current and have adequate numbers of applicants for each preference category (if applicable). Initial and ongoing leasing of the units are filled based on the approved referral criteria that meet the requirements of the regulatory agency, funding source, and the Owner/Agent Housing First principles as documented by California Code, Welfare and Institutions Code –WIC § 8255.
2. A project fact sheet or selection criteria and application will be provided at the request of potential applicants or referring agencies, whether in person or by telephone. The fact sheet will contain at least the following: Brief description of the property and amenities; Occupancy & Qualifying Income Restrictions; Rent Limits; and Preference Categories (as applicable). It is not required that applications be completed in the presence of the staff. Staff and referring agencies may aid in completing application if requested by applicant and/or referral to Resident Services/Service Coordinator for assistance.
3. In accordance with the referral criteria, once the application process begins, applicants can obtain an application and complete and submit to the property by the deadline indicated by the agent/owner. Applications are received on a first come first serve basis. Applications submitted prior to the indicated deadline will be categorized first by preference categories and then by application date.
4. Only one application will be considered and processed per household. Multiple applications submitted by the same household which are identified at any point in the application process will be disqualified.
5. All applications received will include certification procedures to assure that potential residents meet the household income criteria, unit affordability restrictions, set-asides and the project’s Resident Selection Criteria. Certification procedures include a applicant background screening, confirming income eligibility, unit selection and applicant decision notification.
6. All applicants will be notified of their eligibility and advised of their status according to the Resident Selection Criteria. Approved applicants will be notified of the next steps in the rental procedures, unit selection, applicant orientation and move-in preparation. Ineligible applicants will be allowed a 10-day period in which to appeal the results of their application, or to request for consideration review for mitigating circumstances or a reasonable accommodation.

## **F. Resident Selection Process**

Selection of residents will follow the Resident Selection Criteria based on the following Housing First practices below and those considered in the California Welfare and Institutions Code - WIC § 8255 and will include the applicant completing an application, background screening and, income/asset verifications as required by the affordability restrictions and/or regulatory requirements:

- Each applicant will be evaluated individually;
- Alternative forms of verification and additional information by the applicant will be allowed at any time during the process;
- Reasonable accommodations or modification requests are encouraged at any time during the process;
- Management and Services will review and consider self-disclosed descriptions of negative background screening and any mitigating circumstances that were present at the time through Requests for Consideration (issues resulting from unique life or extenuating circumstance) and/or Accommodation (issues resulting from a disability) for negative background screenings;
- Requests for Consideration and for Accommodation/Modification are included in the rental application;
- Poor credit scores or negative credit are not grounds for denial of application;
- Evictions, lack of landlord references, resident history and/or lack of housing readiness or move-in readiness are not grounds for denial of application;
- The lack of housing readiness or move-in preparation are not grounds for denial of application;
- Criminal convictions for misdemeanors and felonies related to drug usage are not grounds for denial of application; and
- In accordance with Harm Reduction practices, negative consequences in the background screening associated with drug use, use of substances or completion of treatment or a participation in treatment services are not grounds for denial of application.

## **G. Rejection & Appeal Procedures**

Applicants may be rejected for any of the following reasons:

- Failure to present all adult members of the applicant's household at the full interview to determine eligibility, finalize certification paperwork and/or signing of lease documents;
- Falsification of any information on the application;
- An applicant whose eligibility income exceeds the maximum allowed by program regulations;
- An applicant who does not meet the minimum income requirements except when the unit is subsidized with rental assistance;
- An applicant who does not meet the preference requirements as specified by program regulations;
- An applicant whose household composition does not meet the established occupancy standards or household characteristics that are not appropriate for the specific type of unit available at the time;
- An applicant's inability to get utilities in their name;

- Specific criminal felony convictions prohibited by funding sources or program regulations (i.e., PC 290 Registrant Requirements);
- Criminal felony convictions within the last 7 years for the manufacturing or sale of a controlled substance, arson, homicide and other violent crimes that would adversely affect the health, safety, or welfare of other residents, guests, staff, and/or the property;
- Specific verifiable information provided during the applicant process that suggests the applicant poses a threat to the health, safety, or welfare of other residents, guests, staff, and/or the property;
- Failure to update application for the Waitlist within specified time when notified;
- Declines a unit offer 3 times after being contacted; or
- Other good cause: including, but not limited to, failure to meet any of the Resident Selection Criteria.

Written notice will be sent advising applicants of a denial and the reason for the denial. All applicants will be advised that they may appeal the decision of their application and be given a deadline in which to do so. The notice will include their right to request reasonable accommodation for a disability or a request for consideration of mitigating circumstances.

## **H. Waitlist Procedures**

The Owner/Agent keeps its commitment to fair housing practices by following consistent waitlist procedures in order to ensure the fair and even treatment of all applicants. The initial waitlist will be determined by date and time of application and/or a lottery, as directed by the funding source or referral criteria. Applicants are to be placed on the waitlist in the order the applications are received. All applicants selected from the waitlist will be processed in accordance with owner/agent rental procedures that reflect the properties Resident Selection Criteria.

- i. **WAITLIST MANAGERS:** Some properties may maintain a separate site-based waitlist in accordance with the property-specific Resident Selection Criteria managed by the agent/owner. Properties with Direct 1:1 Referral Sources will not have a site-based waitlist and will receive applicants directly from the referral sources waitlist system prioritizing applicants based on their identified criteria as the vacancy occurs. Properties that have Master Lease units will receive referrals directly from the master lease agency that prioritizes applicants based on their identified criteria as a vacancy occurs with the master lease unit.
- ii. **SITE-BASED WAITLIST SIZE:** Site-based waitlists should have approximately 5 times more preliminarily qualified applicants than the anticipated number of vacancies of each unit type for a six- month period. Unit types include different bedroom size, income category or other occupancy restriction or target (e.g. if a unit is targeted for physically or mentally disabled).
- iii. **EXHAUSTING A SITE-BASED WAITLIST:** Waitlist Managers must exhaust the entire waitlist to fill a vacancy before advertising for new applicants (this includes posting availability on the internet or in any publication). If the Manager has gone through the entire waitlist without finding a prospective Resident, they may advertise for the immediate vacancy, if the waitlist is currently open. If the waitlist was previously closed, the Manager must go through the steps of opening the list at the same time as advertising for the immediate vacancy with upper management approval.



- iv. **CLOSING A SITE-BASED WAITLIST.** When the list of applicants exceeds the number of applicants needed to fill anticipated vacancies for the upcoming six months in each designated income category and unit size, the waitlist may be closed. Upper management approval is required to make the final decision to close a waitlist. The waitlist may be closed for an entire property or only for a unit size or income level.
- v. **REMOVING APPLICANTS FROM THE SITE-BASED WAITLIST.**
  - a. Applicant cannot be contacted. If a Waitlist Manager has been unsuccessful in contacting an applicant by phone and has followed up by sending a letter, and the letter is returned as undeliverable or there has been no response to the letter within 10 days, the applicant will be moved to the inactive waitlist.
  - b. Purging. Waitlist Managers are to carry out the process of purging/updating the applications on the existing waitlist at least twice a year, every six months. This is to ensure that the list is still accurate. Purging consists of sending letters to all the applicants on the existing waiting list and asking them to update their information and their continued interest. The letter must inform applicants that their names will be taken off the active list within a certain time frame, usually 10 calendar days, if they do not respond. If, after purging the waitlist, the waitlist does not have the minimum number of required applications, the Manager should open the list for new applications.
  - c. Missed appointment or declined unit. When an applicant misses a scheduled showing/interview or declines to accept an available unit for any reason, the Manager verbally communicates to the applicant that they only get three total misses/declines before they are moved to the inactive waitlist. A written letter will be sent if verbal communication is unsuccessful. Each miss/decline shall be recorded and tracked in the waitlist. The third (3<sup>rd</sup>) time an applicant declines an available unit or misses an appointment; they will receive a written notice that informs them that they are being moved to the inactive waitlist. If they wish to reapply, and the waitlist is currently open, they may reapply, but they will be at the bottom of the waitlist. If there are three units currently available and an applicant declines all three of the units for any reason, the applicant shall be moved to the inactive waitlist.
  - d. An applicant may request to remain on the waiting list to be reconsidered at a future time. All under-income applicants requesting to remain on the waiting list will be placed at the bottom of the waiting list.
- vi. **OPENING A SITE-BASED WAITLIST.** Before opening the waitlist, Waitlist Managers are to prepare an application packet, which consists of an application form, a brief description of the property, rent amounts, eligibility information (updated income minimum and maximum requirements). An informational flyer is created and distributed to local newspapers and publications serving the area, Public agencies, Social Service agencies and local community groups. The flyer will indicate information about the property, and about the specific locations and distribution sites where an application can be obtained. If the waitlist is open and has been depleted and the Waitlist Manager anticipates immediate vacancies, upper management may approve additional advertising in newspapers, circulars, Craigslist, or other internet listings.

## **5. Resident Eligibility, Initial Certifications & Recertifications**

The Property Manager determines eligibility of applicants subject to the review and assistance of the Property & Assets Supervisor in accordance with the regulatory requirements and/or Resident Selection Criteria. The Property Manager is also responsible for acquiring necessary documentation, establishing and maintaining a file for each resident, and distributing required forms to the Agency and the central office. The same responsibilities apply to recertification when indicated.

The initial screening of applicants is conducted using an application form to determine if the household meets minimum eligibility criteria (background check, income limit, occupancy standards, homelessness, disability or special needs as applicable) and must be income eligible for units subject to any regulatory requirements. As required per the regulatory requirements and Resident Selection Criteria, determining income eligibility may require third-party verification of all income and assets. All applicable income limits or restrictions will be made available to the public upon request and/or in accordance with any and all regulatory requirements.

Abode/Allied/HIP uses a web-based resident screening service to check credit history, eviction records, and criminal background for every adult.

Applicants must show demonstrated ability to meet all monthly financial obligations and pay the asking rent. Allied Housing/HIP requires a rent-to-income ratio of 1:1.6 for a household on fixed income, and 1:2.0 for households with non-fixed income.

**A. Income Limits**

The income limits applicable to subject property are the more restrictive or lower income limits of any of the regulatory agreements. The site-specific Resident Selection Criteria will apply the income and rent restrictions for the property. Therefore, the income and rent limits in force are based on the various regulatory agreements and agencies for the subject property.

**B. Occupancy Standards**

Unit Size	Minimum	Maximum
Shared Housing	1	1
SRO	1	1
Studio	1	2
1 Bedroom	1	3
2 Bedroom	2	5
3 Bedroom	3	7
4 Bedroom	4	9

All other size properties will follow the two people per bedroom plus one calculation. Size of the unit assigned will be based on the family size and needs. The household size will be determined and listed in the site-specific Resident Selection Criteria before rent up. The policy used to count an unborn child in qualifying for a larger unit is as determined by Fair Housing Law. Information concerning the pregnancy must be given voluntarily to management prior to counting the unborn child.

If a household becomes “under-utilized”, i.e. consists of too few people for the unit, the household will be required to move to the next-available appropriately sized unit. If the household is “over-utilized” (over-crowded), i.e. consists of too many people for the unit, the

household will be required to move to the next available appropriate-sized unit. In extreme circumstances (e.g. 1 person in a 3-bedroom unit with no 1 or 2-bedroom units in the project; or 9 people in a 2-bedroom unit with no 3-bedroom units in the project), the household may be required to leave the Property. Management and Services will work with the residents in these cases to help them find appropriate housing.

## **C. Interview, Orientation, Income Certification & Recertification**

### **Resident Interview, Initial Certification & Orientation**

All prospective residents who pass the initial screening will be required to attend an interview and orientation with the Property Manager and/or Resident Service Coordinator. It is recommended that external case managers accompany prospective residents to the orientation (if applicable).

Resident/Applicant orientation will include:

- Written orientation materials including general information about the project, resident services offered, community resources, project emergency procedures and neighborhood services and amenities;
- Tour of the site and viewing of different vacant unit types (if made ready and available) for unit selection;
- A thorough review of the House Rules and Regulations and the provisions of the lease agreement and addendums; and
- A thorough review of the move-in preparation procedures.

At the time of the interview, all adult members of the family must be in attendance. It is highly preferred that all case managers, if applicable, are present with each prospective resident. The initial screening is completed at the application phase and the interview will include procedures in determining eligibility based on income and family composition. Vital documents such as valid photo identification is requested to document eligibility. During the interview, the Property Manager will clarify any information provided by the applicant household and answer questions regarding admission procedures.

At the interview the following steps will be initiated to determine initial eligibility:

- Each applicant will complete signed release of information for third party verification of income/assets and references;
- The following checks will be made from the release:
  - Verification of Preference (if applicable)
  - Verification of Homelessness (if applicable)
  - Verification of Disability (if applicable)
  - Verification of Income
  - Verification of Assets
  - Verification of Student Status (if applicable – site specific)
  - Criminal and Credit Background Check
- Written notice will be sent advising applicants of their final eligibility status and offering them an opportunity to request reconsideration, if rejected.

### **Annual Recertification**

Local, state, and federal affordable or subsidy projects may require the resident's income be recertified annually (within 12 months of the move-in or anniversary date). The annual recertification requires the household complete a new income certification form, which all adults must sign. The annual recertification only includes the verification of income, assets and student status (if applicable) during this time. In the event the household fails to recertify, the appropriate actions are taken to terminate the tenancy of the resident.

The Property Manager will recertify residents according to the following procedure:

- Recertification process will begin 120 days prior to the resident's move-in anniversary date.
- 120 days prior: Resident Notified of Recertification
- 90 days prior: Resident Interview & Release Signed for Income/Assets
- 60 days prior: Review Verified Income/Assets
- 30 days prior: Income Certification Form Signed

If, at the time of recertification, a household's income exceeds the limit designated for the unit, and to the extent a rent increase for the household is permitted by statutes and regulations governing the regulatory agreement for the project, the Agent:

- Shall re-designate the unit to a unit at the higher AMI level (if applicable);
- Shall increase the maximum rent to the level applicable to the units at the higher income level; and
- Shall designate the next available comparable unit as a unit at the income level originally applicable to the household until the unit mix required by the program regulatory agreement is achieved. A unit shall be deemed "comparable" if it has the same number of bedrooms as the original unit.

### **D. Live-in Attendant**

If a resident requires the services of a live-in aide attendant, the property occupancy standards shall still apply. Prior approval of the live-in attendant is required by management. The Property Manager will verify the need for the live-in aide by complying with Section 504 of the Rehabilitation Act of 1973, Reasonable Accommodation process. A qualified professional shall document the need for a live-in aide attendant for a person who resides with one or more elderly persons, near elderly persons, or persons with disabilities, and who:

- a) Is determined to be essential to the care and well-being of the person(s);
- b) Is not obligated for the support of the person(s); and
- c) Would not be living in the unit except to provide the necessary supportive services.

While a relative may be considered to be a live-in aide/attendant, they must meet all of the above requirements. The live-in aide qualifies for occupancy only as long as the individual needing supportive services requires the aide's services and remains a Resident, and may not qualify for continued occupancy as a remaining family member. The Project will deny occupancy of the unit to a live-in aide after the Resident, for whatever reason, is no longer living in the unit. The live-in aide

must complete the proper forms, provide Photo ID, a copy of their Social Security card. The live-in aide must pass the same criminal background check as the resident is required to pass and must sign both the House Rules and Live-In Aide Attendant agreement. Any income received by the live-in aide attendant shall not be considered in evaluating the rent to be charged to the household. Properties with project-based vouchers are required to obtain live-in aide approval from the housing authority prior to move-in.

## 6. Rent Collection Policies & Procedures

Rent payments are properly entered to the computerized resident and income control records before deposit to a bank account dedicated exclusively to the project. It is general practice to make rent deposits daily.

### A. General Rent Collection Procedures

Between the date when the books are closed and the beginning of the following month all Site staff charged with rent collection responsibilities will prepare for the next month's rent collection. It is the responsibility of the Property Manager to keep all financial records up to date and to inform the Property & Asset Supervisor of the status of rent collections (or any individual resident's status) at any time.

Property Managers shall review the site's copies of any Payment Plans entered into in the current month to be familiar with the amounts the Residents executing such Payment Plans will be required to pay in addition to rent in the coming month, as well as the duration of the Payment Plan, and shall prepare a brief email to the Supervisor summarizing the status of all active Payment Plans at the end of each month;

Rent shall be due on the first day of each month. Rents shall be paid by each resident or his/her representative by personal check, cashier's check, or money order. **No cash will be accepted.** Rents not paid at the close of the 5<sup>th</sup> fifth business day of the month shall be considered delinquent and the resident shall receive a letter/notice. Payment plans may be accepted and approved by the Property Manager. The Director of Property Management and the Property & Asset Supervisor will meet and set the rent increases or decreases pursuant to Program regulatory requirements. In no circumstance shall the rent for an assisted household exceed the maximum allowable resident portion of the rental payment authorized by the applicable annual rent and income limits. Residents are given a 30-day notice prior to implementing any rent increase.

Whenever a Resident pays less than the full amount owed, the partial payment shall be applied as follows:

1. Delinquent Rent (1<sup>st</sup> unless indicated on payment stub)
2. Current Rent
3. Outstanding charges; Resident damages, late fees, other Resident charges
4. Outstanding excess utility charges, if any;

A Payment Plan sets up a legally binding agreement between a delinquent Resident and the Owner under which the Resident agrees to pay current rent plus a fair amount each month toward delinquent rent until the delinquency is repaid in full. The Owner, for its part, agrees not to terminate the lease of the delinquent Resident for nonpayment unless the terms of the Payment Plan are broken by the Resident. When necessary, a default notice is given before eviction procedures are initiated. An attorney will be used for evictions. A collections

procedure is implemented by the Property Manager.

## **B. Late Fees**

A service fee will be charged to the resident for returned checks, unless the reason is clearly not the fault of the resident. Should a resident's check bounce, payment by money order may be required. Continued late payment will result in lease termination.

## **C. Abandoned Units**

If the rent on a unit has been unpaid for fourteen (14) consecutive days AND management believes that the Resident has abandoned the unit, site staff shall promptly send the household a Notice of Belief of Abandonment pursuant to Section 1951.2 and 1951.3 of the Civil Code. The Notice of Belief of Abandonment is delivered to the household informing them of notice expiration in two ways (with a copy to the file):

1. Personal Service – 15 days after the notice was personally served on the resident; or
2. Mailing – 18 days after the notice was sent by first class mail, postage prepaid to the last known address of the resident.

Site staff must void the Notice of Belief of Abandonment should the resident submit a written notice to the management office before the notice expires stating any of the following:

1. The resident's intent not to abandon the unit; AND
2. An address at which the resident may be served by certified mail in any action for Unlawful Detainer (eviction) proceedings.

Should the household fail to contact the site office within the notice expiration time period, the unit is considered abandoned and the resident's right to possess the unit is terminated. Abode also requires that additional measures are taken to ensure a unit is abandoned: if there are no signs of recent habitation, confirmation of no hospitalization or incarceration and no one seen entering or leaving the premises lately. If the unit is deemed abandoned, it should be secured promptly by the maintenance staff.

If personal belongings or personal property is left in the unit and is valued as:

1. Worth more than \$700. If the resident fails to reclaim the property, it will be sold at a public sale after published notice of the sale. They have the right to bid on the property at this sale. After the property is sold and the cost of storage, advertising and sale are deducted, the remaining money will be handed to the county. Resident's may claim the remaining money within one year after the county receives the money. [Calif. Civil Code §1988]
2. Worth less than \$700. This property is believed to be worth less than \$700. Therefore, it may be kept, sold or destroyed without further notice if you fail to reclaim it prior to expiration of this notice. [Calif. Civil Code §1988]

If a unit is abandoned by delinquent Residents, the site staff will make every effort to determine the total charges owed, including any repairs needed to the unit caused by the Resident's actions or negligence, and will submit a request to write off these amounts after 90 days.

## **D. Mutual Termination/Eviction Procedures**

All Resident eviction cases, regardless of cause, can vary widely in their execution and prosecution times. Most eviction cases are completed within 30 to 60 days of commencement; however, evictions for behavior and lease violation can extend between 45 to 90 days from commencement. All eviction cases must be approved by the Director of Property Management and Director of Resident Services prior to submission to an attorney. Evictions will take place as a last resort.

### **Non-Payment of Rent**

Three-day notices are sent out on the 6th of the Month. Between the 10th and the 24th of the month, during a rent payment correction period, site staff will begin assembling preliminary eviction paperwork on residents that received three days notices. During this time period, site staff is authorized either to execute Payment Plans with Residents who request them, or to receive payments in full including the late fee. Copies of the 3-day notice are sent to the appropriate Service Coordinator on the same day they are given to the residents to assist the resident with finding a remedy to the delinquent account.

On the 25th of the month, after the expiration of the 3-day Notice Period, a mutual termination /eviction form will be forwarded to the Property & Asset Supervisor for every resident that has not either paid in full or signed a Payment Plan. The form will also have a place for Resident Services to comment on the Resident's engagement and what help they are pursuing. If the resident is actively engaged with the Service Coordinator and Service Staff are optimistic that an acceptable payment solution can be achieved, the termination of the lease may be allowed to be postponed for 30 additional days. If the resident has refused to engage with services or property management during the initial 2 week rent payment correction period or if the payment solution that was anticipated during the second month is not realized, the Director of Property Management will approve the mutual termination/eviction form and proceed with terminating the lease.

### **Behavior or Nuisance**

All cases forwarded to the Property & Asset Supervisor for review of evictions involving a violation of the Lease require both Property Management and Resident Services have engaged or document outreach attempts with the resident through letters, reminders or written warning notices, interventions or behavior agreements of policies in place at the property. All efforts of both Property Management and Resident Services working with the resident must be thoroughly exhausted prior to commencement of eviction.

Residents shall receive written notice of minor infractions of the Lease and House Rules. The initial notice shall advise residents of such infractions and violations of the Lease and/or House rules and upon issuance of the third warning notice for the same violation without resident engagement, management will issue a 30-day notice of Intent to Terminate Tenancy.

### **Mutual Termination**

All residents will be offered a mutual termination agreement that includes a written agreement for the resident to pay all past rent and any damages to the unit and surrender the premises so that an eviction can be avoided. The mutual termination date shall be within two (2) weeks of the mutual termination/eviction notice given to the resident. If the resident fails to vacate by the specified mutual termination date, the resident's file will be sent to the attorney for eviction.

Once legal action has been initiated, management will not accept rent payments from the resident. At this point, the tenancy may be reinstated only under the following conditions:

- a. Approval by the Director of Property Management;
- b. Payment by the resident of all past due rent and fees incurred to date;
- c. Execution of a satisfactory “Stipulated Agreement” executed by both the Management Agency and the Resident to allow a court monitored period to repay the outstanding rent and other sums in addition to future rent within six months;
- d. Execution of a satisfactory “Stipulated Agreement” executed by both the Management Agency and the Resident to allow a court monitored period to correct the behaviors as noted in the lease violation.

## **E. Procedures for Appeal, Grievance & Eviction**

The project may initiate lease termination and eviction in the following situations.

Resident is in material violation of the lease, for example:

- non-payment of rent;
- repeated late payment of rent;
- non-payment of charges for repairs;
- damage to the premises;
- actions adversely affecting the health, safety or quiet enjoyment of residents and guests other documented violations of the lease or house rules of serious nature; or
- failure to certify income when requested, or intentionally providing false income information criminal activity.

Any notice of termination or eviction shall contain a statement of the facts constituting the cause for the termination or eviction and a statement of resident rights under the grievance and appeal procedure.

Should a resident have a complaint of any nature concerning her/his dwelling unit, other residents or other housing-related issues, the resident's grievance should be handled first by the Property Manager. If the complaint cannot be settled by the Property Manager, they will be referred to the Property Supervisor. If still not settled, higher-level staff of the Director of Property Management or other Executive Member will become involved in handling the grievance.

## **F. Security Deposit**

Residents shall be required to make a refundable security deposit in accordance with applicable state and local laws. The Security Deposit shall equal the amount of the total monthly rent and may be increased from time to time as the monthly rent is increased. If a Resident has a subsidy, the security deposit will be the contract rent on the lease, not just the Resident's portion of the rent. All security deposits shall be placed in an account separate from the Operating Account for the project.

When a resident gives notice to move-out of the unit, management will send the resident a Pre-Move Out Inspection Notice as required by California Law, AB 2330. The resident is given at least a 48-hour notice of pre-move out inspection date and time and it may not be scheduled



earlier than two (2) weeks prior to the household's move out date. When a unit has been vacated, management will perform another move-out inspection to determine any damages to be corrected or cleaning necessary over and above normal wear and tear, which shall be charged against the security deposit. A resident may, but will not be required to, participate in this inspection. The move-out inspection form will be compared to the move-in inspection form to determine the extent of Resident caused damages.

Within 21 days from the date of move-out, a security deposit disposition form will be completed, indicating: 1) Security deposit on hand; 2) Amount of rent or unpaid charges owing as of the date of the move-out; 3) Amount of damage or cleaning charges to be assessed; 4) An itemized list of work and actual costs will be attached to the forms for repair, cleaning, or replacement of items above normal wear and tear. The balance of the security deposit, after deductions for outstanding rent, charges, cleaning and damages will be refunded to the Resident with this form and itemization of costs. Should the damages be in excess of the security deposit, management reserves the right to engage with collection services to collect for damages and rent and utility arrears.

### **G. Vacancy Turnover**

Vacancy and rent losses will be recorded monthly in the rent rolls as well as the monthly financial report. Any amounts recovered will also be credited on the monthly rent rolls and the monthly financial statement.

## **7. Financial and Recordkeeping Procedures**

Project accounts are maintained on a modified accrual basis, in accordance with generally accepted accounting practices.

### **A. Collection and Recording of Rents**

Rents will be collected by the management site staff. The rent will be recorded on the site's rent collection software which will generate a receipt for the resident ledger.

Rents are deposited in an account, separate from all other accounts and funds, with a bank whose deposits are insured by the Federal Deposit Insurance Corporation. This account will be placed in the name of the owner as the Project's Operating Account.

The Agent will have four separate bank accounts: Operating Account, Operating Reserve Account, Replacement Reserve Account and Security Deposit Account as required by the project regulatory agreement. The accounting department closely monitor the balances in all of the project accounts. Additionally, the Director of Property Management regularly reviews financial statements and bank balances or transfers against project requirements to ensure compliance.

### **B. Reserve Deposits**

The accounting department shall make deposits into each project's operating reserve account at a rate of 2% per year, as cash flow allows or unless otherwise indicated in the project's regulatory agreement. The accounting department shall make replacement reserve deposits into each project's replacement reserve account in accordance with the budget approved by both the owner and the regulatory agreements, as cash flow allows. Funds from reserve accounts may only be transferred pursuant to the terms and approval contained within the project regulatory requirements.

### **C. Operating Account**

All cash receipts except Security Deposits shall be deposited in the Operating Account which shall be used as the general business account for the project. The signatories on the account shall be not be part of the finance department and will in general be Director level staff and/or Board Members.

From the funds collected and deposited to the Operating Account, the Agent will make the following disbursements promptly when payable:

- Reimbursement to Agent for payroll of the employees of the project including, but not limited to insurance premiums, Social Security payments, other payroll taxes and assessments payable to local, State, and Federal governments, and other benefits in connection with employment of such personnel;
- All charges incurred in the operation of the project in connection with utilities, real estate taxes and assessments, and liability, pollution, fire and other hazard insurance;
- Payments of required interest, principal, fees and charges, if any, on loans;
- All sums due and payable under the terms of the Management Agreement as Agent's compensation;
- All other expenses incurred to cover operating costs in accordance with the approved annual operating budget of the Project or as otherwise approved in advance by Owner;
- The Operating Reserve and Replacement Reserve account will be established at the time of the first occupancy of the Project. This account will be established with a bank whose deposits are insured by the Federal Deposit Insurance Corporation and be separate from all other accounts and funds.

All project and Owner/Agent financial records are audited or reviewed by an independent certified public accounting firm as determined by Owner's requirements.

In no event will the Agent be required to use its own funds to pay the above disbursements. Management will advise the Owner immediately of any deficiency in funds.

### **D. Other Bank Accounts & Security Deposit Account**

All Resident security deposits shall be kept in a separate account from the Operating Account. Each of the three agencies shall have at least one administration account that is separate from the properties operating account.

### **E. Location of Records**

All financial records shall be kept in the accounting department of the agency, currently located at 4075 Papazian Way, Suite 203, Fremont, CA 94538.

## **8. Procedures for Maintenance, Repairs & Replacements**

A core responsibility of Abode Services is that repair needs of the Residents are attended to in a timely manner, efficiently and effectively. Timeliness is defined as: 72 hours for routine maintenance and 24 hours for emergency repairs. All Housing Quality Standards (HQS) will be closely adhered to and all work will be performed in accordance with all city and State regulations.

Property Managers are responsible for the following:

- Follow up on any reported damage or repair
- Follow up on any reported incidents occurring at unit
- Respond to Resident, landlord or service team requests
- Assess damage or repairs on site
- Place repair orders to Maintenance Staff or other vendors
- Review completed work
- Process check request and invoice if outside vendor
- Conducting annual unit and monthly property inspections
- Preventative Maintenance

### **A. Inspections**

Inspections will be conducted during the move in/move out process. Monthly safety and pest management inspections will be conducted which include visual checks of mechanical equipment, maintenance rooms, fire equipment, unit and common area locations. Unit inspections will be conducted annually. If there are units that fail Annual Inspections due to Housekeeping Issues or Safety Hazards will be placed on a quarterly inspection schedule once they are brought up to compliance. Once the unit has been in compliance for 4 straight quarterly inspections, the unit will return to being inspected on an annual basis.

### **B. Procedures for Obtaining Maintenance Service**

Residents will be encouraged to report their repair needs to management. These can either come in written form from resident in the form of a work order form or can telephone the repair in and the request will be made by site staff. The work order will be entered into the Property Management software which records all repairs for each unit. Upon completion of the repairs the Maintenance Person will have a copy of the Maintenance Service Request and document all repairs made. This information will be updated into Yardi and will close out the request.

### **C. Major Repairs**

The expense to be incurred for any one item of maintenance, alteration, refurbishing, or repair shall not exceed the sum of \$1,000.00, unless such expense is specifically authorized by the Property & Assets Supervisor. Interior Painting: Common areas will normally be repainted on a 5 to 7-year cycle or more often if required. Apartment interiors will normally be repainted on a 5-year cycle. We will use low VOC or zero VOC materials.

### **D. Service Contractors**

Major maintenance or repair requests beyond the scope of maintenance staff will be contracted out to qualified vendors. Outside service contracts will include but not limited to: drapery cleaning, exterior painting, exterminating service, roof repair, landscaping and garbage and trash removal. Repair of boilers, heaters, elevators and electrical repairs shall be provided for under contract with appropriate service companies. The Property Manager will supervise maintenance staff and outside contractors. The Property & Asset Supervisor shall assign and prioritize workload. Contractors will be asked to use energy efficient, low VOC or zero VOC materials.

### **E. Preventative Maintenance**

Structural and Common Area Elements: A comprehensive program of preventive maintenance will be established to insure regular periodic inspections of all mechanical equipment, roofs,

exterior walls, rain gutters and down-spouts, paving and other elements as applicable. An appropriate schedule will be implemented for the cleaning, lubrication, adjustment, etc. of all such elements as applicable. For technical equipment such as elevators, boiler systems, fire alarm systems, etc. licensed specialty contractors will be retained to provide such preventive maintenance.

## **F. Replacements**

Replacements: As part of the annual inspections, The Managing Agent shall determine the current condition of all furniture, fixtures, equipment, and visible building components. Based upon this analysis we shall prepare, in conjunction with future Operating Budgets, a suggested Schedule of Replacements for approval and funding by the Owner. We will always use Energy Star or other more efficient appliances.

# **9. Resident & Management Relations**

## **A. Communication**

Communication is the key to compatible community living. The Property Manager and on-site staff are crucial in this regard. Their attitude must be friendly and cooperative, but positive, firm and fair in their enforcement of the project rules and regulations.

The Agent will keep residents advised, through newsletters, posted notices on bulletins, reminders and/or written warning notices, of policies in place at the project. Residents should participate in a move in orientation and will also receive copies of their Lease and House Rules. Management will work with residents and resident service staff to prevent repeated lease violations. Evictions will take place as a last resort or for egregious actions.

A meeting with the resident body occurs monthly at each property. It is a forum where all residents are invited. Facilitation and note taking for the meeting rotates between the Property Manager and the Services staff for the Property. Agendas for the Community Meeting must be posted in advance (usually several days) and minutes must be posted. Property Management and Services must be in attendance for the meeting.

## **B. Grievance Procedure**

Should a resident have a complaint of any nature concerning her/his dwelling unit, other residents or other housing-related issues, the resident's grievance should be handled first by the Property Manager. If the complaint cannot be settled by the Property Manager, they will be referred to the Property and Assets Supervisor. If still not settled, higher-level staff of the Director of Property Management or other Executive Member will become involved in handling the grievance.

## **C. Reasonable Accommodation or Modifications**

All persons shall be provided reasonable accommodations or reasonable modifications to the extent necessary to provide all persons with an opportunity to use and occupy the Property in a manner equal to that of other residents. An applicant or resident (or another person acting on behalf of the individual needing an accommodation) may request a reasonable accommodation or reasonable modification at any time, from the point of expressing interest in housing through the duration of tenancy. Although a specific form or format is not required to make a request, Agent highly encourages individuals to use a provided form to make a request for an accommodation or modification so that we can ensure we understand the

request. If they require any assistance whatsoever in completing this form, staff are there to assist in the request. Services will also be available to support the resident in making the request either verbally or in writing.

The Agent will process requests to the extent possible. Regardless of whether or not the Request Form is completed, the Agent may request written verification that:

- the person making the request is disabled as defined by applicable law (if the disability is not obvious);
- describes the needed accommodation or modification; and
- shows the relationship between the person's disability and the need for the requested accommodation (if the relationship or nexus is not obvious).

Acceptable verification must come from a reliable third party that knows about the disability, which may include a doctor or other medical professional, a social service agency, counselor, case manager, social worker or similarly-situated third party. The Agent may contact the party providing the verification in order to seek only the information that is necessary to process the request including, but not limited to, verifying the information provided and discussing potential alternative accommodations or modifications which may also meet the need of the individual. During this process the agent will inform the applicant/resident if more information is needed or to have an interactive dialogue about other ways to meet the needs of the individual.

The Agent will make every effort to accommodate requests in a discreet and expedient manner. An initial response to requests for accommodations or modifications will be provided within fourteen 14 days of submission. A longer time may be required depending on the circumstances such as if bids are required for specific modifications or we are unable to obtain verifications if required. All accommodation requests and modification requests require approval by a 504 Compliance Officer or above. No request can be denied without review and approval by the 504 Compliance Officer.

## **D. Resident Services and Coordination**

### **Housing First**

The core philosophy of the Agent/Owner, Housing First; is a proven way to successfully re-house formerly homeless individuals and families without preconditions of treatment or services. Our Housing Retention plan provides guidance, actions and interventions to property management and resident services staff for the early prevention of evictions, addressing lease violations consistently and highlights the role of collaborative, consistent integration and coordination with resident services.

### **Harm Reduction**

The Owner/Agent and Resident Services staff will use a harm reduction lens to address behavioral issues that directly violate the lease. The onsite staff will communicate consistently to support and assist the resident in adhering to the lease and house rules in compliance with the housing retention plan. Tenancy will not be terminated for the use of illegal substances, however, behavior that violates the lease may be grounds for termination of tenancy, if the behavior persists or poses a danger to other residents, guests, staff, or the property. Services will immediately receive a copy of all lease violations or memos sent to residents as it relates to housing retention.

### **Integrated Coordination**

The Housing First model is centered on tight coordination and collaboration among the residents, the property management staff and the resident services team. This essential coordination and collaboration begin with open communication and information flow between the stakeholders including external local agencies/providers, within the bounds of rights to privacy and confidentiality as defined by applicable laws, rules, guidelines and/or regulations.

Although resident services are not mandatory for residents unless otherwise required by Funder(s) or program requirements, we have developed specific coordination “tools” for coordination between property management staff and resident services staff to occur at least two (2) times per month. Regularly scheduled site coordination meetings are designed to help the property management staff and the resident service staff determine whether a resident needs assistance to stabilize housing. From an integrated approach, staff discuss the availability of appropriate resources and services, develop intervention and/or support strategies, and/or assess the result(s) of interventions, discuss critical incidents, address safety concerns, discuss/plan upcoming activities and/or events as it relates to the Property or housing retention of residents.

### **Operational Collaboration Meetings**

In addition to coordination meetings, there are monthly operational collaboration meetings scheduled. At this meeting, the property management onsite and supervisory level staff, resident services and supervisory level staff, external agencies and/or resident representatives meet to develop strategies to address incidents that jeopardize the safety and security of residents or employees and to plan activities, events, services and/or resources that deepen the housing retention services we can provide to residents.

## **Attachment A – Site-Specific Resident Selection Criteria**

See the separate attachment for Site-Specific Marketing Plan and/or Resident Selection Criteria

## **Attachment B – Site-Specific Operating Procedures**

See the separate attachment for the site-specific  
Site-Specific Operating Procedures

Topics included in the Site-Specific Procedures:

- Oversight and Support Committee (if applicable)
  - CAC Advisory Group (if applicable)
    - Outreach and Engagement Plan
    - Supportive Services Plan
  - Kitchen and Meal Plan (if applicable)
    - Common Site Rules
    - Detailed Community Guidelines
  - Good Neighbor Agreement (if applicable)
- Front Desk Procedures & Security Patrol Protocol (if applicable)
  - Walkie-Talkie/Radio Communication Policy (if applicable)
    - Media Protocol



## **Attachment C – Housing Retention Plan**

See the separate attachment for the organizational Housing Retention Plan