

**CONTRACT FOR SCHA MEMBERSHIP AND RENTAL AGREEMENT**  
**in compliance with the SCHA Bylaws**  
**2009-2010**

**\*READ BEFORE SIGNING\***

CONTRACT DATE: \_\_\_\_\_, between Solar Community Housing Association ("SCHA") and the undersigned MEMBERS. Applicants shall be accepted into membership upon signing this Agreement ("CONTRACT") and payment of fees specified herein.

**1. PERIOD OF CONTRACT:** One (1) year beginning October 1, 2009 and terminating September 30, 2010, unless otherwise noted and signed below by MEMBER and SCHA Officer.

**2. DESCRIPTION OF PREMISES:** The locations of the premises are:

- J Street Co-op: 234 J Street Davis CA 95616
- Sunwise Co-op: 2535 Westernesse Road Davis CA 95616

This CONTRACT does not guarantee specific rooms, room sizes, or roommates.

**3. TENANT COOPERATIVE AND CO-MEMBERS:** MEMBERS living in the same SCHA property ("CO-MEMBERS") shall comprise an unincorporated association ("tenant cooperative" or "house"), the J Street Co-op or the Sunwise Co-op. There shall be a minimum of 7 J Street and 8 Sunwise CO-MEMBERS signing the CONTRACT. CO-MEMBERS accept joint and several liability for this CONTRACT.

**4. FEES DUE TO SCHA ON COMMENCEMENT OF CONTRACT:** First month's rent, NASCO dues, and security deposit as specified in this CONTRACT.

**5. SCHA MISSION (Draft):** SCHA is a non-profit, public benefit, membership corporation that provides affordable housing. SCHA encourages and creates community and respect for the environment through affordable, cooperative housing.

**6. MEMBERSHIP QUALIFICATIONS:** Special exemption from any of these qualifications must be approved in writing by SCHA. Membership and residency are subject to the terms of this CONTRACT and to the SCHA Bylaws. Any person in "bad standing" with SCHA must receive written approval from SCHA to enter into this CONTRACT. **A person is in "bad standing" if s/he has any outstanding debts to SCHA, has breached a CONTRACT with SCHA, or has had a CONTRACT terminated by SCHA.**

In compliance with the terms of SCHA's agreement with the Internal Revenue Service regarding non-profit status, substantially all of the MEMBERS must either be students or have low incomes, and MEMBERS are limited to living in an SCHA co-op for a maximum of six years. In compliance with SCHA's "Income Limit Policy" (labeled as ATTACHMENT C) all entering non-student MEMBERS shall demonstrate incomes at or below the "low income" (80% AMI) level as set for Yolo County by the federal Department of Housing and Urban Development. A non-student MEMBER whose annual income rises above the income limit during his/her residency is allowed to continue residency for up to one additional full lease year, subject to the requirements of the "Income Limit Policy."

SCHA delegates the selection of new members to the existing CO-MEMBERS of the tenant cooperative, but SCHA retains full rights and responsibilities for conferring or denying membership per the SCHA Bylaws. SCHA reserves the right to deny membership or renewal of membership to any person for reasons of "bad standing" or inability to meet membership requirements, in compliance with Fair Housing laws. **Acceptance into membership shall be determined on the basis of applicant's agreement with the mission and purposes of SCHA, eligibility under SCHA membership policies, and compatibility with CO-MEMBERS, in compliance with Fair Housing laws and SCHA's Bylaws and policies.**

**7. JOINT AND SEVERAL LIABILITY:** “Joint and several” means that all CO-MEMBERS signing this CONTRACT are both individually and collectively fully responsible for fulfilling all of the conditions of this CONTRACT, except where expressly stated otherwise. Thus, it is the MEMBERS’ duty to select as their CO-MEMBERS persons who will fulfill their respective shares of the obligations under this CONTRACT. SCHA shall not be responsible to MEMBER for violation or non-performance by any other MEMBER of terms of CONTRACT. **Failure, willful or otherwise, by SCHA to enforce any terms of this CONTRACT shall not be a waiver of its right to subsequently enforce such terms.**

**8. MEMBERS’ FINANCIAL RESPONSIBILITY AND RENTERS’ INSURANCE:** MEMBERS agree to accept financial responsibility for any loss or damage to personal property belonging to MEMBERS and their guests caused by theft, fire or any other cause. SCHA assumes no liability for any such loss. **SCHA recommends that MEMBER obtain a renters’ insurance policy from a recognized insurance firm to cover MEMBER’S liability, personal property damage, and damage to the premises.**

**9. RENT:** Rent includes room, common space, maintenance, water, sewer, garbage, organizational, and administrative costs.

**a) Cost of Rent.** Rent is charged as a lump sum to all CO-MEMBERS of a tenant cooperative, who are jointly and severally liable within their tenant cooperative. CO-MEMBERS collectively decide how to distribute the cost amongst themselves in accordance with the Board of Directors’ policies. Average rent per room for this contract period is **three hundred and thirty-five dollars (\$335.00)**.

***J Street Co-op:*** The total rental price for the term of the CONTRACT is **twenty-eight thousand one hundred and forty dollars (\$28,140)** payable in equal monthly installments of **two thousand three hundred and forty-five dollars (\$2,345)** per month.

***Sunwise Co-op:*** The total rental price for the term of the CONTRACT is **thirty-two thousand one hundred and sixty dollars (\$32,160)** payable in equal monthly installments of **two thousand six hundred and eighty dollars (\$2,680)** per month.

**b) How to Pay Rent.** Rent is due in advance by the 1st day of each month, with a grace period through the 5<sup>th</sup> day. Rent shall be given to the tenant cooperative’s designated “house bookkeeper”, who has until the 8<sup>th</sup> day to deliver it to SCHA’s bookkeeper. Form of payment shall be by check, money order, or cashier’s check, payable to “Solar Community Housing Association” or “SCHA.”

**c) Late Fees and Other Charges.** SCHA reserves the right to assess a late fee, **not to exceed thirty dollars (\$30.00)**, to the tenant cooperative at the rate of **ten dollars (\$10.00) per week** for which the rent remains not fully paid after the 8<sup>th</sup> day of the month. SCHA does not waive the right to insist on payment of the rent in full on the 1<sup>st</sup> day of the month. MEMBER agrees to reimburse SCHA for any charges by the bank for bounced checks in MEMBER’S or tenant cooperative’s name. Non-payment and consistent late payment of rent are grounds for termination of membership.

**d) Paying Rent in Cash.** If MEMBER bounces or stops payment on a check, SCHA has the legal right to demand that rent be paid only in cash for up to three months after MEMBER has received proper notice. (California Civil Code § 1947.3.) In that event, SCHA will give MEMBER the legally required notice, and MEMBER agrees to abide by this change in the terms of this tenancy.

**e) Rent Increases.** Should actual costs of maintaining the premises or operating the organization rise during the term of this CONTRACT, SCHA reserves the right to pass on such cost increases by raising the monthly rent by the amount of the cost increase up to a maximum of three percent (3%) per month. Any such rent increase will require documentation of the increased expenses and thirty (30) days notice to MEMBERS, or sixty (60) days notice if the total increase is more than ten percent (10%) of the lowest monthly rent charged in the past twelve (12) months, as according to California law. MEMBER, by signing this CONTRACT, accepts in advance any such changed terms and conditions.

## 10. DUES, UTILITIES, HOUSE CHARGES, AND FEES:

**a) NASCO Membership Dues.** Each MEMBER who is not already a member of the North American Students of Cooperation (NASCO) agrees to pay a **thirty-eight dollar (\$38.00)**, one-time, non-refundable, non-transferable, lifetime membership due. Payment should be made out to "NASCO" and given to the SCHA Secretary.

**b) Utilities.** Charges for utilities shall be paid by MEMBERS with the exception of water, sewer, and garbage charges, which shall be paid by SCHA.

**c) House Charges.** MEMBER agrees to pay a deposit and monthly house charges, such as for food, supplies, utilities not included in rent, bank fees, and any other items, as set by the tenant cooperative. Checks are payable to the tenant cooperative, "J Street Co-op" or "Sunwise Co-op." These house charges may be altered by the tenant cooperative at any point during CONTRACT term, and late fees may be determined by the tenant cooperative house in accordance with the Board of Directors' policies. MEMBER accepts in advance any such changes.

**d) Shared Room Fee.** The tenant cooperative has the right to charge an extra fee to MEMBERS or minors who share a room, payable to the tenant cooperative in accordance with the Board of Directors' policies. When sharing a room, the total of each individual occupant's portion of rent and the extra amount shall not exceed seventy-five percent (75%) of what the rent for that room would be if MEMBER or minor were the sole occupant.

**e) Over-Income Fee.** Any MEMBER (student or non-student) whose income rises above the income limit, as demonstrated by the MEMBER's most recent annual income statement, shall pay an "Over-Income Fee." The fee for this CONTRACT period is **three hundred dollars (\$300.00)**, to be paid to SCHA by February 1<sup>st</sup> in the same manner as rent. The purpose of this fee is to cover the estimated costs of increased property tax and a nominal amount in recognition of SCHA's purpose of serving substantially all students and people with low incomes.

**11. SECURITY DEPOSIT:** Each MEMBER agrees to deposit a total of **two hundred dollars (\$200)** security deposit in halves with SCHA as follows: **one hundred dollars (\$100)** upon the signing of this CONTRACT or subcontract, and an additional **one hundred dollars (\$100)** when s/he moves onto the premises. If a MEMBER will move onto the premises in fewer than thirty (30) days after signing the CONTRACT or subcontract and depositing the first half of the deposit, then s/he may opt to pay the remaining half with the next month's rent.

SCHA shall hold the security deposit against the following: repairs for damages caused by MEMBER or his/her guests; maintenance costs beyond usual wear and tear; unpaid rents or fees incurred by each MEMBER; and any amounts owed to MEMBER'S tenant cooperative. In accordance with California Civil Code Section 1950.6, this deposit will be returned within twenty-one (21) days after the expiration or termination of this CONTRACT, unless MEMBER signs a new CONTRACT for the following period, in which case the security deposit may be carried over. SCHA will give MEMBER an itemized written statement with the reasons for, and the dollar amount of, any charges subtracted from the security deposit. MEMBERS may not, without written consent from SCHA, apply the security deposit to the last month's rent or to any other sum due under this CONTRACT. SCHA's right of recovery shall not be limited to the security deposit. It is the MEMBER'S responsibility to inform SCHA of his/her forwarding address so that a check may be mailed to MEMBER.

## 12. MEMBER OBLIGATIONS:

**a) Roles and Responsibilities.** MEMBERS agree to comply with the "SCHA Roles and Responsibilities," labeled as ATTACHMENT A, and any agreements made by the tenant cooperative.

**b) Member Information.** MEMBER agrees to complete the Membership Record to be included in the SCHA Membership Book as required by the SCHA Bylaws.

**c) Pets.** Pets are allowed at the consent of the MEMBERS of a tenant cooperative in accordance with Board of Directors policies. SCHA reserves the right to revoke this permission at any time should problem of noise, damage, or nuisance develop. By law, properly trained dogs needed by blind, deaf, or disabled persons are allowed and no extra deposit may be charged. MEMBER'S pet(s) shall be well behaved and not pose a threat or apparent threat to the safety of other MEMBERS, their guests, or other people on or near the rental premises. If, in the opinion of SCHA, MEMBER'S pet(s) pose such threat or nuisance, and the problem has not been resolved among the CO-MEMBERS, SCHA will serve MEMBER with a Three-Day Notice to Cure (remove pet from the premises) or Quit (move out). **The tenant cooperative has the right to charge a pet deposit of a maximum of four-hundred dollars (\$400.00).**

**d) Grievance.** SCHA and MEMBERS agree to the SCHA Grievance Procedures, labeled ATTACHMENT B.

**e) Guests.** Guests staying for longer than one (1) week should have the consent of CO-MEMBERS. MEMBER agrees to follow any other tenant cooperative guidelines regarding guests.

**f) Prohibited Items and Activities.** The following items and activities are prohibited in or about the premises without written consent from SCHA: dangerous materials such as firearms, explosives, and fireworks; any water-filled furniture; and use of the premises other than for residential and SCHA organizational purposes.

**g) Tenant Cooperative Bank Account.** All CO-MEMBERS are jointly and severally liable, except in the case of fraud by one or more MEMBERS, for the legal and proper operation of the bank account assigned in the tenant cooperative's name, even if MEMBER is not a checksigner. Each tenant cooperative shall elect a house bookkeeper, a separate house auditor, and two or more checksigners.

**13. SUBCONTRACT OR ASSIGNMENT:** MEMBER shall have the right to subcontract or assign her/his interest in this CONTRACT at any time, so long as the minimum number of CO-MEMBERS per tenant cooperative is maintained. A departing MEMBER who subcontracts to a replacement member remains liable for the entire term of this CONTRACT, whereas a departing MEMBER who assigns his/her portion of the CONTRACT to a replacement member relinquishes membership entirely, subject to the following:

**a)** MEMBER wishing to assign or subcontract ("departing MEMBER") must give two (2) full calendar months' written notice to CO-MEMBERS of tenant cooperative. Departing MEMBER shall remain liable to the tenant cooperative for no more than departing MEMBER'S proportionate share of rent, as specified in this CONTRACT, for two (2) full calendar months after date of notice provided that all of departing MEMBER'S obligations as laid out in the CONTRACT have been met. If such obligations have not been met, then departing MEMBER is liable for entire term of CONTRACT or until a replacement member is found.

**b)** Both departing MEMBER and CO-MEMBERS of the tenant cooperative shall be required to seek out a replacement member promptly. Departing MEMBER shall be deemed to have performed her/his part by advertising for three (3) consecutive days in local classified advertisement. If there are sufficient names on the tenant cooperative interest list, the CO-MEMBERS may decide that advertising is unnecessary. The tenant cooperative, for its part, shall interview prospective replacement members within fourteen (14) days of receiving notice of their interest whenever reasonably possible.

**c)** Any replacement MEMBER shall be required to sign a subcontract or assignment of this CONTRACT and assume joint and several liability with CO-MEMBERS within the tenant cooperative for performance of all terms and conditions.

**d)** Any replacement MEMBER shall deposit monies with the account of SCHA and the account of the tenant cooperative in accordance with the conditions of this CONTRACT.

**e)** In no case shall departing MEMBER be liable for more than actual damages caused by termination, i.e., the departing MEMBER is not liable for rent or house charges after a replacement MEMBER is found and begins to pay. Remaining MEMBERS have the option of releasing the departing MEMBER from house charges before a replacement MEMBER is found.

**14. TERMINATION OF CONTRACT:** Once CONTRACT is signed, MEMBER is responsible for the full period of this CONTRACT, whether or not MEMBER has already moved into the premises. No individual not acting as a duly appointed agent of SCHA can release a MEMBER or give permission to break the CONTRACT. The following are reasons for termination of CONTRACT:

**a) Assignment of CONTRACT.** As described in CONTRACT.

**b) Release.** Joint and several liability does not apply under this section. As long as MEMBER does not delay in notifying SCHA, SCHA shall release MEMBER from CONTRACT upon his/her surrender of the premises without liquidated damages or other penalty except as provided in the terms of this CONTRACT, such as reasonable deductions from security deposit, for the following reasons:

**i)** If the MEMBER is forced to leave SCHA due to one the following: illness sufficiently severe to require withdrawal from school or work; involuntary induction into active military service; unforeseeable economic hardship or family crisis, as judged by the Board of Directors; circumstances entirely beyond his/her control, as judged by the Board of Directors; or death of MEMBER. In the case of voluntary military enlistment, the rules under the Servicemembers' Civil Relief Act shall apply.

**ii)** In the event SCHA is unable to deliver possession of the premises to MEMBER for any reason not within SCHA's control, including, but not limited to, failure of prior occupants to vacate, or partial or complete destruction of the premises, MEMBER will have the right to terminate this CONTRACT without penalty. In such event, SCHA's liability to MEMBER will be limited to the return of the balance of deposits owed to MEMBER.

**c) Termination by SCHA.** Joint and several liability does not apply under this section. SCHA may terminate a MEMBER'S CONTRACT under any of the following grounds: (i) breach of CONTRACT; (ii) if, in the opinion of California state law, the MEMBER constitutes an immediate danger to the safety of other MEMBERS; (iii) a health condition which in the opinion of a competent medical authority endangers the health or safety of the other MEMBERS. This does not waive SCHA's right to proceed to recover possession of that MEMBER'S share of the premises in summary proceedings for unlawful detainer or in an ejectment or other possessory action. If SCHA pursues an unlawful detainer action, SCHA must serve MEMBER with a three-day notice pursuant to California Code of Civil Procedure § 1161. SCHA may not remove anyone forcibly from a dwelling; only a police officer, acting upon court instruction, may do so. A person whose CONTRACT is terminated by SCHA will be considered in "bad standing" until such standing is revoked by SCHA in writing.

**d) Expulsion by CO-MEMBERS through SCHA.** If MEMBER does not abide by the terms of this CONTRACT or is unreasonably difficult to live with, CO-MEMBERS may ask SCHA to terminate this CONTRACT and to expel MEMBER from the tenant cooperative according to the SCHA Bylaws and Board of Directors' policies and procedures.

**e) Damage to the Premises.** As described in CONTRACT.

**15. INSPECTIONS AND ENTRY:** SCHA or SCHA's agents may enter the premises to inspect the buildings, grounds, equipment, house maintenance logs, or house financial records; make repairs or improvements; supply agreed services; show the premises to prospective buyers or members; conduct an initial move-out inspection requested by MEMBER; or to investigate a possible breach of CONTRACT. SCHA reserves the right to enter the MEMBER'S room and tenant cooperative at all reasonable times with the understanding that, except in the case of an emergency, MEMBER'S abandonment of the premises, court order, or when waived by MEMBER, SCHA will give at least twenty-four (24) hours notice prior to entry. MEMBER agrees to notify SCHA in the event that s/he will be away from the premises for fourteen (14) consecutive days or more. During such absence, SCHA may enter the premises at times reasonably necessary.

**16. REPAIRS, CLEANING, MAINTENANCE, AND IMPROVEMENTS:** A Lead Paint warning statement and disclosure is labeled as ATTACHMENT D. MEMBERS shall exercise reasonable care in the use of the premises and shall keep them free from dirt, trash, and fire hazards. MEMBER agrees to: (i) keep the premises clean, sanitary and in good repair and, upon termination of the tenancy, to return the premises to SCHA in an identical or improved condition to that which existed when MEMBER took occupancy, except for ordinary wear and tear; (ii) immediately notify SCHA of any defects or dangerous conditions in and about the premises of which s/he becomes aware; and (iii) reimburse SCHA, on demand by SCHA, for the cost of any repairs to the premises, including SCHA's personal property therein, damaged by MEMBER or his/her guests through waste, misuse, or neglect. "Waste" is defined as the causing of severe property damage which goes way beyond ordinary wear and tear.

In pursuit of SCHA's goal of promoting self-sufficiency and keeping rents affordable, labor for repairs and maintenance shall be performed by MEMBERS. Exceptions will be made where MEMBERS can demonstrate to SCHA that lack of expertise or equipment requires contracting for outside services. Cost of materials for repairs and maintenance shall be paid for by SCHA with the following exceptions: (i) cleaning supplies of minor cost and/or frequent usage (e.g., sponges, cleanser); and (ii) cost of repairs necessary due to waste, misuse, or neglect by MEMBERS.

MEMBERS shall be allowed and encouraged to make improvements to the premises. Minor improvements, defined as those which tend to be low in cost, removable without damage to the structure, and/or cosmetic, may be approved by the tenant cooperative. Major improvements or alterations must be approved by SCHA in writing. Costs of approved major and minor improvements shall be paid for by SCHA, except for painting of bedrooms for purely cosmetic purposes. MEMBERS are responsible for adhering to the maintenance budget as set by the Board of Directors, unless otherwise agreed to in writing. If MEMBER alters, re-keys, or installs any locks to the premises, MEMBER will provide SCHA with a key capable of unlocking all such locks.

**17. DAMAGE TO THE PREMISES:** In the event the premises are partially or totally damaged or destroyed by fire or other cause, the following will apply:

a) If the premises are totally damaged and destroyed, SCHA will have the option to: (i) repair such damage and restore the premises, with this CONTRACT continuing in full force and effect, except that MEMBERS' rent will be abated while repairs are being made; or (ii) give written notice to MEMBERS terminating this CONTRACT at any time within thirty (30) days after such damage, and specifying the termination date; in the event that SCHA gives such notice, this CONTRACT will expire and all of MEMBERS' rights pursuant to this CONTRACT will cease, except for any amounts owed or any obligation to the continued operation of SCHA as deemed by the SCHA Bylaws and any laws.

b) SCHA will have the option to determine that the premises are only partially damaged by fire or other cause. In that event, SCHA will attempt to repair such damage and restore the premises within thirty (30) days after such damage. If only part of the premises cannot be used, MEMBERS must pay rent only for the usable part, to be determined solely by SCHA. If SCHA is unable to complete repairs within thirty (30) days, this CONTRACT will expire and all of MEMBERS' rights pursuant to this CONTRACT will terminate at the option of either party.

c) In the event that MEMBERS, or their guests, in any way caused or contributed to the damage of the premises, SCHA will have the right to terminate this CONTRACT, and MEMBERS will be responsible for all losses, including, but not limited to, damage and repair costs as well as loss of rental income.

**18. AUTHORITY TO RECEIVE NOTICES AND DOCUMENTS:** Service of process and other notices and demands may be delivered to any Director of the SCHA Board, agent, or manager at the following addresses and telephone numbers:

2535 Westnesse Road, Davis CA 95616 (530-753-7657)

234 J Street, Davis CA 95616 (530-753-3039)

P.O. Box 72408, Davis CA 95617

**19. MEGAN'S LAW:** Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at [www.meganslaw.ca.gov](http://www.meganslaw.ca.gov). Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides.

**20. MISCELLANEOUS:**

a) **Minors.** A minor who resides in an SCHA tenant cooperative may be designated as a MEMBER and given full rights of membership, including voting rights and other rights provided by the SCHA Bylaws and this CONTRACT, at the discretion of the Board of Directors and with consent of the minor and her/his legal guardian(s), if applicable. If resident is a minor, member or not, then her/his parents or legal guardians guarantee and agree to perform all of the terms of this CONTRACT by signing below. MEMBERS who have minors visiting or living with them are fully responsible for the actions of those minors. Any emancipated minor has, by law, full rights as an adult.

b) **"Day" defined.** "Day" refers to any calendar day, including weekends, holidays, and non-business days, unless otherwise set forth by law.

**21. ENTIRE AGREEMENT:** This document constitutes the entire Agreement between the parties. No promises or representations, other than those contained here and those implied by law, have been made by SCHA or MEMBERS. Any modifications to this CONTRACT must be in writing and signed by SCHA and MEMBERS. If any section or part thereof of this CONTRACT is deemed illegal or inoperative by operation of law, all other provisions of this CONTRACT shall remain in full force and effect. The MEMBER and SCHA assume that the statements made on this contract are correct and that the signatures hereon are valid.

**22. AFFIRMATION AND SIGNATURES:** The parties, jointly and severally within each tenant cooperative, hereby bind themselves to this CONTRACT by signing below.

*I affirm that I am eligible for membership and that if the conditions of my eligibility change, I will notify and be approved by the Board of Directors, or my part in this CONTRACT may be terminated by SCHA. This CONTRACT is specifically conditioned upon the truth of this statement. I understand that if any part of this statement or the personal information I provide to SCHA is false, I will be considered in breach of this CONTRACT. Failure by me or my guests to comply with any term of this CONTRACT is grounds for termination of tenancy and membership. I also understand that I, together with all other MEMBERS, am primarily responsible for the effective management of SCHA and my tenant cooperative. I affirm that I am not in bad standing with SCHA, or, if so, my eligibility has been approved by SCHA in writing. I HAVE READ AND ACCEPT ALL OF THE TERMS AND CONDITIONS OF THIS CONTRACT, INCLUDING ATTACHMENTS, BEFORE SIGNING.*

**SUNWISE CO-OP**

**This is a CONTRACT between SCHA and:**

(Member or Minor's name)                      (Member or Guardian's signature)                      (Date)                      (New or Renewal?)

- 1) \_\_\_\_\_
- 2) \_\_\_\_\_
- 3) \_\_\_\_\_
- 4) \_\_\_\_\_
- 5) \_\_\_\_\_
- 6) \_\_\_\_\_
- 7) \_\_\_\_\_
- 8) \_\_\_\_\_
- 9) \_\_\_\_\_
- 10) \_\_\_\_\_

SCHA OFFICER (name, title, signature, date): \_\_\_\_\_  
 ADDRESS: \_\_\_\_\_

**CHANGE OF MEMBERSHIP (Assignment, Termination, Sublease, or Other):**

| Member/Minor Name                | Action | Effective Date | Signature | Date |
|----------------------------------|--------|----------------|-----------|------|
| SCHA Officer Signature and Date: |        |                |           |      |
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**SUNWISE / ADDITIONAL CHANGES OF MEMBERSHIP (Assignment, Termination, Sublease, or Other):**

| Member/Minor Name                | Action | Effective Date | Signature | Date |
|----------------------------------|--------|----------------|-----------|------|
| SCHA Officer Signature and Date: |        |                |           |      |
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**J STREET CO-OP**

**This is a CONTRACT between SCHA and:**

|                          |                                  |        |                   |
|--------------------------|----------------------------------|--------|-------------------|
| (Member or Minor's name) | (Member or Guardian's signature) | (Date) | (New or Renewal?) |
| 1) _____                 |                                  |        |                   |
| 2) _____                 |                                  |        |                   |
| 3) _____                 |                                  |        |                   |
| 4) _____                 |                                  |        |                   |
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| 9) _____                 |                                  |        |                   |
| 10) _____                |                                  |        |                   |

SCHA OFFICER (name, title, signature, date): \_\_\_\_\_  
ADDRESS: \_\_\_\_\_

**CHANGE OF MEMBERSHIP (Assignment, Termination, Sublease, or Other):**

| Member/Minor Name                      | Action | Effective Date | Signature | Date |
|--|--------|----------------|-----------|------|
| SCHA Officer Signature and Date: _____ |        |                |           |      |
| SCHA Officer Signature and Date: _____ |        |                |           |      |
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**J STREET / ADDITIONAL CHANGES OF MEMBERSHIP (Assignment, Termination, Sublease, or Other):**

| Member/Minor Name                | Action | Effective Date | Signature | Date |
|----------------------------------|--------|----------------|-----------|------|
| SCHA Officer Signature and Date: |        |                |           |      |
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## **ATTACHMENT B**

### **SCHA GRIEVANCE PROCEDURES**

In the event that SCHA and MEMBER(S) are unable to resolve any dispute or claim arising out of the lease, either party may submit the dispute to any established method of mediation such as the services offered by the UC Davis Housing Office, or the City of Davis Community Mediation Service. This provision shall not be interpreted as requiring arbitration, nor as the sole or exclusive remedy of either party.

If grievances arise between MEMBERS, effort should be made to seek resolution first by direct communication between parties, then by mediation such as is offered by the City of Davis Community Mediation Service, and only then by formal grievance hearing.

If a grievance needs resolution through formal hearing, one or more parties to the grievance shall submit to the Secretary of SCHA a written notice outlining their grievance and requesting resolution. The Secretary shall then be charged with determining other parties to the grievance, notifying them of the notice of grievance, and notifying all parties of a date for a hearing within 32 days. Other parties to the grievance, and other MEMBERS may submit grievances or request other resolutions.

The Secretary shall charge the President of SCHA with selecting three MEMBERS or Directors of SCHA, who are not party to the grievance, to constitute the grievance hearing committee. The names of the grievance hearing committee shall be made known to all parties to the grievance, they may request that the President make a different selection, but the President retains final authority in selection of the hearing committee. The grievance hearing committee may, in consultation with the Secretary and president combine grievances for one hearing. If the Secretary is party to the grievance, her/his duties shall fall on the President, and the President's duties shall fall on the Treasurer. If the President is party to the grievance, her/his duties shall fall on the Treasurer.

At the grievance hearing, all parties shall be given an opportunity to be heard, either orally or in writing. The grievance hearing committee may determine the agenda and any relevant procedures for the hearing, so long as they act to foster cooperation and honesty.

Following the hearing, the grievance hearing committee shall decide whether or not the grievances shall be brought to resolution, and what actions the MEMBERS shall be instructed to take. The decision of the committee shall be final for those grievances on which it holds hearing.

MEMBERS should be aware that they may address the Board, through their Resident Directors or in person, on any dispute between a MEMBER and SCHA, that that the membership contract and lease mandates mediation of such disputes that cannot be resolved through communication. MEMBERS should also be aware that the Bylaws and SCHA contain a procedure for expulsion of MEMBERS upon petition by two-thirds of all MEMBERS of the tenant cooperative to which the MEMBER belongs.

## ATTACHMENT C

### Income Limit Policy

#### Solar Community Housing Association

#### Approved by the SCHA Board on 12/17/2007

*Note 12/17/2007: In the summer and fall of 2007, SCHA members and directors discussed creating this policy through a series of meetings, emails, and informal discussions. While previous policies had existed, this collaborative revision was triggered by the surprise discovery that the existing policy (which required 100% of members to qualify as "low income") was more strict than was required, and by the fact that members and directors had various, divergent opinions about what the policy should be. The following policy was subsequently approved by the Board of Directors on 12/17/2007, with the understanding that it might be amended in the future (as can any policy) after gathering more information and finishing the strategic planning process currently in progress.*

#### **Background:**

This policy is based on a combination of IRS requirements, the SCHA Articles of Incorporation and Bylaws, and the preferences of the current members and directors. This income policy as written is more strict than is required. The IRS granted 501(c)(3) status to SCHA in 1983 with the express understanding that "substantially all" of the members would either be students or have low incomes, and that residency would be limited to six years. (Changing these requirements would necessitate getting approval from the IRS.) The legal definition of "substantially all" is vague; SCHA has decided in this present revision to require "all" in the case of entering members and to allow some variance, as described below, for continuing members whose status changes during residency. The county property "welfare tax exemption" rules are more strict than the IRS's regarding income levels; however, SCHA is not required to receive the welfare tax exemption and could choose to stop qualifying for it. This policy as written is assumed to be in compliance with the county's expectation that 90% of the units be occupied by low income residents (this being one way to qualify for the exemption, if SCHA does not meet the other methods of qualification). Property tax on non-exempt units is calculated from the percentage of square feet occupied by non-exempt households, so long as the 90% level or other methods of qualification are upheld.

Any change in the income limit policy should take into account the county, state, and IRS regulations. One source to consider is the IRS' "Safe Harbor" policy (Rev. Proc. 96-32, 1996-1 C.B. 717, 1996-20 I.R.B. 14.), although we are not beholden to it because our 501(c)(3) status was granted before the creation of the Safe Harbor policy, and we therefore have more leeway; nevertheless the document is a useful guide. The Income Limit Policy presented here is written with the intent to be as clear as possible, yet to allow for extenuating circumstances that can be addressed with the wisdom and good intent of the Board of Directors, who can determine exceptions. Any exception should be put in writing.

#### **Policy for entering members:**

All entering SCHA members should have either student or low-income status.

#### **Determining low income status:**

"Low income" is defined as annual income at or below 80% of the area median income (AMI) level as set for Yolo County by the federal Department of Housing and Urban Development. Low income status is determined based on the household's most recent annual income statement (e.g., tax return or other appropriate document). Certain types of income are exempted (for example, gifts, scholarships, foster care payments): see the county welfare tax exemption Statement of Family Household Income form for a list of exempted types of income (or for a complete listing of income and deductions, see the Department of Housing and Community Development Regulations, section 6914).

Households with more than one person (i.e., two or more people sharing a room) must report their total combined income for welfare tax exemption from county property tax. Note that, for households of two or more people, the income amount that determines “low income” status does increase with the number of household members, but with each additional member the limit is set at an amount that is less than the result of multiplying the one-person limit by the number of household members. (See the HUD document; limits are changed each year in late winter.)

**Policy for current members who no longer have student or low-income status:**

A non-student member (or household) whose annual income rises above the income limit during his/her residency can stay through the rest of the lease term and is allowed to continue membership for up to one additional full lease year.

If a member wants to continue in SCHA beyond the automatic additional year, s/he must get written approval from the Board of Directors by demonstrating extraordinary circumstances, including but not limited to the following: impending change in status that would re-qualify the member anyway; or other unusual burdens such as medical costs “which cause them to be in a condition similar to persons within the qualifying income limits in spite of their higher incomes” (see Safe Harbor section 4.8).

Reasons for allowing over-income members to stay are in alignment with the Safe Harbor regulations, including to allow a previously low-income person to continue to improve their economic circumstances without penalty of losing housing, to promote “social and economic integration,” and because SCHA also serves charitable purposes other than providing low-income housing.

**Notice of change in status:**

A member whose income rises or will rise above the limit during a lease year shall notify SCHA as soon as the change in status is known, at the latest by the time of signing the welfare tax exemption form annually in February. Such a member is subject to the Over-Income Fee described below.

**Notice of intent (1<sup>st</sup> year) or request (2<sup>nd</sup> year or more) to continue membership:**

Before signing the new lease, an over-income non-student should declare intent or request to continue membership by submitting a written notice to the Board of Directors that includes the reason for wanting to continue membership and any relevant personal circumstances. The Board of Directors will neither approve nor deny the first additional year, which is automatic. The reason for the notice is to consciously reiterate SCHA’s purpose of serving substantially all students and people with low incomes, to aid in planning for property taxes and any other reporting requirements, and to allow for approval or denial in the case of requests for continued membership beyond the automatic first year. Such letters of intent or request should be submitted by the end of June to allow discussion at the July Board meeting and signing of the lease by the end of July (thus giving two full months to find a replacement member in the case the Board of Directors denies the request.)

**Over-Income Fee:**

Any member (student or non-student) whose income rises above the income limit, as demonstrated by the member’s most recent annual income statement, is asked to pay an “Over-Income Fee” by February 1<sup>st</sup> in the same manner as rent. (Welfare tax exemption forms are due to the county by February 15<sup>th</sup>.) The Board of Directors sets the fee in the lease each year. The purpose of this fee is to cover the estimated costs of increased property tax and a nominal additional amount in lieu of charging a different rent and in recognition of SCHA’s purpose of serving substantially all students and people with low incomes.

At the time of the creation of this policy in 2007, the Over-Income Fee was set at \$300: this amount represents the rounded-up estimate of the approximate maximum property tax on one SCHA unit (J Street is used as the basis because it has the highest tax of the SCHA properties and the fewest units, resulting in the highest tax per unit). Instead of having different fees for different properties it was thought more fair to have a standard fee across the organization in the same way that rent is set to be equal, on average, across units.

**ATTACHMENT D**

**LEAD PAINT DISCLOSURE (J Street Only)**

**Lead Warning Statement**

*Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, lessors must disclose the presence of known lead based paint and/or lead-based paint hazards in the dwelling. Lessees must also receive a federally approved pamphlet on lead poisoning prevention.*

**SCHA's (Lessor's) Disclosure**

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

(i)  X  Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).  J Street was built in approximately 1925. Lead paint believed to be present on exterior of house. Suspected on interior.

(ii)  n/a  SCHA has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to SCHA (check (i) or (ii) below):

(i)  n/a  SCHA has provided the MEMBER with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

(ii)  X  SCHA has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

**Acknowledgement and Certification of Accuracy**

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate. MEMBER (LESSEE) ACKNOWLEDGES RECEIPT OF ALL INFORMATION LISTED ABOVE, INCLUDING A COPY OF THE PAMPHLET, *Protect Your Family from Lead in Your Home*.

SCHA OFFICER (name, title, signature, date): \_\_\_\_\_

| <b>J Street MEMBER Signature</b> | <b>Date</b> |  |
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