

# **Transitional Housing Toolkit**



**For Anti-Trafficking  
Service Providers**

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Submitted to  
Christina Arnold  
Project Hope International

Prepared by  
Anjali Alimchandani and Solome Lemma  
Candidates for Master in Public Policy  
John F. Kennedy School of Government, Harvard University

Advisor: Jacqueline Bhabha  
PAC Seminar Leader: Monica Toft  
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## EXECUTIVE SUMMARY

### Overview

Project Hope International (PHI) is a Washington DC based non-governmental organization (NGO) that works to combat human trafficking in Thailand, Cambodia, and the U.S., with the specific mission of bridging gaps in anti-trafficking education and advocacy. This toolkit is a product of PHI's longstanding commitment to meet the prevailing need of housing for trafficked persons. It is designed for Service Providing Organizations (SPOs) in the Washington DC area, encompassing the District of Columbia, Northern Virginia and Suburban Maryland that seek to create transitional housing units (THU). For the purpose of this toolkit, THUs are defined as housing units that provide the option of long term stay. PHI hopes that this toolkit will help reduce the existing knowledge deficit regarding housing services, thereby supporting organizations that are working to fill the gap.

The information found herein is a product of a needs assessment of social service providers, policy makers and academics in the anti-trafficking field. The majority of the participants in the needs assessment, including PHI, focus on adult women survivors of international trafficking. As a result, while some information relating to male and domestic trafficking survivors is incorporated, the primary focus of this toolkit is on the provision of housing to the aforementioned population group. The structure and content of the toolkit is based in large part upon the results from the needs assessment. Major findings include:

- There is a strong expressed desire by service providers for a THU dedicated exclusively to survivors of trafficking.
- Housing facilitates the provision of other services.
- A universal ideal housing model for survivors of trafficking does not exist.
- The ad hoc housing methods currently in use are insufficient to meet the needs of trafficked persons.
- There is a lack of publicly available information on the provision of services, including housing, to survivors of trafficking.
- There is a need for knowledge sharing and collaboration between key actors in the anti-trafficking field across all sectors.

In order to synthesize the multiple issues that affect the provision of housing, the research team<sup>1</sup> devised a binary structure consisting of client-based and managerial considerations. Client-Based considerations are comprised of client characteristics and client services. Client characteristics include the type of trafficking, gender, age, cultural/linguistic background, and contact stage with client. Client services include security, mental and physical health, legal, and social services. The managerial considerations are comprised

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<sup>1</sup> The research team refers to Anjali Alimchandani and Solome Lemma who conducted the needs assessment.

of funding, inter and intra agency collaboration, standards and protocols, liability issues and the survivors' role in shelter design. Explanation of these considerations can be found in Section II.

### ***Recommended Strategy***

The purpose of the binary structure is to identify the numerous client and managerial considerations and how each directly impacts housing. However, given the interdependence among all identified variables, SPOs cannot address any of the considerations in isolation. As a result, we recommend that SPOs employ the following strategy when developing THUs. Although organizations may be compelled to modify some of the steps to suit their individual constraints or needs, this approach provides a framework for contending with the various considerations in an integrated and structured manner.

#### Step 1: Foundation

1. Conduct needs assessment to identify gaps in service.
2. Create network of area service providers.
3. Identify target population.
4. Determine level of integration.
5. Secure funding.

#### Step 2: Structure

1. Determine the type of housing structure.
2. Address liability issues.

#### Step 3: Service Provision

1. Devise a plan to provide for social services.

#### Step 4: Operation

1. Develop standards and protocols to facilitate the functioning of shelter and govern all collaborations.
2. Develop guidelines for interactions with client.
3. Institute mechanisms for incorporating the survivor's voice in the design and planning of THU.

#### Step 5: Maintenance

1. Be attentive to positive working relationships.
2. Standardize a reevaluation system.
3. Seek new sources of funding.
4. Expand outreach initiatives.

The toolkit is divided into three parts. Section I provides a brief background of the trafficking situation in the United States and in the Washington DC area specifically. A description of U.S. government and NGO responses with a special focus on housing follows. Based on the needs assessment conducted by the research team, Section II provides in-depth discussion of the multiple issues SPOs must consider when embarking

upon a project to develop THUs. This section also includes a recommended strategy for creating housing. Lastly, section III offers a concrete example of the steps involved in establishing shelters through a detailed description of PHI's experience in creating a THU model for female survivors of international trafficking.



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## RESEARCH METHODOLOGY

**Sampling frame:** Social service and community organizations, academics, U.S. government representatives, legal experts and law enforcement officials working within the anti-trafficking field in the Washington DC area.

**Data Collection:** We conducted in-depth interviews with key actors in the anti-trafficking field in the Washington DC area and extensive web-based research.<sup>2</sup> Without a pre-existing database of all members of the sampling frame, we initiated the needs assessments with 34 names provided by PHI and an additional 23 names obtained through research of the anti-trafficking field. We contacted each of these 57 individuals through email or telephone. Many provided referrals to lead organizations working to combat trafficking in other regions of the United States. In total, we contacted 77 individuals. Of these, 50 responded, and 36 were interviewed between December 28, 2005-March 09, 2006<sup>3</sup>.

**Biases:** The central gaps in our research methods are the absence of the voices of trafficked persons, community organizations, and local law enforcement. Cultural, linguistic, psychological, and security barriers restricted our access to survivors. The ad hoc manner in which community organizations serve survivors and the lack of available contact information and data regarding their services hindered efforts to obtain their input. Although we spoke with federal law enforcement, we were unable to interview local law enforcement due to limited time and resources.

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<sup>2</sup> Please refer to Appendix 1 Section A for a description of the Research Methodology.

<sup>3</sup> This report is primarily based upon the findings from the needs assessment and input from PHI staff. We are unable to cite interviewees individually because many provided similar information. We were advised by our client to avoid highlighting individual organizations in the spirit of community collaboration. A list of our interviewees can be found in Appendix 1, Section B.

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## SECTION I: BACKGROUND

### *Overview of Trafficking Figures*

**M**en, women and children are trafficked into or within the U.S. to work in the commercial sex industry, agriculture, sweatshops, or homes. The U.S. Government estimates that 600,000-800,000 people are trafficked around the world annually. Approximately 80% are women and girls and up to 50% are minors. Data regarding the number of people trafficked within national borders (domestic trafficking) is unavailable.<sup>4</sup> In 2001, the U.S. Government estimated that 50,000-100,000 thousand people were trafficked into the United States each year. This figure was adjusted downwards to between 14,500-17,500 in 2004<sup>5</sup>. The gradual readjustment of numbers by the U.S. Government underscores the difficulty in identifying survivors as well as changes in the government's research methodology as opposed to any significant decline in trafficking. Given the clandestine nature of the problem, ascertaining the exact scope of trafficking is difficult. There are no two reports or agencies where statistics match. This poses challenges in designating adequate funds and services for survivors of trafficking in the United States.

Both international and domestic trafficking within the sex and labor industries takes place in the U.S.<sup>6</sup>. According to a recent study conducted by UC Berkeley and Free the Slaves, 46% of trafficked persons are in the sex industry while the remaining 54% can be found in forced labor situations including agriculture, domestic service, and factories.<sup>7</sup> As a result of the disproportionate levels of gender based poverty and violence, women generally account for the majority of identified trafficking survivors,. The Washington DC area is both a transit and destination site. Although aggregate figures on human trafficking are

#### **Definition of Severe form of trafficking by US Government**

"(a) sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age; or (b) the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery."

**Source: US Department of State website.**

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<sup>4</sup> U.S. Department of State, Trafficking in Persons Report. June 2005  
<http://www.state.gov/g/tip/rls/tiprpt/2005/46606.htm>

<sup>5</sup> U.S. Department of Justice. Assessment of U.S. Government Activities to Combat Trafficking in Persons. September 2005. <http://www.usdoj.gov/ag/annualreports/tr2005/assessmentofustipactivities.pdf>

<sup>6</sup> While initial anti-trafficking efforts by the government and NGOs were concentrated on the needs of international survivors, recent legislation indicates growing recognition by the U.S. Government of the problems posed by domestic trafficking. This is a new and welcomed development and groups interested in serving this population group should refer to websites of federal government agencies as well as the organizations listed in the appendices section for more information.

<sup>7</sup> Hidden Slaves: Forced Labor in the United States. Free the Slaves & Human Rights Center, University of California Berkeley, September 2004. [http://www.hrcberkeley.org/download/hiddenslaves\\_report.pdf](http://www.hrcberkeley.org/download/hiddenslaves_report.pdf)

unavailable, many anti-trafficking advocates suspect that the region may be a locus of trafficking due to the large presence of immigrants and the diplomatic core. SPOs serve both labor and sex trafficking survivors. A large number of the identified cases in the last five years have involved labor trafficking. Many of the participants in the Needs Assessment suspect that with increased awareness and outreach around the problem of human trafficking in the region, more survivors will likely come forward.

## **U.S. Government Response**

The first comprehensive response to trafficking by the U.S. government, the Trafficking Victims Protection Act (TVPA) 2000, serves as the pillar for legal and social service agencies. The TVPA adopts a three-pronged approach of protection, prosecution and prevention. Organizations that seek to provide social services to survivors of trafficking find the most relevance in the protection mechanisms. Under the TVPA, the Department of Health and Human Services (DHHS) grants certification of a trafficked person as a “victim of severe forms of trafficking.” Certification requires trafficked persons to:

<p style="text-align: center;"><b>US GOVERNMENT AGENCIES</b></p> <p><b>Department of Health and Human Services (DHHS)</b></p> <ul style="list-style-type: none"><li>• Certifies survivors once they are identified as victims of severe forms of trafficking</li><li>• Provides funding for organizations that serve certified survivors through the Office of Refugee Resettlement (ORR).</li></ul> <p><b>Department of Justice (DOJ)</b></p> <ul style="list-style-type: none"><li>• Investigates cases and prosecutes traffickers</li><li>• Provides funding for organizations that serve pre-certified survivors through Office for Victims for Crime (OVC)</li></ul> <p><b>Department of Homeland Security (DHS)</b></p> <ul style="list-style-type: none"><li>• Investigates cases of trafficking</li><li>• Conducts victim identification work</li><li>• Grants continued presence through Immigration and Customs Enforcement (ICE)</li><li>• Awards T visa</li></ul>
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- Cooperate with law enforcement in the investigation and prosecution of their cases, and:
- Apply for T-visa or receive “continued presence” which allows survivor temporary stay in the U.S. for duration of prosecution process

With certification, survivors of trafficking have access to the same federal benefits available to refugees.<sup>8</sup> The T- visa grants the legal right to reside in the United States for 3 years with the option of permanent residency thereafter. The reauthorization of the TVPA in 2003 and 2005 expanded the types of services available to trafficking survivors.

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<sup>8</sup> Please refer to Appendix 1, Section C for a list of the benefits available to certified trafficking survivors

## **NGO Responses<sup>9</sup>**

National and Washington DC NGO responses to trafficking mirror one another to a large degree. Similar to organizations across the country, members of the Washington DC nonprofit community, including faith based groups, community organizations, domestic violence shelters, immigrant/refugee groups, human rights advocacy organizations, and other social service agencies are attempting to meet the needs of trafficked persons. These organizations have succeeded in raising awareness and advocacy surrounding trafficking, and providing some legal assistance, social services, and ad hoc housing. However, all organizations interviewed for this toolkit report obstacles in providing reliable housing. All of the interviewees stated that lack of adequate resources and funding are two of the primary obstacles to developing shelters for trafficked persons.

### **Current Housing Methods**

Due to the lack of trafficking specific housing, service providers in the Washington DC area rely on case-by-case and ad hoc methods to provide shelter. The following section discusses the major housing options that are currently in use.

### **Apartments**

Some agencies utilize apartments on both a long and short-term basis. Apartments allow clients to support one another and attend services/programs together, while maintaining some level of independence and privacy. Roommates, as well as apartment mates, are able to offer encouragement and assistance to one another. In addition, case managers are able to easily access their clients if their entire caseload is housed in one complex. However, some apartments are expensive and lack adequate security, and availability is dependent upon consistent and receptive landlords. Also the lack of communal space within the apartment complex sometimes hinders the administration of group services. In addition, clients who do not speak English, or are relatively unfamiliar with independent living and/or lack basic U.S. life skills (i.e. knowledge of public transportation, grocery shopping, etc.), may find the independence of apartments somewhat daunting. However, the core weakness of apartments is the manner in which they are used. Currently, apartments are not used within a pre-established shelter structure, which provides an

#### **DIRECT SERVICES NGOS**

- Basic social services
- Mental health
- Housing
- Legal Assistance

#### **ADVOCACY NGOS**

- Raise public awareness regarding trafficking
- Advocate for anti-trafficking policy measures
- NGO capacity building,

#### **NGO NETWORKS/TASK FORCES (Washington DC)**

- The DC Taskforce on Human Trafficking (comprised of state and local law enforcement agencies) and the Metro DC Alliance to Combat Slavery and Trafficking (an NGO collaboration)
- Freedom Network (est. 2001): national network of organizations that work to combat trafficking

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<sup>9</sup> Please refer to Appendix 1, Section B for a list of Washington DC based anti-trafficking organizations and taskforces

essential foundation for effective service delivery. The concept of a shelter structure is described in detail in Section II.

### **Domestic Violence Shelters**

Some SPOs place clients in domestic violence shelters when space is available. In this situation, case management is provided entirely by the sponsoring organization. The central advantages of domestic violence shelters are their extensive experience in serving women who have been abused and high security measures. Also sponsoring agencies are spared from bearing the financial responsibilities of managing a shelter. In addition, undoubtedly, some individuals are victims of both domestic violence and human trafficking. Furthermore, to a large extent, the needs of some immigrant domestic violence victims may mirror the needs of trafficking survivors rather than U.S. citizen domestic violence victims. As a result, some domestic violence shelters may also have extensive and valuable experience in dealing with individuals with different levels of need and cultural backgrounds. However, the majority of our interviewees expressed a preference for a shelter that exclusively serves trafficking survivors. Domestic violence shelters are often incapable of providing all the necessary services and support for trafficked persons. In addition, some domestic violence shelters are limited by funding guidelines that do not permit hosting undocumented or pre-certified survivors.

#### **Potential Differences Between Survivors of Trafficking and Domestic Violence**

In comparison to many survivors of domestic violence, trafficked persons may face challenges regarding:

- Knowledge concerning U.S. legal system
- Exposure to U.S. culture and language
- Immigration concerns
- Fear of retribution potentially from a network of traffickers
- Fear of deportation
- Unique trauma and mental health service needs
- Access to family/social support structures in the U.S.

### **Hotels**

Some service providers use hotel rooms, especially in emergency cases when all other housing options are exhausted. Although hotel rooms are readily available and do not require any commitment or maintenance from the service provider, they serve only as extremely temporary solutions. The rooms are not financially feasible in the long term and lack necessary security measures. In addition, hotels are not equipped with staff trained to interact with survivors and sometimes language barriers exacerbate client discomfort. Lastly, hotel structures fail to foster an environment in which case managers can easily and consistently serve clients.

### **Alternative Arrangements**

In light of the clandestine nature of trafficking, some survivors seek assistance and shelter from friends/contacts or community/ethnic organizations, rather than appealing for help from established service groups. While community members might offer a support structure, they serve primarily as an informal assistance network. Such organizations tend to help only members of their ethnic group, and group members often lack the

training necessary to meet the variable needs of the survivor, including health, safety, legal, and psychological needs. Their lack of an established housing and social service system renders their assistance unsustainable.

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## SECTION II: PURPOSE OF TOOLKIT AND KEY CONSIDERATIONS

### ***Purpose of Toolkit***

PHI recognizes the critical value of information sharing and collaboration among service providers to effectively and efficiently meet the needs of trafficking survivors. In 2004, after identifying the growing need for shelters to serve trafficked persons and victims of other forms of labor exploitation in the Washington DC area, PHI initiated efforts to create the first THU in the region. Although PHI, with the support of an anti-trafficking advisory board, devised a detailed plan for the THU and secured significant funding, unforeseen structural and logistical obstacles prevented completion of the shelter as originally planned. PHI remains committed to realizing a trafficking only shelter in the DC area and hopes that this toolkit will assist the region's anti-trafficking community in meeting the need for housing through individual or collective efforts. For a more detailed study of PHI's experience, refer to Section III.

### ***Benefits of Shelter***

#### Survivors of Trafficking

THUs facilitate the transition to self-sufficiency by meeting the fundamental human right to shelter. Survivors can confront many of their challenges in a protected environment with the support of competent staff. Moreover, although only 491 T-Visas have been granted since 2000<sup>10</sup>, victim identification is expected to increase due to the development of new outreach initiatives as well as trainings with law enforcement to assist in identifying survivors of trafficking. As a result, the need for housing and specialized services for trafficked persons is likely to increase.

#### Social Service Providers

All of the SPOs interviewed identify housing as a primary need for their trafficked clients. The creation of additional trafficking-only THUs not only fills this critical gap, but also gives SPOs greater over-sight and control over shelter operation and service delivery. Services can be tailored to accommodate the specific needs and experiences of trafficking clients.

#### Government

Given that housing is included in current U.S. anti-trafficking legislation, the creation of a trafficking shelter translates existing law into practice.<sup>11</sup> With the reauthorization of the TVPA 2005, greater emphasis was put on domestic trafficking, and therefore shelter. More funding is now allocated for this type of endeavor than previously, and there is a greater appreciation of the need to fill the housing gap. The institutionalization of

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<sup>10</sup> U.S. Department of Justice. Assessment of U.S. Government Activities to Combat Trafficking in Persons. September 2005. <http://www.usdoj.gov/ag/annualreports/tr2005/assessmentofustipactivities.pdf>

<sup>11</sup> Department of State. Trafficking Victims Protection Reauthorization Act of 2005. <http://www.state.gov/documents/organization/28225.pdf>

trafficking shelters also compliments the government's effort to provide protection and to pursue prosecution of traffickers. Fear of deportation, fear of retaliation and lack of access to social services are some barriers that prevent trafficked persons from seeking assistance. By combating some of these fears through the security they provide, shelters can decrease the likelihood that the prosecution witnesses (survivors) will leave the area or be intimidated from testifying.

**Why do some survivors fail to come forward?**

**A few examples:**

- Fear of retaliation from trafficker
- Lack of awareness regarding social service agencies
- Lack of family/community support structure
- Mistrust of criminal justice system
- Lack of knowledge surrounding basic human and legal rights
- Feelings of hopelessness
- A belief that the trafficking situation is the victim's fault



## **Types of Housing**

The following section provides an overview of the types of housing SPOs may consider when creating THUs, long-term shelters in which residents can stay between 3-18 months. There are two suggested THU models –integrated versus safe house- with two forms of structure –house versus apartment. Each model and structure has its advantages and disadvantages, which must be weighed in accordance with the client centered and management considerations discussed in subsequent sections. The findings from the needs assessment for this toolkit stress the importance of adopting a client-centered approach for all services, including housing. Because the client-centered approach is context specific, imposing one ideal housing type for all survivors is not recommended. In this approach, social services are tailored to the specific needs of each client, within the limitations of each organization’s capacity.

### **Integrated Model**

In the integrated model, case management, social services, and housing are provided by one agency. Currently, Coalition to Abolish Slavery and Trafficking (CAST) is the only organization in the United States that provides an integrated model shelter exclusively for survivors of trafficking. This model is beneficial for clients who require extensive case management and support. The centralized provision of services allows clients to more easily build relationships with service providers and peers in a controlled environment. However, most organizations are unable to provide all of their services internally. Based on resource constraints, social service organizations must determine which services will be provided in house and which will be outsourced. Organizations should also consider the circumstances under which, if any, they will allow clients from other agencies to be housed in the shelter.

### **Safehouse**

Agencies that create safehouses provide shelter structure, while other SPOs are responsible for case management and provision of social services. This approach minimizes financial as well as human resource costs. A shelter that meets the needs of area anti-trafficking NGOs fosters greater collaboration and partnership between social service agencies. Given that the number of identified trafficking survivors is still low in the Washington DC area, agencies may be concerned about their capacity to sustain a consistent client base. A safehouse that houses clients from multiple SPOs distributes the burden of service provision, financial costs, and outreach among participating agencies. However, safehouses are a viable option even if the number of identified survivors is high. Regardless, SPOs should be prepared to respond to the challenges that may arise from housing clients with varying expectations and levels of access to services, based upon different service providers.

### **House**

This structure provides a space conducive to frequent client interaction and group meetings. All clients share the common areas of the house and thus have greater opportunity to support one another. Also, many trafficked persons may lack U.S. based life skills and and/or self-confidence to live independently. The house structure helps

these clients transition to self-sufficiency incrementally by averting the shock that may be sustained from immediate independence. Also, as a result of their contained structure, houses may facilitate oversight of security within the shelter. However, this structure may increase the likelihood of conflict among clients and some individuals may not respond well to communal living. SPOs should take into account basic functionality issues such as access to public transportation and groceries, handicap accessibility, anonymity of the house and the type of neighborhood when deciding on the shelter location.

### Apartments

Apartments facilitate the transition to self-sufficiency by creating a space for client independence while ensuring the availability of support from shelter staff. Apartments can be more anonymous than houses and thus reduce some security concerns. This option may, however, be difficult for clients who lack U.S. life skills necessary to function independently and require extensive support. Agencies must also consider similar functionality issues as houses regarding access to public transportation, groceries, handicap accessibility and neighborhood.

Both apartment and houses can serve as either safehouses or integrated model THUs. The costs of apartments and houses in the Washington DC area vary greatly according to location and size.<sup>12</sup>

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<sup>12</sup> Please refer to Section III of the Toolkit and Appendix 3, Section A or a concrete example of housing price and operational budget.

## **Key Considerations: Client Centered Concerns\***

The provision of housing requires that an agency contend multiple interdependent issues. In order to facilitate the discussion of these considerations, the following section is divided into client-based and managerial concerns. Specific recommendations for each one of the issues are provided below. In addition, general recommendations based on the client and managerial concerns as well as PHI's experience in creating a THU can be found at the end of Section III.

### **Client Characteristics**

#### Type of trafficking: Domestic vs. International Trafficking

When creating housing, social service agencies must consider their capacity, or lack thereof, to serve survivors of international and/or domestic trafficking. While the following sections provide basic comparisons, SPOs must avoid making blanket generalizations about the needs of either group.

#### *Similarities*

Survivors of both domestic and international trafficking may suffer from moderate to severe trauma. Some may exhibit similar levels of fear and dependency towards their traffickers. As a result of subjugation, physical abuse and/or psychological manipulation, many trafficked persons in both groups blame themselves for their situation. Also they may be unaware that the treatment to which they were subjected is in violation of U.S. law and/or that they have exit options. In addition, both domestic and international survivors may require assistance with complex life skills such as career planning, education and other social services. The security threats for both domestic and international trafficking survivors can be similar as well.

#### *Differences*

Access to social services and immigration status are two important differences. Adult survivors of trafficking must be certified by DHHS in order to receive many of the services that are generally available to U.S. citizen survivors. International trafficked persons require immigration assistance and possible legal assistance to address the risk of deportation. Domestic trafficking survivors may face criminal or civil legal challenges such as prostitution charges. Also, while domestic trafficking survivors are generally English speakers, international survivors have to contend with cultural and linguistic barriers in transitioning to self-sufficiency in the U.S. International survivors may also require greater assistance with basic U.S. life skills such as using a telephone, public transportation, understanding street directions, and grocery shopping. Moreover, when deciding to assist domestic trafficking survivors, there are key definitional issues that must be considered. Currently, the debate regarding the distinction between prostitution

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*\* Given the existence of other survivors, including domestic survivors, men, and minors, we chose to employ an inclusive approach in designing the toolkit. Although we are unable to sufficiently address all the specific issues that must be considered in serving these populations, we have included some of the general implications of working with these populations in this section.*

and trafficking remains unresolved. While many activists and advocates argue that pimp-controlled prostitution is a form of trafficking, others make a clear distinction between the two types of exploitation.

The decision regarding each agency's target population is informed by staff capacity and specialization as well as access to funding. Given the salient differences in backgrounds and needs between the two groups, agencies that provide an inclusive shelter should consider using apartment complexes as opposed to houses. Apartments avoid potential conflict by enabling agencies to house both groups separately if and when necessary. SPOS are also able to avert complications that may arise from real and perceived differences in access to benefits.

### Sexual vs. Labor Trafficking

Social service agencies should consider the impact that clients' particular trafficking backgrounds have on how they relate to one another. For example, some survivors of sexual trafficking may feel shunned or judged by members of the household. Establishing guidelines that prevent this type of conflict is useful in maintaining a supportive environment. One approach is to require that clients refrain from speaking to one another about the particulars of their case. Agencies should also consider holding workshops that increase awareness of different experiences of trafficking.

Moreover, agencies should be mindful of the needs of labor trafficking clients. While the majority of trafficked persons in a single industry are found in sex trafficking, it is important to recognize the large number of individuals trafficked for some form of labor. As stated earlier, over 50% of trafficked persons are survivors of labor exploitation. In addition, there are a large number of individuals who are victims of labor exploitation tantamount to trafficking, but who nonetheless are denied access to the same certification procedure and services as trafficked persons due to the stringent definition of trafficking adopted by the U.S. Government. PHI hopes that SPOs who work with trafficked persons will consider the problem of labor trafficking on par with that of sexual trafficking and make efforts to assist individuals that do not fit the trafficking definition, but nonetheless share similar experiences and needs as trafficking survivors.

### Contact Stage with the Client

Clients may exhibit different mental/physical health needs as well as legal and social service needs based on the point at which they seek assistance after exiting the trafficking situation. Law enforcement agencies or other organizations may refer some clients immediately after a rescue or an escape. Other clients may contact SPOs long after leaving the trafficking situation. Ascertaining whether or not an individual has been trafficked is difficult given the time difference between exiting the trafficking situation and the client's request for assistance.<sup>13</sup> However, SPOs should think seriously whether they are prepared to respond to the varying needs of survivors as determined by time and age of trafficking.

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<sup>13</sup> Please refer to Appendix 2, Section B for a sample trafficking screening protocol.

## Gender

Although trafficking is often associated with women, there are a significant number of male survivors, mostly victims of labor exploitation. Often, law enforcement identifies male survivors through large-scale rescue missions. SPOs may be asked to house them, which raises the issue of single versus mixed gender THUs.

Agencies that provide mixed gender housing should consider the impact that it has on clients. Given that many women are survivors of sexual trafficking, the presence of men may be uncomfortable, if not threatening. Also, some clients, male and female, may be completely averse to mixed gender units for cultural/religious reasons. Finally, mixed gender housing may raise greater liability issues.

Generally, it is not advisable to house men and women in one shelter. This strategy averts related liability and safety complications. However, SPOs should make every attempt to prevent the perpetuation of negative stereotypes of either gender. One approach is to hire volunteers or staff of both genders within single gender housing units, after completing scrupulous background checks. Agencies that provide mixed gender shelters should consider using apartment complexes, which house both groups separately. Houses should be partitioned into male and female units.

## Minors

### *Serving Children*

The Unaccompanied Refugee Minors Program is responsible for finding long-term housing for children under 18. Several of the service providers and policy makers interviewed indicated a need for emergency shelters that serve minors. SPOs interested in working with trafficked children should refer to federal government guidelines.

### *Serving Women with Children*

SPOs that serve adult survivors must consider the possibility of assisting clients with children. The presence of children can impact the women inside the shelter differently. Some women, especially those with an affinity for children or who worked with children in the trafficking situation, may find it therapeutic to be surrounded by minors. Also, some mothers may be unwilling or unable to live apart from their children. However, for other survivors, the presence of children can be an unsettling reminder of their subjugation. The age and gender of the child may affect client responses as well. For example, teenage boys may have a different effect on clients than teenage girls or young children.

Social service agencies should formulate guidelines on whether children are allowed in the shelter, and if so, clearly delineate expectations, restrictions and limitations. SPOs that are open to housing families should consider utilizing the apartment structure, which provides more opportunities to accommodate the needs of single women and women with children. Agencies that operate a house structure should consider allocating certain portions of the house to women with families. If housing children, SPOs must address

their needs/concerns as well, including but not limited to: the psychological impact of the shelter environment, education needs, disciplinary measures, and childcare resources.

### Cultural and Linguistic Background

Trafficking survivors represent diverse backgrounds, cultures and languages. SPOs may find that many clients have difficulties communicating their interests, wishes or desires due to their inability to speak English or understand U.S. culture. This problem is compounded by the fact that a single shelter, at any given time, may assist clients who speak different languages from one another. Some survivors may have limited exposure to diverse environments. The unfamiliarity with certain cultural practices or behaviors could lead to misunderstanding or conflict.

Social service agencies must cultivate cross-cultural understanding. Given the unpredictability of trafficking, SPOs cannot predetermine the linguistic needs of clients. However, agencies should foster cultural competency by seeking bilingual staff, screening their cultural competency during the hiring process, conducting regular cultural awareness trainings, and maintaining a database of translation services including language banks. Since language banks tend to be expensive, SPOs should form partnerships with multi-cultural service agencies, community groups and faith based organizations that can provide translation services.<sup>14</sup> It is also important that SPOs provide cultural awareness education for clients to help them cope with diversity issues at the shelter.

#### **Cross Cultural Dynamics at Agency Y**

Agency Y is an integrated model shelter that provides housing to international female survivors of trafficking. The house is often filled with clients who come from multiple cultures and speak different languages. These clients share the same kitchen, living room and dining room. Client N comes from a culture where people are effusive. Client P is from a culture where people are reserved. She found her housemate's behavior troubling and had a difficult time adjusting to the shelter because this was her first time interacting with any one from country N. She felt N was rude and demanding whereas N felt that P was distant and unfriendly. In order to avert the intensification of this misunderstanding, shelter management intervened and provided cross-cultural education for both women.

The following items are some tips for responding to intercultural misunderstanding:

- Every time a client of a new culture is admitted into the shelter, hold cultural awareness trainings on that culture for clients and staff.
- Ask clients to help decorate the house by helping choose a particular item that represents their background
- Celebrate important holidays with clients

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<sup>14</sup> Please refer to Appendix 2, Section B for a sample interpreter training protocol.

## **Client Services**

### Security

Security within THUs is a primary concern for service providers, clients, and the government. SPOs should adopt scrupulous security measures to protect clients.

#### *Risks Posed by Traffickers*

Traffickers pose the greatest risk to shelter security. During the design phase, SPOs must conduct extensive research of the advantages and disadvantages of potential locations, including the elements of a particular area that may increase or decrease traffickers' access to clients. For instance, the proximity of a shelter to a police station may deter some traffickers from coming to the shelter. When conducting initial intake procedures, SPOs should try to identify the whereabouts of the trafficker(s) and determine if the trafficker(s) knows or can discover the shelter location. SPOs should also monitor a trafficker's access to a particular client throughout the client's stay at the shelter. In addition, clients should have individualized security plans that include strategies on avoiding traffickers and trafficking networks. SPOs should protect the anonymity of the house by limiting any identifiable marks or activities such as making location public information. Finally, response protocols should be adopted in the event that a trafficker identifies a client's location.

#### *Risks Posed by Client Behavior*

Clients pose two primary security risks. Some have not fully exited the trafficking situation, risking not only their own well-being, but also the security of peers in the shelter by going back and forth. Other clients may find it difficult to keep the location of the shelter secret. SPOs must determine if they will serve clients still in the trafficked situation and devise methods for assessing client reliability in maintaining THU security. Moreover, SPOs must constantly reinforce the risks created by releasing confidential shelter information and maintaining contact with traffickers with all clients.

#### *Risks Posed by Visitors*

Interaction with family and friends may provide clients with a sense of normalcy and comfort as they tackle multiple challenges. However, the presence of external parties in the shelter raises important security concerns. SPOs should determine guidelines for visitors along with relevant visitation protocols. Agencies that permit visitation should delineate the types of acceptable visitors (family vs. friends, men vs. women), the limitations and conditions around visits (days, hours...etc), and relevant confidentiality

#### **Visitation Guidelines**

Client S is a survivor of international trafficking living in an integrated women's only shelter with her young child. After receiving certification, she found employment and needed childcare. She sought the assistance of a male friend from her country without informing her housemates or shelter staff. Upon discovering unknown stranger in the home, her housemates were deeply disturbed and scared. Because of a lack of clearly articulated and reinforced visitation guidelines, client S was unaware of the rule infraction and the potential implications for security.

and safety forms. These guidelines not only be explained during the intake process, but also reinforced on a regular basis.

SPOs often partner with other social service agencies or professionals to provide some services for clients at the shelter. In this case, agencies should establish specific guidelines to govern the interactions between clients and partners. Some considerations include: purpose and condition of visits, length of stay, visitation hours, and permissible meeting spaces.

### ***Operational Safety Concerns***

Although full-time security is optimal, SPOs may not have the financial and human resources necessary to sustain this level of security. SPOs that are unable to hire full time staff that can oversee security, may consider using volunteers for security purposes. This should be implemented after completing rigorous background checks. SPOs can also use video cameras in place of or to supplement full time staff. Alarm home systems are another method of providing security, although these programs can be difficult to manage with multiple residents. In addition to the aforementioned security concerns, SPOs must clearly delineate emergency safety plans. These include guidelines and trainings on emergencies such as natural disasters, fire, illness...etc.

### **Legal Services**

Clients may need assistance with criminal or civil cases against their traffickers and/or labor exploiters as well as certification and immigration aid. SPOs should provide access to legal staff internally or through partnerships. If using external partners, SPOs should establish clear guidelines to govern the legal expert's relationship with the shelter providing agency, the case managers, and the client. SPOs may also need to ensure that clients are accompanied to court or to other federal offices, whether by the SPO or another agency.

### **Health Services**

#### ***Mental health***

The mental health providers interviewed for this project stress the importance of ensuring that the mental health needs of clients are not sidelined in deference to other more tangible concerns such as legal issues or physical well-being. SPOs should identify the appropriate people to provide mental health services. While case managers are an important part of a survivor's recovery plan they may not be qualified to provide counseling or other forms of mental health support.

SPOs operating an integrated shelter should ideally retain a certified counselor on staff. SPOs must also consider the mental health background requirements set for case and house managers along with boundaries around client interactions given professional limitations. All case managers and shelter managers should receive basic training on working with survivors of trauma.

In regard to client services, some providers find that one cannot assist clients without attending to their mental health needs. Others believe that social service organizations



should employ a client-centered approach and thus allow the client to decide when and how she/he wants to receive counseling. Agencies must decide if mental health treatment is a requirement for all residents at the shelter.

### *Physical Health*

Clients need access to a physical examination shortly after their arrival at a shelter to identify any physical health needs. Some clients may require minor outpatient treatments while others need long-term extensive care. SPOs should consider their ability to provide these services, especially to clients who have not been certified. It is advisable to formulate an individualized plan for each client that addresses his/her short and long-term physical health needs. For example, SPOs that serve pre-certified clients should establish relationships with community or public clinics. However, once the certification and legal process is underway, shelter providers should assist clients in transitioning to more sustainable and affordable healthcare. Also, SPOs should consider how they will accommodate clients with physical disabilities.

### *Substance Abuse*

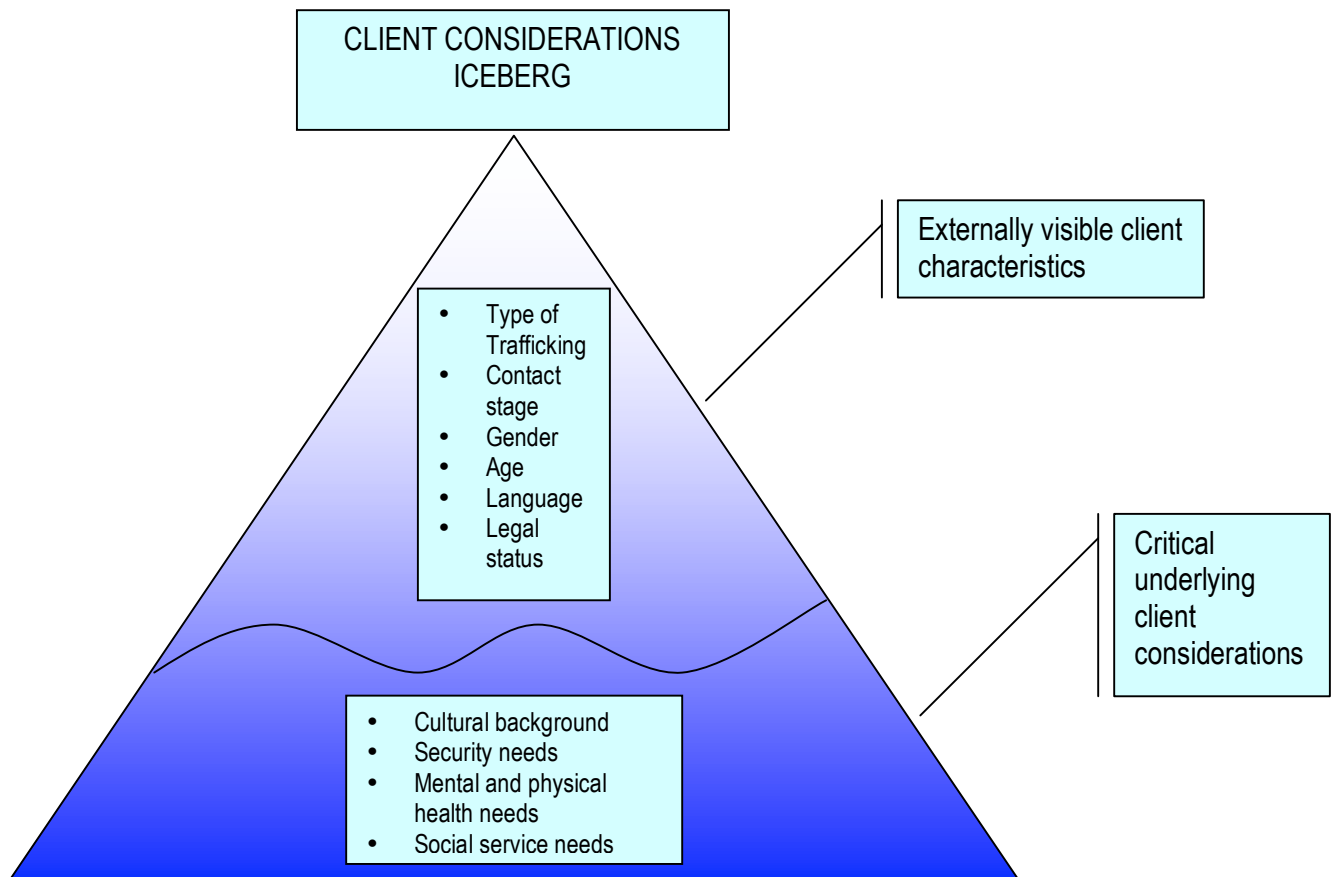
Substance abuse may have an adverse effect on service provision for both the affected client and housemates. SPOs running THUs should consider establishing a screening system to determine if a client is dependent on substances during the intake process. This might include urine screen drug testing to provide quick feedback. However, clients may perceive this process as denigrating and intrusive. Organizations should adopt policies that weight the benefits of a drug-free house against the sense of discomfort and violation that drug testing may impose on clients. In the case that substance abuse is discovered after the survivor has been accepted into the unit, SPOs should also develop guidelines on how to respond to such clients. Organizations should pursue partnerships with rehabilitation organizations to create a referral system to serve clients with substance abuse needs.

### Social Services

Trafficked persons require multiple social services including, but not limited to: English language literacy and education, basic subsistence needs, vocational skills training, and basic U.S. life skills.<sup>15</sup> After conducting initial intake, safety and health assessments, SPOs should devise individualized service plans for each client. Each service plan should specify which services are provided in house and which are outsourced. When determining the relevant partner, SPOs should consider how differences in organizational missions, strategies, and approaches affect the collaboration and devise guidelines for governing or addressing the challenges that may emerge.

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<sup>15</sup> Please refer to Appendix 2, Section B for a general service provider checklist.



*Externally Visible Client Characteristics:* These are identifiable within the initial intake interview.

*Critical Underlying Client Considerations:* These issues require in-depth assessment, usually performed by a skilled professional.

Both sets of characteristics are equally important in determining the optimal service plan for the client.

## **Key Considerations: Managerial Concerns**

In addition to the client-centered considerations, a variety of logistical and organizational issues greatly inform the choice of which type of housing to provide. The following section discusses the key managerial concerns.

### **Funding**

Organizations often struggle to balance donor requirements with client needs, and/or compete for limited funding sources. The following section discusses key considerations that arise with different funding sources.

#### **Federal Funding**

Most SPOs receive some level of federal funding. The availability of funding streams often depends upon the specific population served i.e. domestic vs. international survivors, adults vs. minors, pre-certified vs. certified survivors, etc. For example, until recently, little federal funding was designated for domestic survivors. Certification status also affects federal funding designation. Whereas OVC generally funds services for pre-certified survivors, agencies that serve certified survivors are able to access funds from ORR. However, SPOs must consider the impact of a grant's funding structure upon service provision. For instance, agencies serving certified clients should bear in mind that while many trafficking survivors require long-term housing, ORR resettlement funds cover the cost of housing only for the first four months.

#### **TPVA FUNDING ALLOCATION**

The 2005 TPVA states that the Secretary of Health and Human Services (HHS) will allocate \$10 million through the U.S. Citizen Trafficking in Persons (TIP) grant program, in both 2006 and 2007, for services for domestic survivors. However, international survivors have been designated \$15 million by HHS, as well as \$15 million from the Attorney General of the Department of Justice (DOJ) and \$15 million from The President. In addition, most funding is used to serve adult survivors; however, the 2005 TPVA stipulates that \$5 million will be invested into three pilot residential programs for juvenile survivors in both 2006 and 2007.

Also, organizations must stay abreast of current funding trends within the anti-trafficking field. Presently, ORR is moving toward per-client funding through which organizations receive a pre-designated amount of funding per client served rather than multi-year contracts. This funding structure works well for organizations with the following characteristics: a consistent client base, bulk of funding comes from other sources, and/or serves populations outside of trafficking. However, agencies that lack these attributes may be unable to sustain themselves. Inter-agency collaboration may help mitigate some of the financial burden and is addressed in a subsequent section.<sup>16</sup>

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#### **Private Funding**

SPOs should also seek alternative sources of funding from foundations, corporations, individual donors, and investors. Some private funds may provide greater flexibility;

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<sup>16</sup> Refer to Appendix 2, Section A for weblinks to OVC and ORR grant applications.

however, each donor or investor has individualized stipulations. Some corporations readily donate supplies for residential facilities and other social programs through a charitable giving program. Funding is also available through religious institutions, although it is important to investigate the faith-based conditions that may accompany these grants. Organizations that operate safehouses have an additional option to charge a housing fee to partner SPOs.<sup>17</sup>

Diversified funding sources are a cornerstone of sustainability. Given the rapidly shifting federal funding structures, SPOs should refrain from relying upon a single funding source. In addition, social service agencies must stay abreast of donor restrictions regarding “double-dipping” within client services. In other words, SPOs must be aware when referring clients to other organizations that some donors do not permit clients to access services from two programs funded by the same grant. Regardless of the funding source, maintaining a clear line of communication with donors/investors and creating a transparent business plan for any potential funding partnerships will assist in building sustainable relationships.

## **Inter-Agency Collaboration**

### Collaboration with SPOs

Effective collaboration not only improves service delivery, but also helps mitigate some of the obstacles posed by funding limitations. The majority of the SPOs interviewed for this report have mentioned the importance of inter-agency cooperation. Moreover, currently federal grants to serve trafficked persons through ORR and OVC actively encourage agency collaboration and require submission of collaboration plans along with application.

However, shelter providing agencies must bear in mind the potential differences in missions and approaches to service provision of partner agencies. Furthermore, agencies will have varying capacities in regard to staff skills and personalities, resources, trainings, and funding. Most survivors are served by a number of staff, including caseworkers, social workers, psychologists, literacy/educational instructors, and attorneys across multiple organizations. Blocked communication between any of the service providers may harm the client’s well-being and/or negatively impact the legal case.

The first step towards positive collaboration among SPOs is identifying each agency’s comparative strength. To maximize comparative strengths, SPOs should create a referral and follow-up system that assigns roles according to each organization’s capacity. Each client should have a key point of contact, such as the caseworker, who maintains a relationship with all relevant staff and stays informed regarding the survivor’s progress with each of the other service providers. SPOs must establish guidelines to govern the referral of clients to various service providers and ongoing communication procedures. Memorandums of Understanding (MOU) between SPOs facilitate positive working relationships. In creating these protocols, however, SPOs must consider the confidentiality standards that will limit information sharing i.e. between case workers and psychologists or attorneys.

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<sup>17</sup> Please refer to Appendix 2, Section A for a partial list of private funding sources.

### **INTER-AGENCY COLLABORATION**

Agency X provides housing for Client A, a female survivor of international trafficking, and refers Client A to Agency Y for legal and psychological support. Client A suffers from trauma related to her trafficking situation and wants to discuss her past and the details of her case with the shelter manager at Agency X. However, the shelter manager is not trained to provide this level of support, and is uncomfortable being party to confidential legal information. Some general tips for addressing this complex situation include:

- First, after determining the service plan for clients, all relevant staff from both agencies should meet with client at one time to explain roles and responsibilities.
- Both agencies should also create a plan for reestablishing boundaries in the case that clients begin to blur them. This plan must include regular communication between all service providers. For example, the sponsoring SPO can hold monthly meetings between support teams and clients.
- Each of the above mentioned tips and any other communication mechanisms should be delineated in the MOU prior to beginning client service.

### **Collaboration with Law Enforcement**

Efficient collaboration with law enforcement is essential in both the outreach and legal prosecution stages. By maintaining a positive relationship, SPOs may be more likely to receive client referrals. They will also have increased opportunities to conduct trainings on identifying and questioning trafficked persons for law enforcement agencies. In addition, due to their past experiences and circumstances, many trafficked persons do not trust law enforcement agencies. Given the high amount of contact between both parties, SPOs can facilitate this relationship.

As with any interagency collaboration, SPOs must recognize varying missions. Law enforcement agencies are responsible for prosecuting traffickers. SPOs that work with law enforcement are often required to report clients and to initiate legal proceedings. In some instances this may occur before the client is ready, either mentally or emotionally, to prosecute. At times, undue pressure may be placed on agency staff to occupy a leading role in influencing the client to cooperate with law enforcement. While SPOs may view punishment of traffickers as a significant consideration, their primary objective is generally to provide services that meet the best interests of the client.

SPOs should make every effort to maintain an open line of communication with law enforcement agencies. Moreover, like domestic violence shelters, SPOs that serve trafficked persons should work with law enforcement to formulate protocols to guide their interaction.<sup>18</sup>

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<sup>18</sup> Please refer to Appendix 3, Section A for an example MOU between law enforcement and SPOs

## **Intra-Agency Collaboration**

Similar to the concerns that arise when partnering with another agency, SPOs should recognize varying objectives and priorities among different departments within a single organization. Protocols should be devised to articulate boundaries between staff members, and create sufficient follow-up and communication procedures across departments.

## **Admitting Survivors of Labor Exploitation (Non-trafficking)**

Many activists and advocates criticize as myopic the definition of human trafficking advanced by the U.S. government. This is because the stringent requirements negatively impact SPOs' capacity to serve individuals who do not fit the "severe forms of trafficking" threshold. A significant number of labor exploitation victims are denied the access to services and protection awarded to trafficking survivors. As discussed previously, it is difficult to estimate the scope of trafficking or to predict trafficking flows into a shelter. When there is vacancy, SPOs, should decide if they will house survivors of labor exploitation that do not fall under the definition of trafficked persons. To assist in determining eligibility, service providers can consider adopting a placement tier system. For a more detailed description of this, please refer to the THU model adopted by PHI in section III.

## **Survivor's Role in Shelter Design**

Given the disenfranchisement and marginalization survivors experience while in the trafficked situation, SPOs must ensure that clients retain some level of autonomy in determining their service plan. SPOs should employ a client-centered approach in which clients make final decisions after receiving relevant information concerning service options, including positive and negative ramifications of each choice. SPOs should also present a survivor's "Bill of Rights" during the intake process and consistently reinforce it throughout service delivery.

The "Bill of Rights" might also help in establishing mutual agreed upon expectations between SPOs and the clients.<sup>19</sup> Lastly, SPOs should consider adopting periodic evaluations and exit interviews to incorporate the survivor's voice in every step of service plan.

### **"CREATING OWNERSHIP"**

To begin shifting the oppressive mindset some survivors may retain, agencies may consider developing strategies that promote a sense of autonomy and ownership in survivors as they build their new lives. One example of this is the use of an exchange system. In this system, clients "donate" hours to the shelter by participating in community services in exchange for certain services. An exchange system fosters community and raises the perceived value of the services for the client. Agencies must be careful, however, to ensure that this system does not reinforce any residual sentiments of debt bondage for the client.

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<sup>19</sup> Please refer to Appendix 2, Section B for a sample set of survivor rights in long-term care.

## **Legal Concerns**

### Client Based

In light of the sensitive nature of trafficking and the potentially volatile and/or intense needs of clients, service providing agencies must utilize release, confidentiality, and consent forms for all services/activities. Detailed standards, rules, and protocols for emergencies, safety issues, and other elements of client interaction will reduce liability concerns.<sup>20</sup> In addition, to protect the safety of all clients, it is important that shelter operators retain discretion to ask residents to leave (e.g., if they have abused or endangered other residents). This goal can be furthered by documenting that residents are guests, rather than tenants, and having residents acknowledge which rules violations will be grounds for expulsion.

### Type of Housing

In addition to seeking a shelter space that fits client needs, other criteria for property selection include price, location, and floor plan. SPOs must bear in mind zoning laws, requirements for occupancy permits (including city or county building codes), safety/security systems, and building insurance.

### Corporate Structure and Tax

SPOs that are considering operating a shelter should consider the benefits incorporating a separate limited liability corporation (and “LLC”) to purchase or rent the site and handle shelter operations.<sup>21</sup> Appropriate SPO directors and managers can double as LLC directors and managers. With this approach properly implemented, the LLC, rather than the SPO, generally would be responsible for any liability incurred in connection with the operation of the shelter, e.g., liability that may arise from accidents or particular emergencies that occur on site, e.g., suicide, battery. This helps to shield the SPO (and those persons affiliated with the SPO who do not play a role in the LLC or shelter operations) from the higher level of exposure to liability that running a shelter typically involves.

If the SPO enjoys tax exempt (IRS Code 501(c)(3)) status, they should consult with counsel to ensure that funding and operating the shelter is consistent with their corporate purpose as described to the IRS.

### Third Party Service Providers and other SPOs

Insofar as third parties or other SPOs will be providing services to shelter residents, it may be prudent to describe in advance, in either contracts or MOUs, any special expectations or requirements they should fulfill.

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<sup>20</sup> Please refer to Appendix 2, Section B and Appendix 3, Section A for a list of sample guidelines/protocols.

<sup>21</sup> Please refer Appendix 3, Section A for a list of sample legal documents.

## **Standards, Rules, Protocols**

As described in earlier sections, comprehensive guidelines regarding all services, activities, and interactions among staff members, partner agencies, and clients, serve as a foundation for effective service delivery. SPOs should consider creating protocols/guidelines for the following issues. (Note: All guidelines that directly relate to clients should be translated into languages of survivors if necessary, either in written and/or oral form<sup>22</sup>.)

- Communication/boundaries between agency staff and client
- Confidentiality and consent
- Crisis intervention
- House rules (guidelines)
- Initial needs assessment
- Individualized client service plan
- Initial safety assessment
- Inter-agency interaction/communication
- Referrals and follow-up protocol
- Screening to identify or verify if person has been trafficked
- Security Protocols
  - Emergency protocols
  - Visitation protocols
- Survivor's bill of rights
- Social service check list for each of the services provided (education, legal, health...etc)

Protocols directly involving the clients (such as house rules) should be utilized as guidelines rather than immutable rules to the extent appropriate. Survivors may resist steadfast rules in light of the subjugation they experienced in the trafficked situation. Furthermore, SPOs should bear in mind that every survivor is unique; therefore, while protocols facilitate service provision, they are imperfect and subject to conditionality. Under certain circumstances, the client's interests may be served best by a break from traditional procedures.

## **Outreach**

Outreach to survivors of trafficking is particularly difficult. This is because survivors are often kept hidden by traffickers in dangerous and/or secretive locations and remain unaware and/or unwilling to appeal to SPOs for assistance. However, in order to sustain a client base, agencies should incorporate some level of outreach initiatives. The type of initiative depends upon the mission and capacity of the agency.

### **Direct**

Direct outreach initiatives involve one-on-one interaction with the survivor. Examples include raid and rescue missions by law enforcement, or approaching potential clients at

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<sup>22</sup> Please refer to Appendix 2, Section B for samples of some of the guidelines.



immigration and detention centers, courthouses, or other public locations where survivors are likely to be found.

These initiatives are valuable because many clients are unaware that they have been trafficked according to U.S. law and as a result, they also lack knowledge regarding their legal rights and options. However, direct outreach efforts sometimes pose significant risk to the clients and the social service agency. For this reason, SPOs must evaluate if such initiatives suit their mission and if the benefits outweigh the costs.

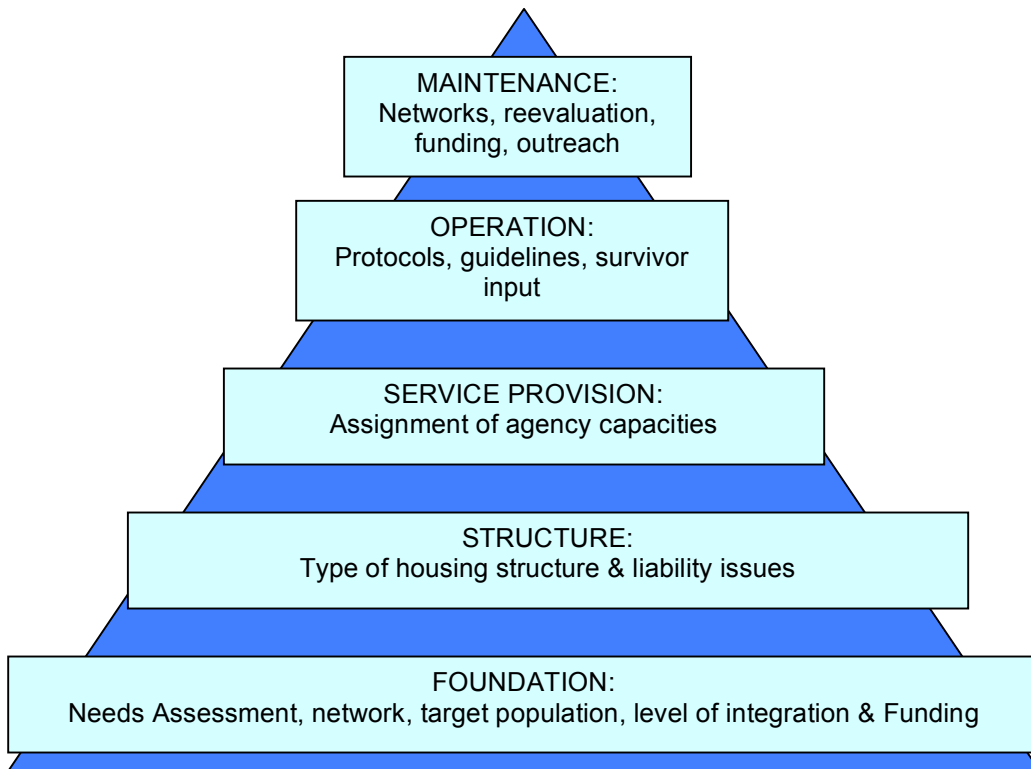
### Indirect

Indirect outreach initiatives are rooted in community education and also serve a vital purpose. In raising awareness among the general public regarding the issue of trafficking and ways to identify potential survivors, SPOs expand the anti-trafficking network. Examples of these initiatives include lectures/workshops at churches, hospitals, schools, community organizations, law enforcement agencies, and immigration offices. SPOs should also utilize the knowledge of existing clients as a source of outreach. These individuals may know other trafficked persons in similar situations and thus be able to provide helpful leads.

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## **Recommended Strategy for Transitional Housing Unit (THU) Development**

The following diagram integrates many of the central managerial and client-based considerations into a structured framework for pursuing the establishment of THUs. We recommend that SPOs use this strategy to help guide the THU creation process for trafficked persons.



**Step 1: Foundation**

- Conduct needs assessment of both service providers and survivors to identify gaps in service.
- Form a network of area service providers to set the stage for ongoing collaboration.
- Identify target population (international versus domestic, men vs. women and other client characteristics).
- Determine level of integration (safehouse versus integrated model) based on resources and staff capacity.
- Secure funding. Seek creative and diverse funding sources to ensure shelter sustainability.

**Step 2: Structure**

- Determine the type of housing structure (apartment versus house) and secure unit.
- Address relevant liability issues.

**Step 3: Service Provision**

- Devise a plan to provide social services, if using an integrated model.
- Find partner organizations within network established in Step 1 to provide services beyond THU capacity.

**Step 4: Operation**

- Develop standards and protocols to facilitate the functioning of shelter and govern all collaborations.
- Develop guidelines for staff-client, client-client, and staff-staff interaction
- Institute mechanisms for incorporating the survivor's voice in the design and planning of house

**Step 5: Maintenance**

- Be attentive to sustaining positive work relationships.
- Standardize a reevaluation system. Institute a periodic evaluation system (e.g. bi-annual) that seeks input from clients, internal staff and partner agencies.
- Continue to seek new sources of funding
- Expand outreach to potential clients and THU external community to raise awareness about trafficking and increase victim identification.

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## **SECTION III: PROJECT HOPE INTERNATIONAL (PHI) CASE STUDY**

In attempting to create a safehouse that is accessible to anti trafficking SPOs in the Washington DC area, PHI's central objective was to fill the prevailing gap in housing services. Although PHI was unable to complete the creation of the THU, the organization remains firm in its commitment to support through knowledge-sharing, and other means, the eventual establishment of a transitional housing unit for trafficked persons in the region. PHI learned a great deal during its efforts to create housing and believes that this method of disseminating its experiences will be useful to NGOs who wish to undertake similar ventures. In this spirit of information sharing, the following section provides a description of the process that PHI employed in developing and designing the THU.

### ***The THU Development Process***

#### **Needs Assessment**

PHI began the shelter creation process by conducting an informal needs assessment of service providers in the DC area. PHI learned that the central obstacle in serving survivors of trafficking was the lack of consistent housing. As a result, PHI created an advisory board comprised of key actors in the anti-trafficking field to determine the most effective strategy to meet the need for shelter. In addition, PHI formed relationships with relevant staff at U.S. government institutions.

#### **Inter-Agency Cooperation**

Through collaboration with members of the anti-trafficking community in the advisory board and informal discussions with relevant government actors, PHI was able to gather critical information regarding housing needs for trafficked persons in the Washington DC area. Among many valuable insights, PHI learned that:

- Many SPOs prefer a small house that serves women who have been trafficked internationally instead of apartments;
- Some trafficked persons refuse to cooperate with service providers or law enforcement without guaranteed housing; and
- Although housing for survivors of trafficking can be acquired through Department of Housing and Urban Development (HUD), this source is relatively inconsistent.

Given their staffing capacity and skill set as well as the results of the needs assessment, PHI chose to create a safehouse in which all services would be provided by sponsoring organizations. PHI decided to purchase, rather than rent, a home to convey a sense of permanency. Ownership would encourage the development of permanent relationships with neighbors and area law enforcement officials. In addition, ownership provided the option to gift the house to the anti-trafficking community as a lasting resource in the provision of housing services.

## Public Private Partnerships

PHI formed and maintained two key private partnerships simultaneously. Staff worked with Champion Realty to find a property and Shaw Pittman LLC to assist with legal matters. Champion Realty provided PHI with a number of non-traditional funding methods. PHI found the private investor option the most appealing and compatible with their needs. This choice allowed for the creation of a specialized lease with the option to buy. The lease not only required less money upfront from PHI, but also included PHI's name on the land title. The option to purchase ensured future ownership of the house, and most importantly, enabled PHI to maintain control over the property with little financial risk. PHI also learned that in order to purchase homes that had already been zoned for community purposes, PHI would need to acquire LLC status. Shaw Pittman LLC assisted PHI in obtaining this status.

PHI found a private investor through its relationship with Champion. A personal contact of one of the real estate agents expressed interest in investing in the shelter. Next, Champion Realty assisted PHI and the investor in finding a house in Prince George County, Maryland. The house was listed as \$307, 961. The investor agreed to a lease with the option to buy, with a monthly charge of \$1100 for PHI.<sup>23</sup> Shaw Pittman LLC aided PHI with all lease related matters and also, provided assistance in devising THU shelter rules.

### PARTNERSHIPS

Building a THU often involves charting new territory, with limited resources. Public-private partnerships often help overcome common challenges. For example, PHI obtained critical pro-bono legal advice from Shaw Pittman LLP and real estate guidance from Champion Realty

After deciding to purchase a home, PHI contacted Champion Realty, a real estate agency based in Annapolis, for assistance with finding and buying the house. Champion Realty offered their services because they appreciated the social value of the project. The realtors not only assisted PHI in finding a unit, but also providing guidance in funding matters. PHI's ultimate funding solution emerged through a personal contact of one of the realtors. The investor was extremely supportive of the project, and was able to acquire a low interest rate for purchase because the unit would be used in for a charitable cause.

Given their apparent need for legal expertise, PHI, along with key actors, devised a creative method for obtaining legal support. The Washington DC Bar meeting takes place once a month, and permits brief presentations from agencies seeking pro-bono assistance. Two members of the advisory board presented the transitional housing unit project at the meeting, and as a result, Shaw Pittman LLP (subsequently Pillsbury Winthrop Shaw Pittman) agreed to take the case. The firm, continued to provide consistent support throughout the project.

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<sup>23</sup> Please refer to Appendix III Section A for sample lease and operating budget respectively.

## **The Result: PHI's THU**

Upon securing an investor and resolving key liability issues, PHI worked with the advisory team to create various protocols and safety guidelines. PHI staff also developed a memorandum of understanding (MOU) to govern the interaction between PHI and the SPO<sup>24</sup>. However, just before the closing of the housing contract, heavy rains resulted in a flooded basement, revealing structural issues within the house not previously disclosed by the seller. PHI's investor was uncomfortable with the additional funds in excess of \$10,000 necessary to renovate and maintain the home, or the apparent dishonesty of the seller and lost confidence in the structural soundness of the property after this incident. As a result, PHI could not proceed with establishing the transitional housing unit at this location. Nonetheless, a great deal can be learned from the guidelines and procedures PHI developed. The following sections outline these steps in the context of client-based and managerial considerations.

### **Type of Housing**

PHI operates a safehouse for 5-8 women, 3 children, and a house manager. Survivors are permitted to stay anywhere from a day to 18 months.

### **Client Considerations**

#### Types of Trafficking

PHI's THU is a safehouse for female victims of trafficking and/or labor exploitation.

#### Legal Status

THU will accept both documented and undocumented individuals. Clients will not be rejected from THU based on legal status.

#### Minors

Unaccompanied minors will be permitted to stay in THU only until alternative accommodations with agencies that specialize in housing this population are made available. Families will be permitted to stay only if space is available. They will be housed in a larger room in the unit.

#### Security Risks

In the case of a security issue in the house, clients will be moved to a hotel room in an emergency and apartment for longer term stays. The THU will not have a full time guard. Also clients who commit felonies will not be allowed to stay in the THU if they are wanted by law enforcement [for legitimate purposes].

#### Visitors

Residents are not permitted to have visitors that can jeopardize clients' civil or criminal cases, or who may be a threat to the security of the THU. Resident must accompany all visitors. Excessive or unapproved visitors will require consultation between PHI staff, SPO, and resident on a case-by-case basis. Roommates will be permitted to mutually decide if they will allow overnight guests.

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<sup>24</sup> Refer to Appendix III Section A for a sample of the PHI MOU.

## Physical Health

Physical health conditions will not be grounds for denial of access into the shelter unless the shelter's physical or procedural structure is not conducive to client needs. However, clients with serious health concerns (i.e. late-stage HIV) may be better served by alternative accommodations that can meet their needs.

## Substance abuse

If substance abuse is detected prior to intake, client will not be permitted to stay in THU and instead will be referred to local treatment center. However, if problem is discovered after client is a resident, THU will house client until accommodations are available in local treatment center.

## Social Services

All social services are provided by other agencies.

## **Managerial Considerations**

### Inter-Agency Collaboration

#### *PHI Responsibility*

PHI THU staff includes an on-site house manager and a full-time social worker. The house manager is responsible for

- Conducting initial intakes of all residents (in the presence of the case manager of the SPO) within 48 hours prior to client entering the house;
- Updating a bulletin board in house advertising jobs, classes, and any possible opportunities for clients;
- Purchasing all communal food items and toiletries;
- Assessing major repair and maintenance needs;
- Meeting with local law enforcement officials to keep them informed of THU issues; and
- Making room assignments and upkeeping common areas of the house.

The house manager will have access to a PHI car to run errands and provide transportation for clients purchasing groceries. He/she will be paid \$32-37,000 along with a strong benefits package.

The social worker is responsible for:

- Overall house supervision
- Participating in intake process as necessary (e.g., for mental health needs).
- Meeting with local law enforcement officials in the presence of the shelter manager and other PHI staff.

#### *Sponsoring SPO Responsibility*

SPOs should conduct basic intake and initial safety assessment of clients to ensure that they meet PHI eligibility criteria. Clients may stay in THU up to 36 hours without intake procedures. If intake is not completed within 48 hours, SPOs will have to find alternative housing arrangements until intake can occur. In addition, SPOs are responsible for providing social services such as

translation/interpreter services, employment (if they are eligible under immigration law) and permanent housing.

### ***Fees for services***

PHI reserves the right to charge a fee to SPOs housing clients at the safehouse. Agencies unable to make a payment on time will receive a three-month grace period. PHI will also try to raise funds help cover the costs for sponsoring organizations facing financial hardships. The fees are \$400/month for a single room and \$200/month for half occupancy in a double room. They cover the cost of a furnished room, toiletries, towels and sheets, and basic staple foods. PHI will apply for charitable donations from corporate retailers to defray the costs of subsistence supplies.

### ***MOU***

PHI requires a Memorandum of Understanding (MOU) that delineates roles, responsibilities, and expectations with all SPOs. MOUs must be completed prior to housing client. The MOU requires assessments of client progress every two months. A social worker from the SPO must work with a PHI social worker to complete these assessments. If PHI determines that the SPO is not fulfilling its responsibilities, PHI reserves the right to call for an emergency assessment to discuss potential remedies or relocation of client.

## **Standards and Rules**

### ***House Rules***

PHI will collaborate with area agencies to create perimeters for “house rules.” House procedures must be evaluated every 6 months by staff and clients. Clients are expected to sign contract agreeing to abide by these rules during intake interview, as well as after each reevaluation. House rules will be translated into top 10 languages of trafficked and exploited individuals in the DC area; however, clients will also receive oral translations.

### ***Intake Procedure***

PHI social worker, SPO caseworker/social worker, and house manager must be present for intake interview with client. If available, client will be asked to show valid ID. The key components of the intake interview include: determining the client’s exploitation status (trafficking versus labor); assessing mental/physical health, security, and social service needs of client; ensuring that the sponsoring case manager assumes responsibility for client services; and presenting the house rules in client’s first language.

### ***General Shelter Operations***

Once admitted into the shelter, clients will be given keys to unit along with the alarm access code. PHI will not enforce a curfew. All residents will also receive a \$50 gift card each month to purchase special food items.<sup>25</sup> Shelter manager will purchase groceries shared by all residents in the house. The PHI THU includes a living room/communal space and an office for meetings between case managers and clients. Clients will be allowed to meet with legal and mental health service providers as well as social workers in the house. English as a Second Language (ESL) classes may be conducted on the shelter premise as well. Residents are responsible for upkeep of their individual spaces and the common space after they have used it.

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<sup>25</sup> Please refer to Appendix 3, Section A for PHI’s approach to creating house rules.



### *Exit Procedures*

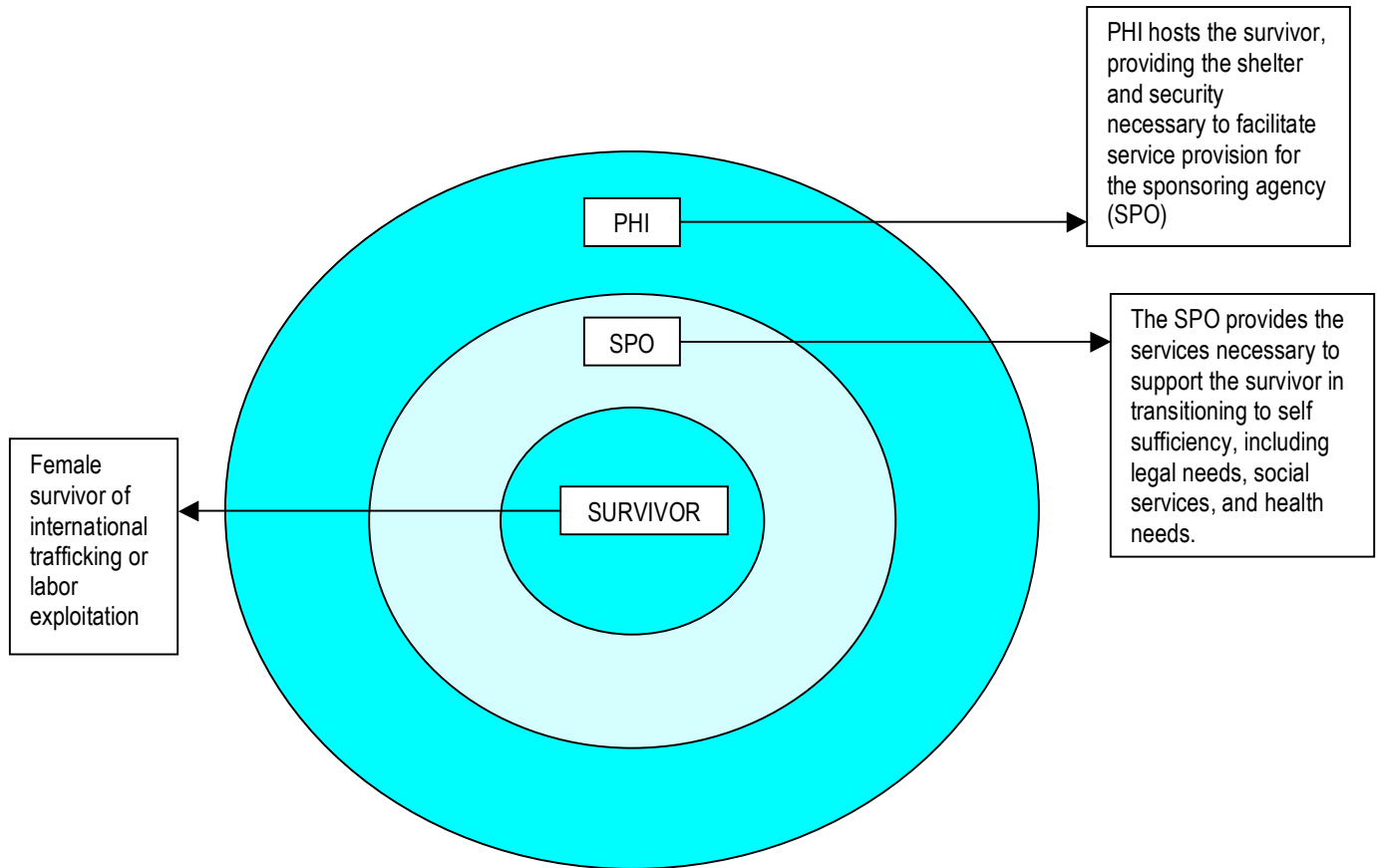
Assessments will be completed every two months to determine if client is ready to leave THU. In consultation with SPO members, once the social workers determine that client is ready to transition to permanent housing, resident has three weeks to vacate the unit and must submit written notice with the assistance of SPO. The only ground for premature eviction a violent act by a client against PHI staff, peers or sponsoring agency staff.

### *Survivor Input*

PHI believes survivors should have a voice in the creation or recreation of the house procedures. As a result, PHI will incorporate their input in the early stages of the THU.

### *Working with survivors of labor exploitation*

Although PHI's mission is to serve people who have been trafficked internationally, PHI adopted a placement tier system to accommodate as many survivors of exploitation as possible. Within this system, first priority is given to women who have been trafficked internationally. Second priority is reserved for women who have been trafficked domestically. Third priority is given to survivors of labor exploitation. SPOs with clients in the second and third tiers are allowed access to the shelter with the expressed understanding that the accommodation is temporary and may be changed if space is needed for an international survivor.



## PHI's Approach to Transitional Housing for Trafficked Persons

## **CONCLUSION: KEY LESSONS LEARNED**

This toolkit has provided a framework through which to better identify and understand the effects of the multiple client-based and managerial considerations upon the creation of housing for trafficked persons. The recommended strategy for THU development synthesizes these considerations into a pragmatic approach that assists service providers in efficiently creating THUs. And lastly, the PHI THU case study illustrates the complex process of housing creation in a concrete manner. The following collection of key lessons learned provides overarching recommendations derived from the analysis of the needs assessment findings, recommended strategy for THU development, and the PHI case study.

### **Recognize role and match mission**

- Understand organizational mission and formulate objectives accordingly.
- Know agency resources and capabilities.
- Identify and fill the gap in service that corresponds with agency capabilities .

### **Nurture networks**

- Acknowledge the cross-cutting needs of survivors and build cooperative relationships with relevant stakeholders (law enforcement, policy makers, community based groups and other SPOs).
- Maintain clear line of communication to sustain relationship with agencies across sectors.
- Maintain mutual respect of differences in missions and roles of all partner agencies.

### **Stand in solidarity with survivor**

- Respect the autonomy of each survivor and incorporate his/her voice into design and operation of the THU.
- Nurture a community environment within the THU.
- To the extent possible, avoid hierarchical decision-making.

### **Pursue public-private partnerships**

- Reach out to partners outside of the anti-trafficking community to fill gaps in expertise in a cost-efficient manner.
- Build mutually beneficial partnerships and a solid anti-trafficking alliance by engaging unconventional individuals and businesses.

### **Promote Collaboration not competition**

- Employ a strategic approach in service delivery and maximize comparative advantages of all partner agencies.
- Adopt procedural guidelines to govern inter and intra agency interactions.

### **Diversify your donors**

- Appeal to unconventional donors.
- Assemble a creative mix of funds.
- Avoid relying heavily upon a single donor.

## REFERENCES

*Following is a list of the primary references utilized for this project. However, we also reviewed the websites of the majority of service providers across the U.S. that serve trafficked persons to obtain a general understanding of their services and activities.*

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<http://protectionproject.org>

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[http://www.salvationarmyusa.org/usn%5Cwww\\_usn.nsf/vw-sublinks/323F7FB8E28FE18B85256F6600598FB3?openDocument](http://www.salvationarmyusa.org/usn%5Cwww_usn.nsf/vw-sublinks/323F7FB8E28FE18B85256F6600598FB3?openDocument)

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## APPENDICES

### ***Appendix 1: Section A - Research Methodology***

Central Question:

Given the increasing need for targeted social services for trafficked persons in the U.S. to facilitate their transition to self-sufficiency, how can we assist organizations in establishing THUs in the Washington DC area, and what factors do service providers need to consider in developing an ideal THU?

We compiled the following list of subordinate questions to provide insight on the general nature of trafficking flows into the United States, the types of service delivery related responses from the US Government and NGOs, the prevailing gaps in service, and how the housing needs of survivors of trafficking can best be met:

1. Where are most survivors of trafficking concentrated in the U.S.? What is their country of origin? Who is serving the survivors in these cities? What are the statistics on trafficking into the United States?
2. What are the statistics for the Washington DC area? Where do survivors of trafficking come from in the Washington DC area? What are the obstacles in attaining these statistics?
3. Who is working to combat trafficking in Washington DC? How do the primary actors within all the sectors that work to combat trafficking—academics, service providers, policy makers, and survivors—view the need for transitional housing? Which issues/problems are most significant to each sector? What are the critical challenges facing each sector in service provision? What is the level of collaboration both within and across sectors? How does each sector/group define the most important services for the survivors? How does each sector/group envision an “ideal” transitional housing model?
4. What are the targeted needs of survivors of trafficking? Do these needs vary according to the ethnicity/cultural background of the survivors? Is there a need for THUs? Why do we need THUs specifically targeted to this population? How do the needs of trafficking survivors compare to the needs of other survivors of domestic abuse?
5. What do existing transitional housing units in the U.S. look like? Who runs them? What services do they offer? Who are their clients? How are they funded? What outreach methods are employed? What is the level of interaction with law enforcement? How did they develop their THUs? What are the strengths and weaknesses of their approaches to THUs? What financial, physical and human resources are needed for a THU? What security considerations are needed? What services would an ideal THU provide?

6. How do survivors view the need for THUs? What needs or services do they identify? What role do survivors play in the development and maintenance of THUs?
7. What actions/efforts has PHI made to address the development of THUs? Which aspects of their efforts failed and which succeeded?
8. If our research is analyzed and compiled in a toolkit, will NGOs use this toolkit? How can they collaborate to assist one another in developing transitional housing units for their local communities?
9. How can a THU targeted to the Washington DC area be adopted nationally? What strategies can NGOs employ to assist them in adapting a model to fit the needs of their communities? What are the benefits and constraints to scaling

### **Interview Questionnaire Guide**

The central purpose of the interviews is to gather the following information:

- Interviewees' assessment of where most women survivors of trafficking are located in the U.S. and which organizations in these cities are assisting survivors?
- How many survivors are in the Washington DC entire metro area? Are the statistics reliable? If not, why? (Note: We will employ the Delphi technique to obtain this information. We will present the interviewee with the results of our Internet research and ask for their assessment of the validity of these numbers. In so doing, we hope to hone in on reliable statistics.)
- Who are the primary actors working to combat trafficking the DC area within the following sectors: academia, social service providers, advocacy organizations, and policy makers? What are the most pressing needs of trafficking survivors according to each of these primary actors? Is transitional housing considered a pressing need? If so, how does each interviewee envision an ideal shelter? What services would this shelter provide, etc?
- What are the critical challenges in providing for the primary needs of trafficking survivors, according to each interviewee?
- Interviewees' opinion concerning the use of domestic violence shelters as a benchmark for the creation of transitional housing units for trafficking survivors. Can the standards and evaluation criteria set for domestic violence shelters be adapted for trafficking survivor shelters? If so, how? How are the needs of trafficking survivors different from the needs of domestic violence shelters?
- What do existing units for trafficking survivors look like?
- How do the organizations that work to assist trafficking survivors reach out to the victims?

## Appendix 1: Section B – Participants in Needs Assessment

NAME AND TITLE	ORGANIZATION AND LOCATION	MISSION/SERVICES (TRAFFICKING RELATED)
<p>Harry Wilson Associate Commissioner</p>	<p><i>Administration on Children, Youth, and Families</i> U.S. Department of Health and Human Services Administration for Children and Families 370 L'Enfant Promenade, S.W. Washington, D.C. 20201</p> <p>Website: <a href="http://www.acf.hhs.gov">www.acf.hhs.gov</a></p>	<p>Mission:</p> <p>The Administration for Children and Families (ACF), within the Department of Health and Human Services (HHS) is responsible for federal programs that promote the economic and social well-being of families, children, individuals, and communities.</p> <p>Service Areas:</p> <ul style="list-style-type: none"> <li>• Empower families and individuals to increase their own economic independence and productivity;</li> <li>• Build partnerships with individuals, front-line service providers, communities, American Indian tribes, Native communities, states, and Congress</li> <li>• Serve people with developmental disabilities, refugees, and migrants to address their needs, strengths, and abilities.</li> </ul>
<p>Doreen Broderick Shelter Supervisor</p>	<p><i>Alexandria Domestic Violence Program</i> 421 King St., Ste 400 Alexandria VA 22314</p> <p>Website: <a href="http://alexandriava.gov/oow/pgm/dvip_program.html">http://alexandriava.gov/oow/pgm/dvip_program.html</a></p>	<p>Mission:</p> <p>The Alliance is dedicated to promoting safe and healthy relationships through community coordination.</p> <p>Services:</p> <ul style="list-style-type: none"> <li>• Emergency housing and food at a confidential location</li> <li>• Court advocacy</li> <li>• Counseling related to domestic violence, sexual assault or stalking</li> <li>• Safety planning</li> <li>• Support groups and self-defense.</li> <li>• Services available in Spanish.</li> <li>• Eligibility: Self-referrals, female</li> </ul>

		residents of Alexandria City.
Melanie Orhant, Director, Trafficking Project	<i>Ayuda</i> 1736 Columbia Road, NW Washington , DC 20009  Website: <a href="http://www.ayudainc.org/pages/page.cfm?id=1">http://www.ayudainc.org/pages/page.cfm?id=1</a>	Mission:  Ayuda exists to advocate for and defend the legal and human rights of low-income Latino and other immigrant communities in the Washington, D.C. area.  Service Areas: <ul style="list-style-type: none"><li>• legal services</li><li>• referrals</li></ul> (Member of Metro DC Alliance to Combat Trafficking and Slavery and Freedom Network)
Anita Karklins Survivor Services Program and  Charlotte Dolenz Survivor Services Program Coordinator	<i>Boat People SOS (BPSOS)</i> 6066 Leesburg Pike, Suite 100 Falls Church VA 22041-2220  Website: <a href="http://www.bpsos.org">www.bpsos.org</a>	Mission:  To assist Vietnamese refugees and immigrants in their search for a life in liberty and dignity; by empowering, equipping and organizing Vietnamese American communities in their progress toward self-sufficiency  Service Areas: <ul style="list-style-type: none"><li>• immigration relief</li><li>• access social services including housing, food assistance, medical care, mental health care, education and employment assistance</li></ul> (Member of Metro DC Alliance to Combat Trafficking and Slavery and Freedom Network)
Joy Zarembka Director	<i>Break the Chain Campaign</i> Post Office Box 34123 Washington, DC 20043  Website: <a href="http://www.ips-dc.org/campaign/index.htm">http://www.ips-dc.org/campaign/index.htm</a>	Mission:  Break The Chain Campaign seeks to minimize the effects of human trafficking, modern-day slavery and worker exploitation through comprehensive direct service, research, outreach, advocacy, training and



<p>Joy Zarembka Director</p>	<p><i>Break the Chain Campaign</i> Post Office Box 34123 Washington, DC 20043</p> <p>Website: <a href="http://www.ips-dc.org/campaign/index.htm">http://www.ips-dc.org/campaign/index.htm</a></p>	<p>Mission:</p> <p>Break The Chain Campaign seeks to minimize the effects of human trafficking, modern-day slavery and worker exploitation through comprehensive direct service, research, outreach, advocacy, training and technical assistance.</p> <p>Services</p> <ul style="list-style-type: none"> <li>• Case management services offering access to legal, social, mental health, and medical referrals and assistance and</li> <li>• A multicultural center dedicated to providing a safe, supportive, and educational environment for trafficked, enslaved and exploited workers.</li> </ul> <p>(member of Freedom Network)</p>
<p>Heather Clawson Senior Principal Investigator for Child, Family, and Community Studies</p>	<p><i>Caliber Consultants (presently ICF Consulting)</i> 9300 Lee Highway Fairfax, VA 22031, USA</p> <p>Website: <a href="http://www.icfconsulting.com/">www.icfconsulting.com/</a></p>	<p>Mission:</p> <p>ICF Consulting has been serving major corporations, government at all levels, and multinational institutions.</p> <p>Consultancy Areas: defense, homeland security, social programs, energy, environment, transportation</p>
<p>Elizabeth Keyes, Esq. Skadden Fellow</p>	<p><i>CASA MD</i> 734 University Blvd. E. Silver Spring, MD 20903</p> <p>Website: <a href="http://www.casademaryland.org/">http://www.casademaryland.org/</a></p>	<p>Mission:</p> <p>The mission of CASA of Maryland, Inc., is to improve the quality of life, social and economic well being of the Latino community. CASA facilitates the self-development, organization, and mobilization of the Latino community to gain full participation in the larger society.</p>

<p>Dennis Hunt Executive Director</p>	<p><i>Center for Multicultural Health Services (CMHS)</i> 701 W Broad St., Suite 305 Falls Church, VA 22046</p> <p>Website: <a href="http://www.cmhs.org">www.cmhs.org</a></p>	<p>Mission:</p> <p>To help people from ethnically diverse backgrounds succeed by providing comprehensive, culturally sensitive mental health and related services and by conducting research and training to make such services more widely available.</p> <p>Service Areas:</p> <ul style="list-style-type: none"> <li>• Case Management</li> <li>• Social services (including legal, mental health and medical)</li> <li>• Housing</li> </ul> <p>Member of Freedom Network</p>
<p>Heather Moore Social Services Director</p>	<p><i>Coalition to Abolish Slavery &amp; Trafficking (CAST LA)</i> 5042 Wilshire Blvd., #586 Los Angeles, CA, 90036</p> <p>Website: <a href="http://www.castla.org">http://www.castla.org</a></p>	<p>Mission:</p> <p>To assist persons trafficked for the purpose of forced labor and slavery-like practices and to work toward ending all instances of such human rights violations</p> <p>Service Areas:</p> <ul style="list-style-type: none"> <li>• Case Management</li> <li>• Policy Advocacy, Research and Training</li> <li>• Public Education</li> <li>• Trafficking Shelter</li> </ul> <p>(member of Freedom Network)</p>
<p>Sharon Kurn Assistant U.S. Attorney</p> <p>Heather Cartwright, Attorney Advisor to the Director</p>	<p><i>Department of Justice</i> US Attorney's Office 555 4<sup>th</sup> St.NW Washington DC 20530</p> <p>Website: <a href="http://www.usdoj.gov/">http://www.usdoj.gov/</a></p>	<p>Mission:</p> <p>To enforce the law and defend the interests of the United States according to the law; to ensure public safety against threats foreign and domestic; to provide federal leadership in preventing and controlling crime; to seek just punishment for those guilty of unlawful behavior; and to ensure fair and impartial administration of justice for all Americans.</p> <p>Services/Activities:</p>

		<ul style="list-style-type: none"> <li>• Investigates cases and prosecutes traffickers</li> <li>• Office for Victims of Crime grants available to agencies who provide services to pre-certified survivors. Service providers receiving funding Trafficking Survivors Discretionary Grant Program provide services to survivors prior to the time that they are “certified” to receive benefits and services through HHS.</li> </ul>
<p>Victoria C. Price Safehouse Director</p> <p>Caroline Jones Client Services Director of Transitional Housing Program</p>	<p><i>Doorways for Women and Families</i> PO Box 100185 Arlington, VA 22210</p> <p>Website: <a href="http://www.doorwaysva.org/what/">http://www.doorwaysva.org/what/</a></p>	<p>Mission:</p> <p>Doorways is a nonprofit, tax-exempt organization that offers safe shelter to abused, homeless and at-risk women and families. The assistance Doorways provides helps clients develop the tools and resources essential to reclaiming self-sufficiency.</p> <p>Service Areas:</p> <ul style="list-style-type: none"> <li>• Emergency shelter</li> <li>• Safehouse</li> <li>• Transitional housing program</li> <li>• Children's services</li> <li>• Thrift store</li> <li>• Community services and education</li> </ul>
<p>Marion (Mim) Keophumihae, Coordinator</p>	<p><i>Fairfax County Women's Shelter-Northwest Mental Health Center</i> Mailing Address: 1850 Cameron Glen Drive, Suite 600 Reston, VA 20190</p>	<p>Mission:</p> <p>to provide a confidential safe-stay, while implementing psycho-educational programs on domestic violence (DV), help connect women to services needed, and provide a time to gather self and resume functioning</p> <p>Service Areas:</p> <ul style="list-style-type: none"> <li>• Provides temp/emergency shelter, food,</li> <li>• Counseling</li> <li>• safety planning</li> <li>• crisis prevention</li> <li>• referrals for transitional housing</li> </ul>

		<p>and other services.</p> <ul style="list-style-type: none"> <li>• Bilingual staff available. For Fairfax County residents only.</li> </ul>
Jacob Patton Director of Outreach and Technology	<p><i>Free the Slaves</i> 012 14th Street, NW Suite 600 Washington, DC 20005</p> <p>Website: <a href="http://www.freetheslaves.net/">http://www.freetheslaves.net/</a></p>	<p>Mission:</p> <p>Our mission is to end slavery worldwide. Our chance for realizing this dream rests on the success of our specific approaches. These approaches—in turn—are informed by our guiding principles.</p> <p>Service Areas:</p> <ul style="list-style-type: none"> <li>• advocacy against modern day slavery</li> <li>• education about modern day slavery</li> </ul>
Melynda Barnhart, Director of Antitrafficking Initiatives	<p><i>International Rescue Committee (IRC)</i> 122 East 42nd Street New York, New York 10168-1289 USA</p> <p>Website: <a href="http://www.theirc.org/what/irc_antitrafficking_initiative.html">http://www.theirc.org/what/irc_antitrafficking_initiative.html</a></p>	<p>Mission:</p> <p>The Anti-Trafficking Action Coalition (ATAC) aims to build a strong infrastructure to support the IRC network of 22 resettlement offices in providing comprehensive and specialized services to certified victims of trafficking across the United States.</p> <p>Service Areas:</p> <ul style="list-style-type: none"> <li>• Standardize the delivery of quality services</li> <li>• Institutionalize expertise on trafficking,</li> <li>• Establish best practices to assist trafficking victims</li> </ul>
Sharon Murphy Deputy Director	<p><i>Mary House</i> 4303 13th St. NE Washington, DC 20017</p> <p>Website: <a href="http://www.maryhouse.org/shelter.asp">http://www.maryhouse.org/shelter.asp</a></p>	<p>Mission:</p> <p>Mary House, an organization that provides transitional housing services, shelter and support programs to homeless and struggling families, and was founded on the concept that "smaller is better"..</p> <p>Service Areas:</p> <ul style="list-style-type: none"> <li>• Housing/shelter</li> </ul>

		<ul style="list-style-type: none"> <li>• Some social services</li> </ul>
Jeredine Williams Executive Director	<p><i>Migrant and Refugee Cultural Support, Inc. (MIRECS)</i> 8701 Georgia Ave. Suite 600 Silver Spring, MD</p>	<p>Mission:</p> <p>MIRECS provides adjustment services for new immigrants and refugees, breaking social barriers. We also provide cultural competency tools and language support for service providers helping immigrants and we provide public education for communities impacted by the arrival of new immigrants.</p> <p>Service Areas:</p> <ul style="list-style-type: none"> <li>• Public education</li> <li>• Victim Outreach</li> <li>• Trainings</li> </ul>
Bill Bernstein, Program Director Program on Human Trafficking,	<p><i>Mosaic Family Services</i></p> <p>Website: <a href="http://www.mosaicservices.org">www.mosaicservices.org</a></p>	<p>Mission:</p> <p>To provide services for immigrants and refugees, at-risk youth, and those at risk for HIV/AIDS in the Dallas/Ft. Worth Metroplex</p> <p>Service Areas:</p> <ul style="list-style-type: none"> <li>• Educating immigrants and mainstream communities about issues relating to trafficking and immigrant needs and;</li> <li>• Providing culturally and linguistically competent services to victims experiencing abuse, so that they may recover from a criminal act</li> <li>• Aid in the criminal justice process, and work towards economic self-sufficiency.</li> </ul>
Steve Wagner Senior Consultant (no longer in this position)	<p><i>Office of Refugee Resettlement (ORR)</i> Administration for Children and Families 370 L'Enfant Promenade, SW 6th Floor /East Washington, DC 20447</p> <p>Website: <a href="http://www.acf.hhs.gov/programs/orr/">http://www.acf.hhs.gov/programs/orr/</a></p>	<p>Mission:</p> <p>The mission of the Office of Refugee Resettlement is to help refugees, Cuban/Haitian entrants, asylees, and other beneficiaries of our program to establish a new life that is founded on the dignity of</p>

<p>Steve Wagner Senior Consultant (no longer in this position)</p>	<p><i>Office of Refugee Resettlement (ORR)</i> Administration for Children and Families 370 L'Enfant Promenade, SW 6th Floor /East Washington, DC 20447</p> <p>Website: <a href="http://www.acf.hhs.gov/programs/orr/">http://www.acf.hhs.gov/programs/orr/</a></p>	<p>Mission:</p> <p>The mission of the Office of Refugee Resettlement is to help refugees, Cuban/Haitian entrants, asylees, and other beneficiaries of our program to establish a new life that is founded on the dignity of economic self-support and encompasses full participation in opportunities which Americans enjoy.</p> <p>Services:</p> <ul style="list-style-type: none"> <li>• Plans, develops and directs implementation of a comprehensive program for domestic refugee and entrant resettlement assistance.</li> <li>• Develops, recommends, and issues program policies, procedures and interpretations to provide program direction.</li> </ul>
<p>Katherine Chon Co-Executive Director, Co-Founder</p> <p>T. Frundt Street Outreach Coordinator</p> <p>B. Myles National Program Coordinator</p>	<p><i>Polaris Project</i> P.O. Box 77892 Washington, DC 20013 Tel: 202-745-1001 Fax: 202-745-1119</p> <p>Website: <a href="http://www.PolarisProject.org">www.PolarisProject.org</a></p>	<p>Mission:</p> <p>Polaris Project is committed to combating human trafficking and modern-day slavery and to strengthening the anti-trafficking movement through a comprehensive approach.</p> <p>Service Areas:</p> <ul style="list-style-type: none"> <li>• direct intervention</li> <li>• survivor support</li> <li>• policy advocacy</li> <li>• movement-building</li> </ul>
<p>Mohamed Mattar Executive Director</p>	<p><i>Protection Project</i> Paul H. Nitze School of Advanced International Studies The John Hopkins University 1717 Massachusetts Ave, NW Washington DC 20036</p> <p>Website: <a href="http://www.protectionproject.org">www.protectionproject.org</a></p>	<p>Mission:</p> <p>The goal of the Protection Project is to research and document the global scope of the problem of trafficking in persons and, through the dissemination of relevant and timely information, to influence policy and practice in the war against trafficking.</p>

<p>Nadra Qadeer Program Director Anti-Trafficking Program</p>	<p><i>Safe Horizon</i> 2 Lafayette Street, 3rd Floor New York, NY 10007</p> <p>Website: <a href="http://www.safehorizon.org">www.safehorizon.org</a></p>	<p>Mission: To provide support, prevent violence, and promote justice for victims of crime and abuse, their families and communities.</p> <p>Service Areas:</p> <ul style="list-style-type: none"> <li>• Intensive case management</li> <li>• Shelter</li> <li>• Legal services</li> <li>• Mental health care</li> <li>• Trainings</li> </ul> <p>(Member of Freedom Network)</p>
<p>Adam Freer Territorial Coordinator Anti Trafficking Program</p>	<p><i>Salvation Army</i> Western Territorial headquarters Salvation Army USA 180 East Ocean Blvd Long Beach CA 90802</p> <p>Website: <a href="http://www.salvationarmyusa.org">www.salvationarmyusa.org</a></p>	<p>Mission: The program is composed of: Emergency Response—the Army has agreed to serve as the primary referral agency to find services for foreign trafficking victims identified in the Western Territory (except in Washington, Oregon, Hawaii, and the major urban centers of San Diego, Los Angeles, and San Francisco.)</p> <p>Service Areas:</p> <ul style="list-style-type: none"> <li>• Comprehensive, proactive, collaborative programs will be established in four target sites</li> <li>• Army will work closely with government and private agencies to raise public awareness, train designated professionals, and prepare to provide services to victims of human trafficking.</li> </ul>
<p>Rena Cutlip Staff Attorney</p>	<p><i>Tahirih Justice Center</i> 6066 Leesburg Pike, Suite 220 Falls Church, VA 22041 Tel: 703-575-0070 Fax: 703-237-4574</p> <p>Website: <a href="http://www.tahirih.org">www.tahirih.org</a></p>	<p>Mission: The mission of the Tahirih Justice Center is to enable women and girls who face gender-based violence to access justice.</p> <p>Service Areas:</p> <ul style="list-style-type: none"> <li>• direct legal services</li> </ul>

		<ul style="list-style-type: none"> <li>• Comprehensive social services referrals</li> <li>• Advocacy</li> </ul> <p>Member of Freedom Network</p>
Sue Shriner Victim-Witness Coordinator	<p><i>U.S. Department of Homeland Security</i> 425 I Street NW Washington, DC, 20536</p> <p>Website: <a href="http://www.dhs.gov">www.dhs.gov</a></p>	<p>Mission:</p> <p>Lead the unified national effort to secure America. Prevent and deter terrorist attacks and protect against and respond to threats and hazards to the nation. Ensure safe and secure borders, welcome lawful immigrants and visitors, and promote the free-flow of commerce.</p> <p>Service Areas:</p> <ul style="list-style-type: none"> <li>• Investigates cases of trafficking</li> <li>• Conducts victim identification work</li> <li>• Immigration and Customs Enforcement awards continued presence which makes a victim eligible for certification</li> <li>• Also awards T visa</li> </ul>
Nyssa Mestas Grants & Programs Administrator Migration and Refugee Services	<p><i>United States Conference on Catholic Bishops (USCCB)</i> Migration and Refugee Services Office of Refugee Programs 3211 4th Street NE, Washington, D.C. 20017-1194</p> <p>Website: <a href="http://www.usccb.org">www.usccb.org</a></p>	<p>Mission:</p> <p>Migration and Refugee Services carries out the commitment of the Roman Catholic bishops of the United States to serve and advocate for immigrants, refugees, migrants, and people on the move. Migration and Refugee Services contributes to this commitment in an integrated fashion.</p> <p>Service Areas:</p> <ul style="list-style-type: none"> <li>• Assist the bishops in the development and advocacy of policy positions at the national and international levels that address the needs and conditions of immigrants, refugees, migrants, and people on the move.</li> <li>• Work with the federal government and local churches in resettling refugees admitted to the United</li> </ul>



		<p>States into caring and supportive communities.</p> <ul style="list-style-type: none"> <li>• Assist local churches and specialized apostolates in responding to the pastoral needs of Catholics among these populations, including the facilitation of pastoral accompaniment of migrants as necessary</li> </ul>
<p>Wenchi Yu Pekrins Director of Anti-Trafficking and Human Rights Program</p>	<p><i>Vital Voices</i> Vital Voices Global Partnership 1150 Connecticut Ave., NW, Suite 600 Washington, DC 20036</p> <p>Website: <a href="http://www.vitalvoices.org">www.vitalvoices.org</a></p>	<p>Mission:</p> <p>Vital Voices' holistic approach to expose abuse of women and girls, raise public awareness, draw decision makers to the same table and solve common problems, as well as to advocate for policy and legislative change has successfully advanced women's rights in East Asia and Eastern Europe and continues to accelerate the progress of global society.</p>

		<p>Service Areas:</p> <ul style="list-style-type: none"><li>• Anti-trafficking advocacy</li><li>• Trainings regarding trafficking</li></ul>
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## Additional Anti-Trafficking Organizations In The Washington DC Area

ORGANIZATION	MISSION	SERVICES
<p><i>Legal Momentum: Advancing Women's Rights</i> Immigrant Women Program 1522 K Street, NW, Suite 550 Washington, D.C. 20005 <a href="http://www.legalmomentum.org">www.legalmomentum.org</a></p> <p>(member of Freedom Network)</p>	<p>Legal Momentum advances the rights of women and girls by using the power of the law and creating innovative public policy.</p>	<ul style="list-style-type: none"> <li>• Advocacy</li> </ul>
<p><i>Initiative Against Trafficking in Persons</i> , Global Rights: Partners for Justice 1200 – 18th Street, NW Washington , DC 20036 <a href="http://www.globalrights.org">www.globalrights.org</a></p> <p>(member of Freedom Network)</p>	<p>GLOBAL RIGHTS is a human rights advocacy group that partners with local activists to challenge injustice and amplify new voices within the global discourse. With offices in countries around the world, we help local activists create just societies through proven strategies for effecting change.</p>	<ul style="list-style-type: none"> <li>• Exposure of Human Rights Violations</li> <li>• Community Mobilization</li> <li>• Human Rights Lawyering</li> <li>• Advocating Legal and Policy Reform</li> <li>• International Advocacy</li> </ul>
<p><i>Lutheran Immigration and Refugee Service (LIRS)</i> 700 Light Street Baltimore, Maryland 21230 Website: <a href="http://www.lirs.org/">http://www.lirs.org/</a></p>	<p>In response to God's love in Christ, we welcome the stranger, bringing new hope and new life through ministries of service and justice.</p>	<ul style="list-style-type: none"> <li>• Advocate for policies to protect trafficked children</li> <li>• Develop services and train providers to meet the special needs of trafficked minors</li> <li>• Educate the public on human rights</li> </ul>
<p><i>FAIR Fund, Inc.</i> PO Box 21656 Washington, DC 20009 U.S.A. Website: <a href="http://www.fairfund.org">http://www.fairfund.org</a></p>	<p>Conducts Gender based advocacy</p>	<ul style="list-style-type: none"> <li>• supports trafficking victims in Uzbekistan</li> <li>• co-leads campus coalition against trafficking</li> </ul>
<p>National Anti-Trafficking Network</p>	<p>Coalition of 25 NGOs that provide services to, and advocate for the rights of,</p>	<ul style="list-style-type: none"> <li>• Information-sharing</li> <li>• Training of service providers</li> </ul>

<i>Freedom Network</i> (est. 2001) www.freedomnetworkusa.org	trafficked persons in the U.S.	
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## **Appendix 1: Section C – Benefits Available to Certified Survivors of Trafficking**

Non-citizens certified by ORR as trafficking victims are eligible for the same public benefits as those given to refugees. Such services include the following:

- Temporary Assistance for Needy Families (TANF)
- Medicaid
- Food Stamps
- The Women, Infants, and Children (WIC) Program
- State Children’s Health Insurance Program
- Supplemental Security Income (SSI) (subject to program restrictions)
- English language training
- Employability services
- Case management
- Interpretation services
- Day care
- Transportation assistance
- Cash assistance Assistance in obtaining Employment Authorization Documents (EAD)
- Home management training

It is important to note that these benefits may be time-limited and may have specific financial eligibility requirements.

The material was reprinted from the Florida State University, Center for the Advancement of Human Rights publication entitled “*Florida Responds to Human Trafficking.*” <http://www.cahr.fsu.edu/the%20report.pdf>

## **Appendix 2: Section A – Sources of Funding**

### **Selected Federal Funding Opportunities**

#### *DOJ/BJA/OVC*

The U.S. Department of Justice, Bureau of Justice Assistance (BJA) and U.S. Department of Justice, Office for Victims of Crime (OVC) are pleased to announce that they are seeking applications under a joint solicitation for funding for Human Trafficking Task Forces and Victim Services. These programs further the Department's mission by enhancing the law enforcement and social service fields' response to victims of human trafficking.

[http://www.ojp.usdoj.gov/ovc/fund/pdftxt/FY06\\_Trafficking\\_Victims.pdf](http://www.ojp.usdoj.gov/ovc/fund/pdftxt/FY06_Trafficking_Victims.pdf)

#### *ORR*

The Office of Refugee Resettlement (ORR) invites the submission of applications for funding, on a competitive basis, in three priority areas: Priority Area 1--Preferred Communities--to promote the increase of newly arrived refugees in preferred communities where they have ample opportunities for early employment and sustained economic independence and, to address special populations who need intensive case management, culturally and linguistically appropriate linkages and coordination with other service providers to improve their access to services; Priority Area 2--Unanticipated Arrivals--to provide services to arriving refugees or sudden large secondary migration of refugees where communities are not sufficiently prepared in terms of linguistic or culturally appropriate services; Priority Area 3--Ethnic Community Self-Help--to connect newcomer refugees and their communities with community resources.

<http://www.acf.hhs.gov/grants/open/HHS-2004-ACF-ORR-RE-0004.html>

## **Selected Private Sources of Funding**

### *Fannie Mae Foundation*

The Fannie Mae Foundation creates affordable homeownership and housing opportunities through innovative partnerships and initiatives that build healthy, vibrant communities across the United States. The Foundation is specially committed to improving the quality of life for the people of its hometown, Washington, D.C., and to enhancing the livability of the city's neighborhoods. The Foundation, a private nonprofit organization supported solely by Fannie Mae, has regional offices in Chicago; Dallas; and Pasadena, California

<http://www.fanniemaefoundation.org/grants/grants.shtml>

### *Freddie Mac Foundation*

Freddie Mac, through its Corporate Giving program and the Foundation, is one of the largest corporate funders in the metropolitan Washington, DC area. The Freddie Mac Foundation, created in 1991, is at the heart of Freddie Mac's philanthropy. The programs we invest in find permanent homes for children in foster care. They prevent child abuse and neglect. They strengthen families. And they help young people reach their full potential. We are committed to opening the doors of hope and opportunity for children, youth and their families.

<http://www.freddiemacfoundation.org/grants/>

### *Local Initiatives Support Corporation (LISC)*

LISC helps resident-led, community-based development organizations transform distressed communities and neighborhoods into healthy ones – good places to live, do business, work and raise families. By providing capital, technical expertise, training and information, LISC supports the development of local leadership and the creation of affordable housing, commercial, industrial and community facilities, businesses and jobs. We help neighbors build communities.

LISC approaches affordable housing from a community development perspective that supports local initiatives. This strategy, which includes financing, technical assistance and educational resources to community development corporations, has resulted in the creation or preservation of more than 160,000 affordable homes and apartments. Affordable housing covers a range of issues, from homeownership to preservation to working with public housing agencies. LISC runs a variety of national programs to address those issues.

<http://www.lisc.org/section/areas/sec4>

*Foundation Center*

*The Foundation Center's mission is to strengthen the nonprofit sector by advancing knowledge about U.S. philanthropy.*

<http://fdncenter.org/getstarted/nonprofits/>

*Resource Mobilization*

Mechai Viravaidya and Jonathon Hayssen

“Strategies to Strengthen NGO Capacity in Resource Mobilization Through Business Activities.”

(Intended to increase NGOs’ awareness of the opportunities, and possible problems, associated with alternative resource mobilization strategies, with a special focus on commercial activities.)



## ***Appendix 2: Section B - Protocols***

### **General Social Service Provider Checklist**

1. Identify and Screen for Trafficking
2. Provide or Refer Victims to Needed Services
3. Understand Special Issues Facing Trafficked Children
4. Determine Service Needs for Trafficked Persons
5. Conduct Training and Be Informed about Human Trafficking
6. Network with Other Service Providers and Law Enforcement
7. Provide Interpretation Services
8. Understand Cultural Contexts and Client Realities
9. Assess and Provide for Client Safety and Understand the Importance of Confidentiality
10. Provide Safety for Staff

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## Initial Intake/Trafficking Screening Questions

### Origins

- Did you come to the U.S. for a specific job or purpose?
- When you got here, did you have to do different work than you expected?
- Were you kidnapped or sold?
- Who was in control of your travel arrangements and documents?

### Migration Status

- What is your immigration status? Do you have authorization to work in the U.S.?
- Do you have personal documents such as identification papers, passports, birth certificates, etc.?
- Were you told what to say to immigration when you arrived?

### Employment Issues

- Who is your employer?
- Does your employer provide you with housing, food, clothes or uniforms?
- Did you sign a contract? What did it say?
- Do you owe money to your employer?
- Did your employer/boss tell you what to say if the police came? (e.g., told you to lie about your age, relationship, or your work?)
- Are you forced to have sex as part of your job?
- Can you freely leave the employment/situation?
- What happens if you make a mistake at work?
- What are the conditions of employment (including pay and hours of work)?
- Does your employer hold your wages (or charge for room, board, food, or transportation)?
- Are there guards where you work, or video cameras there to monitor and make sure no one leaves?

### Safety Issues

- Have you or your family been threatened with harm if you try to leave?
- What is your understanding of what would happen if you left your job?
- What would happen if you went home or were returned to your home country?
- Have you been threatened with deportation or reporting to immigration if you try to leave?
- Have you been physically harmed? Deprived of food, water, sleep, medical care or other life necessities? Forced to ask permission for things like food, water, or medical care?
- Has anyone threatened your family?

### Social Networks

- Are you allowed to buy clothes and food on your own?

- Can you come and go as you please? Are there rules about this?
- Can you freely contact (phone, write) your friends and family?
- Are you free to have a relationship with someone?
- Are you isolated from your community (people of the same national or cultural background)?
- Can you bring friends to your house?

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### Additional Security Questions

- What is their ability to function in daily life, thus blend in, away from the attention of their community?
- Who is looking for them, where?
- Is the danger greater if they stay together in the same location?
- How much of a threat is their own community (do the traffickers know community members and have ready access to information about victims)?
- Who is implicated in the trafficking enterprise or in using sex services’?
- What is their status in the community?

Adopted from:

<http://www.apiahf.org/apidvinstitute/CriticalIssues/trafficking.htm>

## Guide to Victim Identification

There are some indicators which may raise a “red flag” that a person may be a victim of human trafficking. You may want to take a second look at situations where a person:

- Appears to be under someone else’s control. They appear to be under someone else’s surveillance at all times. All or most contacts with family, friends, and professionals are controlled and monitored. They are rarely alone.
- Is unable to move to a new location or leave their job.
- Does not manage their own money/ or their money is largely controlled by someone else.
- Is not in control of their own identification or travel documents.
- Works excessive hours.
- Is unpaid for their work or paid very little.
- Lives with multiple people in a very cramped space.
- Lives with their employer.
- Has no English language skills or knowledge of the local community
- Appears to have little privacy or is rarely alone.
- Appears to have visible injuries or scars, such as cuts, bruises, or burns. May have injuries around the head, face, and mouth from being struck in the head or face.
- Has untreated illnesses or infections, particularly sexually transmitted diseases. May have general poor health and/or diseases associated with un-sanitary living conditions.
- Exhibits submissive behavior or fearful behavior in the presence of others.
- Exhibits emotional distress such as depression, anxiety, manifestations of trauma, self-inflicted injuries or suicide attempts.
- Engages in prostitution or living in a brothel.
- Is sexually exploited in strip clubs, massage parlors, pornography.
- Is under the age of 18, in prostitution, or hanging around adult entertainment businesses such as strip clubs, massage parlors, adult book/video stores, etc.

Adopted from three sources:

The first two are pocket reference cards: one was developed is a product of the Dept. of Health & Human Services *Rescue & Restore Campaign*, the other is a product of Metro DC Alliance to Combat Trafficking and Slavery (ACTS). The third is the *San Diego Resource Manual* developed by Project Safe Haven and B-SAFFE Project. [http://www.salvationarmyusa.org/usn/www\\_usn.nsf/ce952dea4507ee7780256cf4005d2254/323f7fb8e28fe18b85256f6600598fb3?OpenDocument](http://www.salvationarmyusa.org/usn/www_usn.nsf/ce952dea4507ee7780256cf4005d2254/323f7fb8e28fe18b85256f6600598fb3?OpenDocument)

## Sample Identification Questions

The following questions can help you identify victims if you encounter them:

- Are you now being (or have you at one time been) held against your will?
- Were you ever forced or intimidated to do something against your will?
- Do you have a choice of where you work and how much you work?
- Have you been abused or beaten by your employers?
- Can you come and go as you please?
- Are you paid?

- How many hours/day and days/week do you work?
- Have you or your family been threatened to prevent you from leaving?
- Upon arrival in the U.S. did someone ask you to pay back a debt?
- Are you doing what you were told you would be doing in the U.S.?
- Who has your passport/identification papers?

Adopted from:

Hughes, Donna (October 2003) "Hiding in Plain Sight: A Practical Guide to Identifying Victims of Trafficking in the U.S."

[http://www.uri.edu/artsci/wms/hughes/hiding\\_in\\_plain\\_sight.pdf](http://www.uri.edu/artsci/wms/hughes/hiding_in_plain_sight.pdf)

### *Signs of Coercion*

#### Fraud/Financial Coercion

- Can involve false promises at the time of recruitment.
- Can involve particular financial arrangements:
- Money owed to traffickers/employers.
- Debt repayment schemes in which the debt grows incrementally.
- Can involve control of the immigration status and legal documents of the persons recruited.

#### Physical Coercion

- Can be evidenced by physical signs of abuse.
- Can be evidenced by physical restriction of movement.

#### Psychological Coercion

- Can be evidenced by behavioral indicators on the part of victims.
- Can be evidenced by environmental indicators, such as disparate living conditions between victims and those who control them.
- Can be discernible in the role/relationship between figures of authority/command and dependents.

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publication entitled "*Florida Responds to Human Trafficking.*"

<http://www.cahr.fsu.edu/the%20report.pdf>

## Interpreter Training Protocol

The Collier County Sheriff's Office model constitutes an example of cooperation between trained victim advocates and a network of volunteer interpreters who together assist investigators. In providing both language interpretation skills and cultural knowledge to officers in the field, the program has proved critical to the successful prosecution of a number of trafficking cases, and has also facilitated the identification of victim needs. The experience of Collier County Sheriff's Office offers operational guidelines on how an "interpreter pool" can be maintained and how the interviews should occur:

- Pre-interview briefings are important, in which all parties are informed about the suspected circumstances of the crime under investigation.
- A victim needs assessment is also helpful. Often victims are reluctant to talk about their experience. The gender and ethnic background of the investigator and interpreter, as well as the victim advocate, may play a role in this situation.
- There should be operational agreement on who will ask the questions and how the interview will be conducted.
- If an investigator leads the interview, he/she should address the interviewee directly, rather than asking the interpreter to formulate a question.
- There should be previous agreement on communicating through signs when someone needs a break or an issue needs clarification (e.g., when the interpreter feels that the interviewee is being evasive or isn't telling the truth).
- The possibility exists that the person being interviewed may claim not to understand English, when in fact they do. Investigators, as well as interpreters, should be aware of this possibility and its implications for an ongoing investigation.
- Interpreters need to inform investigators about relevant cultural and social factors that might impact the interviewee's behavior. For example, in some cultures a police officer is considered a figure of authority and looking directly at such a person would be considered disrespectful. Such lack of eye contact on the part of a witness might lead a U.S. investigator to mistakenly conclude that the interviewee is not telling the truth.
- The interpreter must point out when the literal meaning of a specific term or phrase differs between English and the interviewee's language.
- Kinship terms in English often have different connotations in other languages. This needs to be clarified and an agreement found on how this is to be interpreted (e.g., the term "uncle" in English doesn't differentiate between maternal or paternal male relatives, while some languages do. In this case the interpreter should state "Father's brother" or "Mother's brother").

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publication entitled "*Florida Responds to Human Trafficking.*"

<http://www.cahr.fsu.edu/the%20report.pdf>

## Sample Survivors' "Bill of Rights" for Long-term Care

(Aftercare is defined as long-term care.)

1. The victim should always be kept at the center of any planning for aftercare.
2. There are no "quick fixes."
3. Safety and security must be felt.
4. A community environment provides the greatest opportunity for healing.
5. Compassionate listeners need to be available.
6. There must be a component of economic support.
7. There must be an educational/skill development component to aftercare.
8. Medical care must be available.
9. Provisions must be made for victims who are HIV positive.
10. Legal advocacy needs to be provided.

The material was reprinted from the Florida State University, Center for the Advancement of Human Rights

publication entitled "*Florida Responds to Human Trafficking.*"

<http://www.cahr.fsu.edu/the%20report.pdf>

## **Appendix 3 – PHI THU Documents**

### **Sample Residential Lease with an Option to Buy (M.D.)**

#### RESIDENTIAL LEASE AGREEMENT

THIS RESIDENTIAL LEASE AGREEMENT (the “Lease”) is made as of \_\_\_\_\_, 2004 (the “Effective Date”), by and between DREW DOWLING, an individual (“Landlord”), whose address is 851 Twin Harbor Drive, Arnold, Maryland 21012; and [PROJECT HOPE INTERNATIONAL SPE], a \_\_\_\_\_ limited liability company (“Tenant”), whose address is \_\_\_\_\_, for the occupancy of the Premises described below.

In consideration of the mutual promises and covenants set forth below, as well as other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

#### PREMISES AND LEASE TERM.

(a) Demise and Lease Term. Subject to the terms of this Lease, Landlord hereby leases to Tenant the real property and all improvements located at 5711 Newton Street, Hyattsville, Maryland (the “Premises”), for the term commencing on the date (the “Commencement Date”) that is the earlier of (i) the date on which Tenant agrees in writing to commence its occupancy of the Premises and (ii) the date that is the later of (x) September 1, 2004, and (y) the date on which Landlord delivers a certification notice confirming that the Premises are [free of mold], and expiring at 11:59 a.m. on August 31, 2006 (the “Lease Term”), unless such Lease Term shall be extended or terminated earlier in accordance with the provisions hereof. Not later than the Commencement Date, Landlord and Tenant shall conduct a joint inspection of the Premises and complete the inspection form attached hereto as Exhibit A (the “Inspection Checklist”). Tenant shall have the right to move furniture and other personal property into the Premises during the Move-In Period. The “Move-In Period” shall commence on the Effective Date and continue through the day before the Commencement Date. Notwithstanding anything in this Lease to the contrary, Tenant shall not be obligated to pay Rent during the Move-In Period.

(b) Lease Year. For purposes of this Lease, the term “Lease Year” shall mean a period of 12 consecutive calendar months, commencing on the first day of the month in which the Effective Date occurs and each successive 12 month period, provided that if the Effective Date shall occur on a date other than September 1, 2004, then the first Lease Year shall mean the period commencing on the Effective Date and continuing until August 31, 2005.

(c) Extension Terms. Subject to the terms of this Lease, Landlord hereby grants to Tenant the right, exercisable at Tenant's option, to extend the term of this Lease for four additional terms of one Lease Year each, provided this Lease has not been previously terminated in accordance with the terms hereof. If exercised, and if the conditions applicable thereto have been satisfied, each such extension term of one Lease



Year (each, an “Extension Term”) shall commence immediately following the end of the initial Term or immediately prior Extension Term, as applicable. The extension rights granted to Tenant pursuant to this Section 1(b) shall be subject to, and shall be exercised in accordance with, the following terms and conditions:

(i) Tenant's right of renewal with respect to each Extension Term shall be automatic (without any requirement for a separate agreement or amendment of this Lease), unless Tenant provides Landlord with written notice of its desire not to exercise such extension right within 60 days prior to the expiration of the initial Term or the then-existing Extension Term, as applicable. If Tenant does not timely provide any notice of its desire not to exercise such extension right to Landlord, Tenant shall be deemed to have exercised such extension right and the terms of this Lease shall be automatically extended.

(ii) The Rent (as defined below) for the each Extension Term shall be increased by 2.5% of the amount of annual Rent payable for the preceding Lease Year.

(d) Termination Right. Subject to the provisions of this Section 1(d), Tenant shall have the right, exercisable at its option, to terminate this Lease if any of the following circumstances arise and are noted with reasonable particularity in such notice to Landlord: (i) Landlord's failure to repair or complete to Tenant's reasonable satisfaction prior to August 30, 2004, all of the items set forth on the Inspection Checklist completed pursuant to Section 1(a) and all of the items set forth on Exhibit B (including the Mold-Related Improvements and the Flood-Related Improvements more particularly set forth on Exhibit B); (ii) inability of Tenant at any time after the first Lease Year, despite commercially reasonable efforts to obtain a zoning variance that will allow occupancy of the Premises by [8] or more unrelated clients (plus their minor children), plus a Tenant project manager; or (iii) inability of Tenant to be able to ensure the safety of its clients as a result of the disclosure of the address of the Premises, which results in direct threats or reasonable potential harm to the occupants, or, in the reasonable opinion of Tenant, the Premises cannot (or can no longer) be used for the purposes contemplated by the Tenant in furtherance of its mission (which, among other things, is to provide a safe harbor for victims of human trafficking). Tenant may exercise its termination right under this Section 1(d) by giving Landlord no less than 30 days' prior written notice of the date on which this Lease shall be so terminated (the "Termination Notice"). If the Termination Notice is given timely, then this Lease shall terminate on the date set forth in the Termination Notice (the "Termination Date"), and Landlord shall return the amount of prepaid Rent to Tenant within 30 days following the Termination Date (i.e., the then-escalated per diem rate of the Rent, multiplied by the number of days during the period commencing on the Termination Date and ending on the date through which Tenant has prepaid the Rent). Notwithstanding anything to the contrary in this Section 1(d), Tenant shall remain liable for any payments which may become due under the Lease which relate to costs or expenses incurred by Landlord prior to the Termination Date.

#### RENT.

(a) Rent. Tenant agrees to pay as rent (the “Rent”) the total annual sum of

\$18,000.00, due and payable, without notice, demand, or offset, in twelve equal installments of \$1,500.00 each due in advance not later than the first of every month starting on September 1, 2004. If the Commencement Date is other than September 1, 2004, then Rent from such date until August 31, 2005, shall be an amount equal to the product of (i) (approximately \$50), times (ii) the number of days in the period commencing on the Commencement Date and ending on August 31, 2005, and the Rent for such first Lease Year shall be made in equal monthly installments. If the date on which this Lease expires or is earlier terminated is other than a scheduled payment date, then Landlord shall return the amount of prepaid Rent to Tenant within 30 days following the date on which this Lease expires or is earlier terminated (i.e., the then-escalated per diem rate of the Rent, multiplied by the number of days during the period commencing on the date on which this Lease expires or is earlier terminated and ending on the date through which Tenant has prepaid the Rent).

(b) Payment of Rent. Rent shall be paid to Landlord by personal check, cashier's check or money order in U.S. currency or its equivalent made payable to "Drew Dowling" and mailed to Landlord at 851 Twin Harbor Drive, Arnold, Maryland 21012, or at such other place as Landlord may from time to time designate in writing upon at least 30 days' advance written notice. If Tenant does not make a payment by check, then Landlord shall give Tenant a receipt showing such payment and the time period to which such payment applies.

(c) Late Payment. If Rent is not received within 30 days of the due date, Tenant shall pay, as additional rent, a late fee equal to 5% of the unpaid Rent. This late fee, if not remitted with the delinquent payment of Rent shall remain due and is payable immediately. If Landlord shall at any time accept all or any portion of a Rent payment after it shall become due and payable, such acceptance shall not (i) excuse a delay upon subsequent occasions, or (ii) constitute or be construed as a waiver of any of Landlord's rights hereunder.

(d) Application of Payment. Any payment made by Tenant to Landlord shall first be applied to any outstanding amounts for charges other than the current month's Rent (past Rent, late fees, legal fees, returned check charges, repair bills or deductible charges, court costs and other reasonable and associated costs of judicial proceedings, etc.) before being applied to the current payment of Rent that is due and payable.

(e) Bad Checks. If any sum payable by Tenant under this Lease is paid by a check that is returned due to insufficient funds, stop payment order, or otherwise, then: (i) such event shall be treated as a failure to pay such sum when due; and (ii) in addition to all other rights and remedies of Landlord hereunder, Landlord shall be entitled to impose a returned check charge of \$25.00 to cover Landlord's administrative expenses and overhead for processing (which charge shall be in addition to any late fee that may be due).

### 3. SECURITY DEPOSIT.

(a) Delivery and Maintenance of the Security Deposit. Simultaneously with Tenant's execution of this Lease, Tenant shall deliver to Landlord the sum of \$1,666.67 as a security deposit (together with any interest earned thereon, the "Security Deposit"), which sum shall be in addition to the amount paid by Tenant to Landlord pursuant to Section 2(a) above. Notwithstanding anything to the contrary in this Lease, Landlord and Tenant acknowledge and agree that Landlord has agreed to waive the requirement for said Security Deposit during the first Lease Year and during each Lease Year thereafter if Tenant is maintaining the Premises in good condition (as determined by Landlord in its good faith, reasonable discretion). Tenant already has delivered \$1,500.00 to Landlord, which amount shall be applied toward the amount that Tenant is obligated to deliver to Landlord pursuant to Section 2(a) above. In the event Tenant delivers a Security Deposit to Landlord, the Security Deposit shall be held in an escrow account to ensure full compliance by Tenant of all provisions of this Lease, including Tenant's obligations with respect to damages caused by Tenant, Tenant's agents, employees, guests, other invitees or pets. Within 30 days after Landlord receives any such Security Deposit, Landlord shall deposit the funds into an interest bearing account devoted exclusively to security deposits, and thereafter maintain the Security Deposit in a federally insured financial institution that does business in the State of Maryland.

(b) Use and Return of the Deposit. This Section 3(b) and Sections 3(c) and 3(d) below shall apply only if Landlord notifies Tenant in writing following the expiration of the first Lease Year that Landlord has reasonably determined that Tenant is obligated to deliver the Security Deposit to Landlord. Within 45 days after the expiration of the Lease Term, and provided Tenant has vacated the Premises and is not in default hereunder, Landlord shall return the Security Deposit to Tenant, less such portion thereof as Landlord shall have appropriated to reimburse itself for any unpaid Rent or damage to the Premises in excess of ordinary wear and tear to the Premises. If Landlord has appropriated any portion of the Security Deposit as aforesaid, then Landlord shall provide Tenant by registered mail a reasonably detailed explanation of the amount so appropriated (and copies of invoices substantiating such costs) together with the portion of the Security Deposit being returned to Tenant. If Landlord, without a reasonable basis, fails to return any part of the Security Deposit (including accrued interest thereon) or fails to provide the notice set forth in the immediately preceding sentence, then Landlord shall forfeit the right to withhold any part of the Security Deposit for damages, and Tenant has an action for up to threefold of the withheld amount, plus reasonable attorney's fees. Landlord's application of the Security Deposit shall not be Landlord's sole remedy if an Event of Default has occurred and Landlord's reasonable, direct, out-of-pocket costs of repairs, replacements or other damages exceed the Security Deposit, in which event Tenant shall pay for such excess costs. During the tenancy, Tenant may not use the Security Deposit for any payment of Rent or other obligations, and Tenant shall not use the Security Deposit as any portion of the last installment of Rent due and payable under this Lease.

(c) Damages. The Security Deposit is not liquidated damages and may not be forfeited to Landlord for breach of this Lease, except in the amount that Landlord is actually damaged by Tenant's default beyond any applicable notice and cure period. In

calculating damages for lost future Rents, any amount of rents received by Landlord for the Premises during the remainder if any, of the Lease Term, shall reduce the damages by a like amount.

(d) Transfer of the Premises. If Landlord sells, assigns or otherwise transfers all of its interest in the Premises during the Lease Term, then Landlord shall transfer the Security Deposit to the purchaser. Such purchaser shall be required to comply with the terms of this Lease. Upon written notice to Tenant of such transfer and acceptance in writing by the purchaser of all of Landlord's obligations under this Lease, Landlord shall not be liable for any obligations or responsibilities that accrue after the date of such transfer and acceptance.

UTILITIES. Tenant shall be responsible for the cost and maintenance of all utilities to the Premises, including heat, electricity, gas, fuel oil, water, sewage, refuse collection, recycling, telephone, cable television and any other utilities. Tenant shall be responsible for placing the billing into Tenant's name effective with the start of this Lease and shall promptly pay all such utility bills during the Lease Term as the bills become due. Landlord may elect to keep the city, county or private water, sewer or trash bills in Landlord's name, and to receive these bills directly from the municipality and to then forward a copy of these bills to Tenant for payment by Tenant. Such arrangements shall not relieve Tenant of Tenant's financial responsibility or obligation under this Lease for these services. If Tenant fails to make such payments or any other utility payments critical to the maintenance or protection of the property (including electricity, heat in cold months, and proper sewer or septic tank operation), then Landlord, at its option, may pay the same for Tenant's account, in which event Tenant shall immediately, as additional rent, reimburse Landlord in full for the amount Landlord paid on behalf of Tenant.

TAXES. Landlord shall be solely responsible for and will timely pay all taxes and assessments levied or assessed against the Premises and the improvements thereon, including all real estate taxes.

USE. Landlord acknowledges and agrees that Tenant shall have the right to license portions of the Premises to its clients. In no event shall Tenant violate the local zoning regulations with respect to the number of unrelated clients to which Tenant shall license portions of the Premises. Tenant shall conduct itself, and shall cause its clients to conduct themselves, in a manner that will not violate any local zoning laws or unreasonably disturb Tenant's neighbors. Landlord shall cooperate with Tenant as necessary to enable Tenant to file such applications and other documents as are necessary for Tenant's lawful use of the Premises as permitted pursuant to this Section 5. Landlord covenants that Tenant, upon paying the Rent and complying with the terms of this Lease, shall peaceably and quietly have, hold and enjoy the Premises for the Lease Term. In light of the permitted use of the Premises, Tenant shall have the right to install such security systems and change or add locks as Tenant deems necessary to ensure the safety of its clients, provided that Tenant shall deliver duplicate keys to such locks to Landlord so that Landlord shall be able to access the Premises as set forth in, and subject to, Section 8 below.

#### RULES AND REGULATIONS.

(a) Rules and Regulations. Tenant, and not Landlord, shall establish the rules

and regulations that govern the use and occupancy of the Premises.

(b) Pets. No pets of any kind are permitted on the Premises at any time except those, if any, permitted in writing by Landlord or by law. In any event, Tenant shall be responsible for all costs of repairing any damage or removing any stains or odors caused by any animal on the Premises.

(c) Drug Free Premises. It is the policy of Landlord to make reasonable efforts to provide an environment free from any illegal drug activity. Tenant acknowledges that the use or possession of illegal drugs (including any controlled dangerous substances as defined by federal, state or local law) upon the Premises is strictly prohibited. Tenant agrees that no person occupying or otherwise using the Premises, shall manufacture, sell, distribute, dispense, or store any illegal drugs on or about the Premises, nor shall any such person attempt, endeavor or conspire to manufacture, sell, distribute or store any illegal drugs on or about the Premises. Any violation of this prohibition shall give Landlord the right to terminate this Lease immediately, in which event Landlord shall give Tenant written notice to vacate the Premises. If Tenant fails to vacate the Premises in accordance with the notice, Landlord shall be entitled to immediately seek repossession of the Premises in accordance with applicable laws. Tenant agrees Landlord shall be entitled to repossession of the Premises pursuant to this provision if Landlord provides written evidence to Tenant that there has been a breach of this covenant to maintain a drug-free environment.

(d) No Smoking. The Premises shall be considered a non-smoking area and Tenant shall use best efforts to ensure that all occupants of the Premises comply with this non-smoking policy.

#### INSURANCE.

(a) Tenant's Insurance. Throughout the Lease Term, Tenant agrees to maintain Tenant liability insurance in an amount not less than \$1,000,000 and shall have Landlord named as "additionally insured." Tenant shall deliver to Landlord not later than the Commencement Date (and promptly following Landlord's request therefor, which request Landlord shall not make more often than once each Lease Year), a certificate of such insurance and receipts evidencing payment therefor. If Tenant does not provide proof of such coverage or fails to maintain such insurance during the Lease Term, then Landlord shall have the right, but not the obligation, to purchase such tenant liability coverage in Tenant's name and at Tenant's expense. The cost of such policy premium, if paid by Landlord, shall be considered additional rent. Tenant shall not act nor permit its clients occupying the Premises to act in a manner that shall adversely affect, increase the cost of, or result in the cancellation of any fire or other insurance policy of Landlord covering the Premises. Tenant acknowledges that all of Tenant's personal property or that which belongs to others placed on the Premises at the invitation of, or with the consent of, Tenant shall be at Tenant's sole risk.

(b) Landlord's Insurance. Throughout the Lease Term, Landlord shall insure the Premises against loss due to fire and other casualties included in standard extended

coverage insurance policies in an amount equal to at least 100% of the replacement cost thereof. If Landlord's extended coverage insurance policy contains a flood exclusion, then Landlord shall maintain throughout the Lease Term a separate General Property Form policy providing coverage for flood and other water damage. The policy shall be issued by an insurer meeting the requirements of the National Flood Insurance Program and shall be in an amount equal to not less than \$\_\_\_\_\_. Throughout the Lease Term, Landlord shall maintain commercial general liability insurance covering the Premises in an amount at least as high as the amount required by Landlord's lender. Notwithstanding the foregoing, Landlord is not an insurer of Tenant's person or property or security. Except to the extent as may be required by law, Landlord shall not be liable to Tenant for any bodily injury or property damage suffered by Tenant or Tenant's employees, agents, or clients in, on or near the Premises, including the public street or public or private parking places.

(c) Waiver of Subrogation. Tenant hereby waives and releases Landlord and the holder of any mortgage secured by the Premises from any and all liabilities, claims and losses for which Landlord is or may be held liable to the extent Tenant either is required to maintain insurance pursuant to Section 6(a) or receives insurance proceeds on account thereof. Landlord hereby waives and releases Tenant from any and all liabilities, claims and losses for which Tenant is or may be held liable to the extent Landlord either is required to maintain insurance pursuant to Section 6(b) or receives insurance proceeds on account thereof. Both parties shall secure waiver of subrogation endorsements from their respective insurance carriers as to the other party.

ALTERATIONS AND IMPROVEMENTS. Except for cosmetic alterations or decorations, Tenant agrees that Tenant shall not remodel, make any structural changes, alterations or additions to the Premises, or remove or exchange appliances or equipment (including the air conditioning, heating, refrigeration and cooking units) without Landlord's written consent, which consent shall not unreasonably be withheld, conditioned or delayed. In addition, Tenant shall not affix any object containing an adhesive backing to any surface in the Premises, attach plant hooks to the ceiling, or install iron safes, water beds or any other extra-heavy objects. Any alterations, repairs or replacements which have been permitted, are to be done with a quality of materials and workmanship comparable to those which currently exist on the Premises. Landlord shall have the right to inspect the Premises to determine whether it has been altered or redecorated without consent, or whether such alterations and redecoration, if done with written consent, have been properly completed in a good and workmanlike manner. All alterations to the Premises made by either party shall immediately become Landlord's property and shall be surrendered with the Premises at the expiration or earlier termination of the Lease Term unless (a) Tenant requests, when it submits its plans and specifications for such improvements to Landlord for Landlord's approval, Landlord's consent to Tenant's removal of such improvements upon the expiration or earlier termination of the Lease Term and Landlord so consents or (b) Landlord specifies in its approval of the plans and specifications for such improvements that Tenant must remove the improvements upon the expiration or earlier termination of the Lease Term, except that if Tenant is not in default under this Lease beyond any applicable notice and cure period, then Tenant shall have the right to remove, prior to the expiration or earlier

termination of the Lease Term, movable furniture, movable furnishings and movable trade fixtures installed in the Premises by Tenant solely at Tenant's expense.

Notwithstanding anything in this Lease to the contrary, if Tenant exercises its Purchase Option (as defined in, and pursuant to, Section 23 below), then the purchase price for the Premises shall be reduced by the total cost of all alterations that have been made to the Premises by or on behalf of Tenant.

INSPECTIONS AND ACCESS. At any time during the Lease Term, but in no event any more often than one time each month (except as otherwise specified herein), Tenant shall permit Landlord, its agents or representatives, to enter the Premises, without charge therefor to Landlord and without diminution of the Rent payable by Tenant, to examine, inspect and protect the Premises, to make such alterations or repairs as in the reasonable judgment of Landlord may be deemed necessary. During the last three months of the Lease Term or Extension Term, as applicable, Landlord shall have the right to post a “For Rent” sign and Tenant shall allow Landlord to show the Premises to prospective tenants between the hours of 8:00 a.m. and 8:00 p.m. without being subject to the limitation of one monthly inspection each month set forth in the first sentence of this Section 9. In connection with its entry onto the Premises, Landlord and its agents or representatives shall be accompanied by a representative of Tenant (except in cases of emergency or in cases where Tenant fails to identify and make available such representative on the date of such entry) and Landlord shall use reasonable efforts (a) to minimize the disruption to Tenant's use of the Premises, and (b) to provide 48 hours prior notice to Tenant (except in the event of an emergency, in which case only such notice as is reasonable under the circumstances shall be required). Subject to the provisions of Section 6, Landlord, upon completion of any such alterations or repairs, shall (i) restore the affected area and any improvements therein (excluding personal property) to their “as was” condition, subject to reasonable wear and tear and (ii) with respect to damage to Tenant’s personal property caused by the negligence or willful misconduct of Landlord, its employees, agents or contractors, reimburse Tenant for its reasonable out-of-pocket expenses.

MAINTENANCE AND REPAIR.

(a) Tenant Obligations. Tenant covenants and agrees (and shall cause its clients to covenant and agree) to comply with the following at Tenant’s sole cost and expense: (i) keep the Premises (including the exterior appearance and the exterior landscaping) in good order and condition; (ii) use all electrical, plumbing, heating, ventilating and air-conditioning systems and appliances in a reasonable manner so as to not overload them; (iii) use the dehumidifier and ventilating and air-conditioning systems as is required to avoid the recurrence of mold in the Premises; (iv) not intentionally or negligently destroy, damage or remove any part of the Premises or cause a nuisance; (v) not permit its clients to intentionally or negligently destroy, damage or remove any part of the Premises; (vi) not dispose of any paint, waste tires, petroleum or petroleum-based products, or pesticides or insecticides on the Premises; and (vii) give Landlord prompt written notice of any defects in or damage to the Premises and all equipment, appliances and fixtures of which Tenant has actual knowledge. Throughout the Lease Term, Tenant shall be responsible, at its sole cost and expense, for the ongoing maintenance and repair of the Premises, including the following:

- (1) replacing light bulbs, fuses and faucet washers as needed;
- (2) clearing or thawing clogged or frozen pipes, toilets and drains;
- (3) caulking around tubs and showers;
- (4) replacing broken locks, glass, screens, plaster, floor coverings, light fixtures and other equipment;
- (5) mowing the grass, raking the leaves, and removal of snow and ice from all walks, steps and drives;
- (6) maintaining exterior gutters, drains, and grounds free of leaves and other debris;
- (7) disposing of all trash, garbage and waste in suitable covered containers or appropriate or required receptacles;
- (8) maintaining, turning off, and properly draining water pipes in cold weather;
- (9) replacing furnace, heat pump and air conditioning filters at least once every two month
- (10) cleaning plumbing stoppages of all toilets and drains including garbage disposals;
- (11) replacing and fixing any glass or screen breakage;
- (12) maintaining all flooring and carpeting in a clean and good condition;
- (13) storing sources of termites at least 20 feet from the dwelling;
- (14) controlling and eliminating pests in or emanating from the Premises including but not limited to ants, roaches, fleas, ticks and rodents during occupancy and upon vacating;
- (15) making any repairs, alterations, or additions required by any governmental authority, condominium or homeowners association due to Tenant's particular use of the Premises
- (16) periodically painting the interior of the Premises, as reasonably required, but in no event more frequently than once every two years.

(b) Landlord Obligations. Landlord shall be responsible, at Landlord's sole cost and expense, for structural and major repairs to the Premises, including the heating and air conditioning systems, roof, water heater, gas and electrical systems, and the structural elements of the Premises. Landlord also shall be responsible, at Landlord's sole cost and expense, for complying at all times with all of the recommendations set forth in the report completed by [Nelson Barnes], dated \_\_\_\_\_, 2004.

(c) Mold. If Tenant or its clients has failed to use the dehumidifier and ventilating and air-conditioning systems as is required to avoid the recurrence of mold in the Premises and mold recurs in the Premises, then Tenant shall be responsible, at its sole expense, for removing the mold and sanitizing the Premises in accordance with applicable laws. If notwithstanding its best efforts to use the dehumidifier and ventilating and air-conditioning systems as is required to avoid the recurrence of mold in the Premises, the mold recurs in the Premises, then Landlord shall be responsible, as its sole expense, for removing the mold and sanitizing the Premises in accordance with applicable laws.

(d) Appliances. Any refrigerator, range, washer, dryer, dishwasher, other personal property or appliances which are located or installed on the Premises are provided "as is,"



are for Tenant's use and convenience and are not warranted by Landlord. Tenant agrees to maintain said appliances and personal property at Tenant's own risk and expense and maintain them in good order. If replacement of an appliance is necessary, then the cost shall be the responsibility of Landlord. By definition, replacement shall be necessary if the cost of repair exceeds 70% of the replacement cost, unless such condition is the result of Tenant negligence.

(e) Smoke Detectors - Disclosure. The residential dwelling unit contains alternating (AC) electric service. In the event of a power outage, an alternating current (AC) powered smoke detector will not provide an alarm. Therefore, the occupant should obtain a dual powered smoke detector or a battery powered smoke detector. Tenant acknowledges that, if the Premises contains one, two or three residential units, it is Tenant's responsibility to provide and maintain at least one approved smoke detector (including maintenance and replacement of batteries), in accordance with the provisions of Article 38A, Section 12A of the Annotated Code of the State of Maryland, as amended. Tenant assumes all liability for smoke detectors, and hereby releases and indemnifies Landlord from any and all liability resulting from any claims related to smoke detectors. If the building contains four or more residential units, then it is Landlord's responsibility to install and maintain the smoke detectors.

(f) Vehicle Parking. No automobile, truck motorcycle, trailer or other vehicle shall be parked on the property without current license plates. Properly licensed vehicles in operating condition may be parked in the driveway, if provided, or in the street or other paved parking area, in accordance with the law and any community or community association restrictions or regulations. If the Premises is part of a community association, Tenant agrees to abide by all parking rules, regulations and restrictions and to use only those parking spaces provided or assigned to the unit. Tenant shall be responsible for informing Tenant's guests and invitees of these rules and Tenant shall be responsible for Tenant's guests and invitees abiding by these rules.

(g) No Liens. Tenant shall not create or permit any lien upon the Premises or Tenant's interest in this Lease. Tenant shall not place nor display any sign, advertisement or notice on any part of the Premises.

TENANT TO CLEAN PREMISES WHEN LEASE ENDS. Upon the termination or expiration of this Lease, Tenant shall remove all personal property from the Premises and deliver possession of the Premises and all fixtures and equipment of Landlord in the condition Tenant received the Premises, reasonable wear and tear and damage due to casualty excepted. Tenant agrees to pay for all repairs and cleaning required as a result of extraordinary wear and tear. Tenant shall surrender and deliver to Landlord all keys to the Premises on the date Tenant vacates the Premises. Tenant shall provide Landlord with written notice of Tenant's intention to move, the date of moving, and Tenant's new address not later than 15 days prior to the date Tenant is moving from the Premises. Upon receipt of Tenant's notice, Landlord shall notify Tenant by certified mail of the time and date when the Premises are to be inspected. The date of the inspection (the "Move-Out Inspection") shall occur within five days before or five days after the date of moving as designated in Tenant's notice. Tenant shall have the right to be present when Landlord conducts the Move-Out Inspection of the Premises in order to determine if any damage was done to the Premises, and any damage noted shall be identified on an Inspection Checklist. Prior to such Move-Out Inspection, Tenant shall (a) ensure that the

Premises are thoroughly cleaned, including the stove, refrigerator and windows, remove all personal property of Tenant as well as trash from the Premises; clean gutters and downspouts, cut grass and remove leaves as necessary; (b) have the carpets cleaned and deodorized by a professional company acceptable to Landlord and provide a paid receipt therefor to Landlord; (c) eliminate any household pests from the interior of the Premises, including fleas, ticks, roaches, ants and rodents; and (d) if pets have been present, have the Premises professionally treated for fleas and ticks and provide a paid receipt therefor to Landlord. If Tenant does not accomplish such cleaning, trash removal, exterminating and return of Landlord's property above, Landlord may have such items completed at Tenant's expense, and Tenant hereby agrees to reimburse Landlord for such expense. The costs and expenses referred to above shall be considered damages due to breach of Lease in excess of ordinary wear and tear. Any property that is left on or at the Premises after the termination of the tenancy shall be considered to be abandoned by Tenant and Landlord may dispose of it without liability to Tenant or others. Such storage or removal shall be at the expense of Tenant.

ABANDONMENT OF PREMISES OR PROPERTY. If Tenant will be absent from the Premises for more than 21 days, Tenant shall give prior written notice of such absence to Landlord. If Tenant fails to give such notice, Landlord may deem the Lease in default and Premises to be abandoned and may re-enter and secure the Premises. If Landlord has deemed the Premises to be abandoned and Landlord has declared a default then Landlord may re-let the Premises. Unless terminated in writing by Landlord, this Lease will continue in effect and Tenant will remain liable for Rent and all damages sustained by Landlord during the remainder of the Term or until the Premises are re-let, whichever first occurs. Personal property of Tenant that remains on the Premises after the termination or expiration of this Lease or the abandonment of the Premises may, at Landlord's sole option, be treated by Landlord as abandoned property.

DAMAGE OR DESTRUCTION OF PREMISES.

(a) Right to Terminate. In the event that the Premises are damaged or destroyed by fire or other cause, Tenant shall notify Landlord immediately in writing. Within 15 days after Landlord's receipt of such notice, Landlord shall reasonably determine whether Tenant's enjoyment of the Premises is substantially impaired. If Tenant reasonably determines that its enjoyment of the Premises is substantially impaired, then Tenant may terminate this Lease by delivery of written notice to Landlord of Tenant's intent to terminate this Lease. If Tenant timely delivers such notice to Landlord, the Lease will terminate as of the date that Tenant vacates the Premises but in no event later than ten business days after the delivery of such notice to Landlord.

(b) Repair Obligation. If the Premises are damaged to the extent that Tenant's enjoyment is somewhat impaired, though not substantially impaired as reasonably determined by Landlord and Tenant, then Landlord shall promptly commence to make a claim on the applicable insurance carrier and thereafter commence to repair the Premises. Landlord shall have a reasonable period during which it may repair the Premises. Landlord's duty to repair shall not arise until Tenant gives Landlord written notice of the damage to the Premises. If Landlord fails to repair the Premises within a reasonable period of time after receipt of such notice from Tenant (not to exceed 21 days),

notwithstanding that Tenant is still able to use the Premises, Tenant shall be entitled to an equitable reduction in Rent for the period beginning after notice was given to Landlord and ending on the date Landlord substantially completes the repair of such damage to the Premises.

CONDEMNATION. If all or any portion of the Premises (including reasonable access thereto) shall be taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose (including a sale thereof under threat of such a taking), then this Lease shall terminate on the date title thereto vests in such governmental or quasi-governmental authority, and all Rent payable hereunder shall be apportioned as of such date and any amount of Rent paid in advance for any period of time after the termination date shall be returned to Tenant within 30 days following the termination date. In the event of such condemnation, Tenant shall promptly deliver and assign to Landlord the portion of any awards or payments received by Tenant from such condemnation that is attributable to compensation for the condemnation of any improvements and fixtures on the Premises, and Landlord shall promptly deliver and assign to Tenant the portion of any award or payments received by Landlord from such condemnation that is directly attributable to compensation for the condemnation of Tenant's personal property.

EXPIRATION OR TERMINATION OF THE LEASE.

(a) Expiration of the Lease. Unless extended in accordance with the terms of this Lease, this Lease will automatically terminate at the end of the Lease Term. The termination of this Lease shall terminate Tenant's right to occupy the Premises, but it shall not extinguish any claims that Tenant or Landlord may have that arise out of events occurring during the Lease Term or during any holdover term by Tenant. No written agreement renewing or extending the Term shall be effective unless such agreement is in writing and signed by Tenant and Landlord.

(b) Holdover. If Tenant remains in possession of the Premises after the Lease Term expires but no written agreement extending this Lease or substituting a new written lease has been signed, Tenant shall be deemed to be a tenant at sufferance and the monthly rent during such holdover period shall be the Rent charged for the last month of the last Term plus \$500.

ASSIGNMENT OR SUBLET. Tenant will not assign its interest in this Lease or sublet or transfer the Premises without Landlord's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the preceding sentence to the contrary, Landlord acknowledges and agrees that Tenant shall have the right to license portions of the Premises to its clients. No assignment, sublease or transfer will release Tenant from its continuing responsibility for the full performance of the terms and conditions in this Lease unless Landlord signs a written statement releasing Tenant from such liability.

BREACH OR DEFAULT BY TENANT.

(a) Events of Default. The following are "Events of Default": (i) If Tenant shall fail to pay any installment of annual Rent or any other sums required by this Lease

when due and such failure shall remain uncured for a period of 30 days after Landlord notifies Tenant in writing of such failure; (ii) if Tenant shall violate or fail to perform any other term, condition, covenant or agreement to be performed or observed by Tenant under this Lease and such violation or failure shall continue uncured for a period of 30 days after Landlord notifies Tenant, in writing, of such violation or failure, provided that if such violation or failure is not capable of being cured within such 30-day period, no Event of Default shall be deemed to have occurred hereunder if Tenant commences curative action within such 30-day period and proceeds diligently and in good faith thereafter to cure such violation or failure until completion; and (iii) if Tenant commits a breach that (x) involves a criminal or willful act that cannot be cured, or (y) poses a threat to health or safety.

(b) Damages. If an Event of Default has occurred under this Lease, Landlord may pursue the remedies set forth above, or any of them and Tenant shall be responsible for payment of the following amounts:

- (i) for all past due Rent and other charges;
- (ii) for all Rent that would have accrued during the Lease Term or until the Premises are leased to a new tenant, provided that (x) Landlord shall use commercially reasonable efforts to enter into a new lease as soon as reasonably practical, and (y) Landlord shall apply as a credit toward such Rent, or any amounts actually secured or actually received by Landlord that arises from such Rent or the amount of any prepaid Rent for such months;
- (iii) utility costs for the Premises while it remains vacant;
- (iv) costs incurred in cleaning, repairing or redecorating the Premises and costs reasonably associated with necessary compliance with applicable State and Federal law including cleaning and testing for lead paint as mandated under Maryland Code, Environment Article, Sections 6-801 et seq.;
- (v) for any court costs incurred by Landlord; and
- (vi) for reasonable attorneys' fees incurred by Landlord in (x) collecting Rent, other charges and damages, (y) in obtaining possession of the Premises and (z) enforcing the terms of this Lease.

**BREACH BY LANDLORD**. If Landlord (a) commits a material breach of this Lease, (b) fails to substantially comply with any laws that affect Tenant's health and safety, or (c) refuses Tenant access to the Premises except pursuant to a writ of possession, Tenant may give written notice to Landlord identifying the acts and omissions constituting such breach and stating that unless Landlord cures the breach within 21 days, this Lease will terminate upon a specific date not less than 30 days from the date Landlord receives notice. If Landlord materially cures such breach within such 21-day period, this Lease shall not terminate. Conditions caused by the intentional or negligent acts of Tenant or

its clients with Tenant's consent shall not constitute grounds for termination of this Lease under this Section 18.

RENT WITHHOLDING. Tenant shall not withhold Rent due to any condition on the Premises. If any condition creates a fire hazard or serious threat to the health and safety of Tenant, and Landlord fails to repair such condition in accordance with the terms of this Lease, Tenant may file an action in a court of competent jurisdiction to terminate this Lease, or to order Landlord to repair the Premises, or to obtain other relief. In the event that such action is filed by Tenant, Tenant shall pay Rent to the court to be held until such a final non-appealable judgment of the court is rendered or a written settlement agreement is signed by the parties. If Tenant withholds Rent or pays Rent into court under this section and the court finds that (a) Tenant has acted in bad faith, (b) Tenant or Tenant's clients have knowingly caused such condition, or (c) Tenant or Tenant's clients have unreasonably refused to allow Landlord to enter the Premises and to make repairs, Tenant shall be liable for Landlord's reasonable, direct, out-of-pocket costs, including costs for time spent, court costs, any repair costs incurred, due to Tenant's violation of this Lease, and reasonable attorneys' fees as may be permitted by law.

NOTICES. All notices or other communications required hereunder shall be in writing and shall be deemed duly given if delivered in person (with receipt therefor), or if sent by certified or registered mail, return receipt requested, postage prepaid, or by recognized overnight courier, to their respective addresses set forth on the first page of this Lease. Either party may change its address for the giving of notices by notice given in accordance with this Section upon not less than 30 days' prior written notice.

21. ASSIGNMENTS AND TRANSFERS BY LANDLORD. Subject to the terms of this Section 21, Landlord shall have the right from time to time to convey, assign or transfer this Lease and/or Landlord's interest in the Premises or any part of the parts thereof; and Landlord shall have the right from time to time to assign, pledge or hypothecate this Lease and/or Landlord's interest in the Property or any part of the parts thereof, and Tenant agrees to attorn to the lawful transferee thereof. Upon written request by Landlord, Tenant shall promptly execute and deliver to Landlord or other reasonably interested party, any reasonable agreement evidencing such attornment.

SUBORDINATION. Subject to the terms of this Section 21 below, this Lease and the rights of Tenant hereunder are subordinate to the lien of all mortgages or deeds of trust ("Mortgages") that may now or hereafter encumber the Premises. The holder of any Mortgage to which this Lease is subordinate shall have the right to declare this Lease to be superior to the lien, provisions, operation and effect of such Mortgage and Tenant shall execute, acknowledge and deliver all documents reasonably required by such holder in confirmation thereof. Upon reasonable request, and upon not less than 20 days' prior written notice, Tenant shall execute, acknowledge and deliver to Landlord, any prospective purchaser of the Premises, or any holder or prospective holder of a Mortgage, a written statement certifying: (a) that this Lease is unmodified and in full force and effect (or if they have been modifications, that this Lease is in full force and effect as modified and stating the modifications); (b) the dates to which the Rent and any other charges have been paid; (c) whether or not, to Tenant's knowledge, Landlord in default in the performance of any obligation, and if so, specifying the nature of such default; (d) the address to which notices to Tenant are to be sent; (e) that this Lease is subject and

subordinate to all Mortgages encumbering the Premises; and (f) such other factual matters relating to this Lease and the Premises as Landlord may reasonably request. Any such statement may be relied upon by any owner of the Premises, any prospective purchaser of the Premises or the Land, or any holder or prospective holder or a Mortgage. COVENANTS AND HOME OWNER ASSOCIATION. Landlord represents and warrants that the Premises are not subject to the rules and regulations of any homeowners association.

PURCHASE OPTION. Tenant shall have the option (the “Purchase Option”) to purchase the Premises upon at least 60 days’ prior written notice (the “Tenant’s Purchase Option Notice”) at any time during the Lease Term. The purchase price for the Premises shall be determined in accordance with the following provisions of this Section 23:

(a) The purchase price for the Premises (the “Purchase Price”) shall be the greater of (x) [\$ June 2004 purchase price] and (y) the Fair Market Value for the Premises, which shall be determined as follows:

(i) During the 10-day period following Landlord’s receipt of the Purchase Option Notice, Landlord and Tenant shall meet and agree upon an appraiser who shall complete an appraisal of the Premises, at Tenant’s sole cost, within 20 days following selection of such appraiser. The appraiser shall be directed to deliver copies of the appraisal to both Landlord and Tenant.

(ii) Upon receipt of the appraisal, Tenant shall have five days to revoke its election of its Purchase Option, and if Tenant fails to timely deliver such notice, the Fair Market Value for the Premises determined by the appraiser shall be binding and conclusive upon Landlord and Tenant

(b) The closing (the “Closing”) of the purchase of the Premises shall occur on the date (the “Closing Date”) set forth in Tenant’s Purchase Option Notice. At Closing, Tenant shall pay the Purchase Price (subject to the reductions described in Section 8 above) by federal wire transfer or other mutually agreeable means. Closing shall be conducted through an escrow with a title company selected by Tenant and reasonably acceptable to Landlord.

(c) Landlord shall execute a special warranty deed in customary form conveying to Tenant fee simple title to the Premises, free and clear of all mortgages, deeds of trust and other encumbrances and subject only to permitted encumbrances and any such other liens, encumbrances, covenants, restrictions, matter or thing of record that (i) were placed on record by or because of Tenant, (ii) Tenant has joined or consented or (iii) Tenant expressly agrees to assume. Except as provided in the preceding sentence, the Premises shall be conveyed “as is” with no representations or warranties, express or implied.

(d) The Closing shall take place at a mutually agreed upon time and location in the Washington, D.C.-Maryland-Northern Virginia metropolitan area.

(e) Landlord and Tenant will each pay their own attorneys' fees in connection with the Closing. Landlord and Tenant shall each pay one-half of all applicable escrow fees charged by the Escrow Agent. All Maryland state, county and all other taxes imposed upon the grantor shall be paid by Landlord. All Maryland state, county and all other taxes and recordation taxes shall be paid by Tenant. Title examination, title insurance premiums, survey charges, notary fees, costs and expenses related purchase money financing and all other charges incident to settlement (other than charges related to the release of any existing liens on the Premises) shall be paid by Tenant. All other charges shall be borne by Landlord or Tenant as is usual and customary to be borne by seller and purchaser, respectively, in customary transactions not involving a landlord/tenant relationship.

(f) All rent payments payable or receivable, taxes, assessments, utility charges and other similar items usually adjusted and prorated at closing shall be prorated as of the date of Closing. This Lease shall continue in full force and effect through the Closing Date.

(g) If either party shall fail to close on the Purchase Option hereunder under circumstances when such party is required to close, then the other party may pursue all remedies available to it at law or in equity, including specific performance.

(h) Nothing set forth in this Section 23 shall restrict or prevent Landlord from (i) making an assignment of its interest in this Lease for security, (ii) admitting lenders or others as limited partners in the partnership which constitutes Landlord or (iii) granting to lenders or others equity interests in the Premises or the partnership which constitutes Landlord; provided, however, that any such conveyance shall not affect Tenant's Purchase Option and any such assignee or transferee shall comply with the provisions of this Section 23.

GOVERNING LAW. This Lease (and the terms and provision hereof) shall be construed and enforced in accordance with the laws of Maryland, without regard to the principles of conflicts of law.

SEVERABILITY. If any provision of this Lease or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

FAILURE TO ENFORCE LEASE NOT A WAIVER. Landlord's (a) acceptance of Rent or conduct not in compliance with Tenant's obligations under this Lease, or (b) waiver of a breach by Tenant shall not be interpreted as a waiver of any breach of or non-compliance with this Lease, and the terms and provisions of this Lease shall remain in full force and effect. Tenant is hereby notified that acceptance by Landlord of Rent shall not constitute a waiver of Landlord's right to terminate this Lease by reason of such non-compliance.

CONSTRUCTION. The captions throughout this Lease are for convenience of reference only and the words contained therein shall in no way be held or deemed to define, limit, describe, explain, modify, amplify or add to the interpretation, construction or meaning of

any provision of or the scope or intent of this Lease, nor in any way effect this Lease. Wherever appropriate herein, the singular includes the plural and the plural includes the singular.

ENTIRE AGREEMENT. This Lease contains all of the covenants, agreements, terms, provisions, conditions, warranties and understandings relating to the leasing of the Premises and Landlord's obligations in connection therewith, and neither Landlord nor any agent or representative of Landlord has made or is making, and Tenant in executing and delivering this Lease is not relying upon, any warranties, representations, promises or statements whatsoever, except to the extent expressly set forth in this Lease. All understandings and agreements, if any, heretofore had between the parties are merged to this Lease, which alone fully and completely expresses the agreement of the parties. The failure of Landlord to insist in any instance upon the strict keeping, observance or performance of any covenant, agreement, term, provision or condition of this Lease or to exercise any election herein contained shall not be construed as a waiver or relinquishment for the future of such covenant, agreement, term, provision, condition or election, but the same shall continue and remain in full force and effect. No waiver or modification of any covenant, agreement, term, provision or condition of this Lease shall be deemed to have been made unless expressed in writing and signed by Landlord and Tenant.

AUTHORITY. Landlord and Tenant each represents and warrants that the person executing and delivering this Lease on each behalf of each party is duly authorized to so act; that Landlord and Tenant, as applicable, are duly organized, qualified to do business in the jurisdiction in which the Premises is located, in good standing under the laws of the state of its organization and the laws of Maryland, and has the power and authority to enter into this Lease; and that all action required to authorize Tenant and Landlord and the person executing this Lease on behalf of each party has been duly taken.

AGENT'S COMMISSION. Landlord and Tenant each represent to the other that neither party has engaged or utilized a broker in connection with this Lease and each party shall indemnify and defend the other party from any claim, liability or damage resulting from a breach of such representation or warranty.

LEGAL ACTION. If Landlord or Tenant is required or elects to take legal action against the other party to enforce the provisions of this Lease and a judgment is rendered in such action by a court of competent jurisdiction, then the prevailing party in such action shall be entitled to collect from the other party its costs and expenses incurred in connection with such legal action (including, but not limited to, reasonable attorneys' fees and court costs).

SUCCESSORS AND ASSIGNS. The obligations of this Lease shall bind and benefit the successors and permitted assigns of the parties with the same effect as if mentioned in each instance where a party hereto is named or referred to.

WAIVER OF RIGHT TO JURY TRIAL. TO THE EXTENT PERMITTED BY LAW, BOTH LANDLORD AND TENANT HEREBY KNOWINGLY WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER PARTY AGAINST THE OTHER ARISING OUT OF THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, AND/OR ANY INJURY OR DAMAGE ON OR ABOUT THE PREMISES.



NO RECORDATION. This Lease shall not be recorded by Tenant.

ENTIRE AGREEMENT. This Lease and any applicable rules and regulations and any subsequent changes or amendments thereto signed by all parties hereto constitute the entire Lease agreement between Landlord and Tenant. No oral statements made by either party shall be binding on such party.

COUNTERPART. This Lease may be executed in several counterparts, but all counterparts shall constitute but one and the same instrument.

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease as of the day and year first above written.

LANDLORD:

\_\_\_\_\_  
Drew Dowling

SSN: \_\_\_\_\_

TENANT:

Project Hope, Inc., a \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A**

**FORM OF INSPECTION CHECKLIST**

Rooms	Move-In Inspection Date:	Move-Out Inspection Date:
<b>ROOMS</b>	<b>MOVE-IN INSPECTION DATE:</b>	<b>MOVE-OUT INSPECTION DATE:</b>
Foyer		
Living Room		
Dining Room		
Kitchen		
Halls		
Master Bedroom		
Master Bath		
Bedroom 2		
Bathroom 2		

Bedroom 3		
Bathroom 3		
Bedroom 4		
Laundry Room		
Outside		
Other comments	MOVE-IN INSPECTION	MOVE-OUT INSPECTION
<b>Keys received:</b> _____		<b>Date Vacated:</b> _____
<b>Garage door openers Received:</b> _____		<b>All keys returned including deadbolt and mailbox?</b> _____
		<b>Garage door openers returned:</b> _____
<b>Address:</b>		<b>Forwarding Address:</b> _____ _____ _____
		<b>Phone:</b> _____

<ul style="list-style-type: none"> <li>• Move-Out Repairs Required to be Completed by Tenant</li> </ul>


I agree that the above mentioned repairs need to be made and I agree to have them completed by: \_\_\_\_\_

If the above mentioned repairs are not made by this date, Landlord shall have the repairs completed and deduct the cost therefor from my security deposit, if any.

Tenant: \_\_\_\_\_

Date: \_\_\_\_\_

Condition of Premises

	Move-In	Move-Out
General Cleanliness		
Kitchen floor		
Range		
Hood		
Dishwasher		
Microwave		
Refrigerator		
Countertop		
Sink		
Cabinets		
Disposal		
Washer/Dryer		
Tubs		
Basins		
Commode		
Blinds		
Ceiling fans		
Fireplace		
Carpets clean		
Wood floors		
Windows clean inside and out		
Patio doors-tracks clean		
Baseboards		
HVAC filter		

I agree to the above noted condition of the Premises unit at the time of move-in. I further agree to return the Premises in the same condition at the end of my lease.

Tenant: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT B**

**LANDLORD PRE-COMMENCEMENT DATE REPAIR ITEMS**

- Fix door by bathroom on first floor so it closes
- Shave upstairs door that presently does not open easily because of rug interference.

- Remove large tree trunk. BGE will be called first to see if they need to do it because branches are interfering with powerlines.
- Repair all broken screens and windows that do not lock upstairs and downstairs.
- Fix water leaks on all three toilets.
- Repair non-working electrical outlets and those that have reversed polarity.
- Install separate circuit breakers for stove and electrical outlets. The stove and other electrical outlets currently share a 40 amps breaker for both of them.
- Reinforce the second set of brick steps and tighten the railing.
- Fix the gutter in the back because it is coming apart.
- Clean all of the gutters.

The following items are related to mold remediation (the “**Mold-Related Improvements**”):

- Install a rubber stopper strip along the floor at the backdoor as otherwise there is nothing to prevent the water from coming into the basement.
- Ensure that the repairs to the air-conditioning and heating system that the Seller is completing include installation of a cold air return in the basement.
- [CHRISTINE – What is the obligation that Drew needs to meet? The language in # 3 is confusing. “down spouts off gutters – loop down up again. Force water up the hill. They did that to prevent cutting into the gutter”]
- Lower all direct levels around the Premises so that none of the window sills are covered.
- Repair the air conditioning and heating system.
- Remove the carpeting along the wall and replace the portion of the wall and paneling that is contaminated with mold.
- Confirm that the water drain outside of basement door goes into the sewer.
- Provide Tenant will recommended operating time periods for the humidifiers.
- Cover the fireplace so that it cannot be used.

- Repair the second set of stairs to the Premises.

The following items are related to flood damage to the Premises (the “**Flood-Related Improvements**”):

- [list of repair items].
- [list of capital improvements to waterproof the basement, excavate the Premises, etc., so the flooding does not recur].



## Sample LLC Incorporation Papers (D.C.)

### ARTICLES OF ORGANIZATION

OF

General Services DC, LLC

Pursuant to Title 29, Chapter 10 of the District of Columbia Code (the D.C. Limited Liability Company Act of 1994), the organizer(s) named below adopt the following Articles of Organization:

FIRST: The name of this limited liability company shall be General Services DC, LLC.

SECOND: The effective date of these articles shall be the date of filing.

THIRD: The period of duration of this limited liability company shall be perpetual.

FOURTH: The purpose for which this limited liability company has been organized is to acquire, own, hold, maintain, operate, manage and dispose of real property located in the District of Columbia, together with such other activities as may be necessary or advisable in connection with the ownership of such property.

FIFTH: The address of this limited liability company's registered office in the District of Columbia is 1090 Vermont Avenue, NW, Washington, DC 20005.

SIXTH: The name of the limited liability company's registered agent in the District of Columbia is Corporation Service Company. This agent's consent to act as registered agent for the company is evidenced in the attached executed "Written Consent To Act As Registered Agent."

SEVENTH: This limited liability company's principal place of business is 4410 Massachusetts Avenue, NW, #210, Washington, DC 20016.

EIGHTH: The number of organizers of this company is two. The names and addresses of the organizers are:

Name	Address
Christina Arnold	4410 Massachusetts Avenue, NW #210 Washington, DC 20016

Andrea Bertone      4410 Massachusetts Avenue, NW  
#210  
Washington, DC 20016

NINTH:                      This limited liability company may be managed by its members or  
by non-members, as set forth in its operating agreement.

DATE: \_\_\_\_\_, 2004                      General Services DC, LLC

BY: \_\_\_\_\_  
Christina Arnold, Authorized Person

BY: \_\_\_\_\_  
Andrea Bertone, Authorized Person

DELIVER TO:  
Department of Consumer and Regulatory Affairs  
Business and Professional Licensing Administration  
Corporations Division  
941 North Capitol Street, NE  
Washington, DC 20002

## Sample LLC Operating Agreement (D.C.)

### GENERAL SERVICES MD, LLC A DISTRICT OF COLUMBIA LIMITED LIABILITY COMPANY

#### OPERATING AGREEMENT

**THIS OPERATING AGREEMENT** is entered into and shall be effective for all purposes as of July \_\_\_\_, 2004 by Project Hope International, Inc., a District of Columbia corporation (the “Member”).

#### RECITALS

**WHEREAS**, the Member desires to form a District of Columbia limited liability company pursuant to the Act (as defined in Section 1.1 below).

#### DEFINITIONS

Any term not defined in this Agreement has the meaning ascribed to it in the Act. As used in this Agreement, the following terms have the following meanings:

“Act” means the District of Columbia Limited Liability Company Act, as such act may from time to time be amended, including any successor statute.

“Affiliate” means, with respect to any Person (i) any individual, corporation, limited liability company, partnership, trust or other legal entity directly or indirectly controlling, controlled by or under common control with such Person, (ii) any officer, director, general partner, member or trustee of such Person or (iii) any individual who is an officer, director, general partner, member or trustee of any Person described in clauses (i) or (ii) of this sentence. For purposes of this definition, the terms “controlling,”

“controlled by” or “under common control with” shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, or the power to elect at least 50% of the directors, general partners, members or persons exercising similar authority with respect to such Person.

“Agreement” or “Operating Agreement” means this Operating Agreement of General Services DC, LLC, as amended from time to time, which shall constitute the operating agreement of the Company for purposes of the Act. Words such as “herein,”

“hereinafter,” “hereof,” “hereto” and “hereunder” refer to this Agreement as a whole, unless the context otherwise requires.

“Articles” means the articles of organization filed with the District of Columbia pursuant to Section 2.2.

“Bankruptcy” means with respect to any Person:

having an order entered for relief with respect to that Person under the Federal Bankruptcy Code,

not paying, or admitting in writing that Person’s inability to pay, that Person’s debts generally as they become due, making an assignment for the benefit of creditors, applying for, seeking, consenting to, or acquiescing in the appointment of a receiver, custodian, trustee, examiner, liquidator, or similar official for that Person or any

substantial part of that Person's property or failing to cause the discharge of the same within 60 days of appointment, instituting any proceeding seeking the entry of any order for relief under the Federal Bankruptcy Code to adjudicate that Person a bankrupt or insolvent, or failing to cause dismissal of such proceeding within 60 days of the institution thereof, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment, or composition of that Person or that Person's debts, under any law relating to bankruptcy, insolvency, or reorganization or relief of debtors, or failing to file an answer or other pleading denying the material allegations of any such proceeding filed against that Person, or taking any action to authorize or effect any of the foregoing actions or failing to contest in good faith the appointment of a receiver, trustee, examiner, liquidator, or similar official for that Person or any substantial part of that Person's property.

"Company" means General Services DC, LLC, the District of Columbia limited liability company created by the Articles filed as contemplated by this Operating Agreement.

"Indemnified Person" means the Manager, any officer of the Company, and any Affiliate which performs services for the benefit of the Company, each of their respective partners, officers, directors, trustees, shareholders, members or employees and such other Persons as the Member may designate from time to time, in its sole and absolute discretion.

"Liquidator" means the Manager or such other Person appointed by the Member acting in the capacity of liquidating trustee of the Company.

"Manager" means Andrea Bertone and Christina Arnold, or any Person who is designated as a Manager in accordance with Section 3.2.

"Member" or "Members" means Project Hope International, Inc., a Maryland corporation, any successor to Project Hope International, Inc. by merger, or any Person who has been duly admitted as a Member pursuant to Section 5.1, who has not ceased to be a Member in accordance with the provisions of this Operating Agreement.

"Person" means any individual, partnership (whether general or limited), limited liability company, corporation, trust, estate, association, nominee or other entity.

"Property" means that certain real property acquired by, or to be acquired by, the Company.

formation and organization

#### Business Conducted in the Name of the Company

All Company business must be conducted in the name of the Company or such other names that comply with applicable law as the Manager may select from time to time. Title to all assets of the Company shall be taken and held only in the name of the Company.

Authorized Person; Registered Office; Registered Agent; Principal Office in the United States; Other Offices

The Company is organized as a District of Columbia limited liability company pursuant to the Articles of Organization filed with the District of Columbia. The Member(s) hereby agree that the person who has executed the Company's Articles of Organization was an authorized person of the Company, and all actions taken in the course of forming the Company by such person in good faith on behalf of, or with the intention of benefiting or binding the Company, are hereby ratified, confirmed or approved as acts of the Company. Immediately following the formation of the Company, (i) such person (if

not a Manager) shall cease to be an authorized person of the Company and (ii) the Manager is deemed to be an authorized person of the Company.

The resident agent of the Company in the District of Columbia shall be Corporation Service Company or such other Person as the Manger may designate from time to time in the manner provided by law. The registered office of the Company shall be at c/o Corporation Service Company, 1090 Vermont Avenue, N.W., Suite 100, Washington, DC 20005, or such other place(s) as the Manager may designate from time to time. The principal office of the Company shall be 4410 Massachusetts Avenue, N.W., #210, Washington, DC 20016, or such other place(s) as the Manager may designate from time to time. The Company may have such other offices as the Manager may determine from time to time.

#### Purpose

The sole purpose of the Company is to acquire, own, hold, maintain, operate and dispose of the Property, together with such other activities as may be necessary or advisable in connection with the ownership of the Property. The Company shall not engage in any business, and it shall have no purpose, unrelated to the Property and shall not acquire any real property other than the Property or own other assets other than those related to the Property and/or otherwise in furtherance of the limited purpose of the Company.

#### Foreign Qualification

The Manager shall execute, acknowledge, swear to, and deliver all certificates and other instruments conforming to this Agreement that are necessary or appropriate to qualify, or, as appropriate, to continue or terminate such qualification of, the Company as a foreign limited liability company in all such jurisdictions in which the Company may conduct business.

#### Term

The Company shall continue in existence indefinitely except as may be specified in or pursuant to this Operating Agreement or as otherwise required by the Act.

### MANAGEMENT OF THE COMPANY

#### Actions by the Member

The Member shall not have authority to act for or on behalf of the Company, or to bind the Company in any way, solely by virtue of being a Member of the Company.

#### Manager

The business and affairs of the Company shall be managed by the Manager. The Manager shall have full, exclusive and complete discretion, power and authority, subject in all cases to the provisions of this Agreement and the requirements of applicable law, to manage, control, administer and operate the business and affairs of the Company for the purposes herein stated, to make all decisions affecting such business and affairs, to adopt such accounting rules and procedures as it deems appropriate in the conduct of the business and affairs of the Company and to do all things it deems necessary or desirable in the conduct of the business and affairs of the Company. The Manager may appoint and delegate responsibilities to such officers and other agents as it deems appropriate in its sole discretion. If two Persons are serving as the Manager, the Managers shall act by

unanimous consent, and if more than two Persons are serving as the Manager, they shall act by majority vote and each Manager shall have one vote.

The initial Manager shall be Andrea Bertone and Christina Arnold. The Manager may be removed and replaced by the Member at any time with or without cause. A Manager need not be a member of the Company.

## Officers

Number, Election and Term of Office. The officers of the Company shall be a President, a Treasurer and a Secretary, and may at the discretion of the Manager include one or more Vice Presidents, Assistant Treasurers, Assistant Secretaries and other officers. The initial officers of the Company are set forth in Section 3.3.14. The officers of the Company (including but not limited to the initial officers) shall hold their respective offices until such time as their successors are duly appointed by the Manager or until their earlier death, resignation or removal by the Manager with or without cause. Except as otherwise provided by law, any number of offices may be held by the same person.

President. Subject to the direction of the Manager, the President (i) shall be the chief operating officer of the Company, (ii) shall have full responsibility and authority for management of the day-to-day operations of the Company, and (iii) may execute agreements and contracts on behalf of the Company.

Treasurer. The Treasurer shall have charge of the funds of the Company. He or she shall keep full and accurate accounts of all receipts and disbursements of the Company in books belonging to the Company and shall deposit monies and other valuable effects in the name and to the credit of the Company in such depositories as may be designated by the Manager. He or she shall disburse the funds of the Company as may be ordered by the Manager, and shall render to the Manager an account of all of his or her transactions as Treasurer and an account of the business and financial position of the Company.

Secretary. The Secretary shall be responsible for preparing and distributing any notices received by the Company or otherwise called for by this Agreement to be given by the Company.

Vice President. The Manager may appoint one or more Vice Presidents of the Company. Each Vice President (i) shall perform such duties as the Manager or the President shall require of such Vice President and (ii) may execute agreements and contracts on behalf of the Company.

Assistant Treasurer. The Manager may appoint one or more Assistant Treasurers of the Company. Each Assistant Treasurer shall perform such duties as the Manager shall require of such Assistant Treasurer. The Assistant Treasurers (in the order of their appointment) shall, during the absence or incapacity of the Treasurer, assume and perform all functions and duties which the Treasurer might lawfully do if present and not under any incapacity.

Assistant Secretary. The Manager may appoint one or more Assistant Secretaries of the Company. Each Assistant Secretary shall perform such duties as the Manager shall require of such Assistant Secretary. The Assistant Secretaries (in the order of their appointment) shall, during the absence or incapacity of the Secretary, assume and perform all functions and duties which the Secretary might lawfully do if present and not under any incapacity.

Other Officers. The Manager may appoint such other officers and agents of the Company as the Manager shall deem necessary or appropriate to carry out the business of the Company upon such terms and conditions as the Manager may determine. Any such officer shall hold his or her respective office for the term specified by the Manager unless earlier removed by the Manager.

Resignation. Any officer or agent of the Company may resign at any time by giving written notice to the Manager or to the President or the Secretary of the Company. Any such resignation shall take effect at the time specified therein or, if no time is specified, upon receipt thereof; and unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective.

Removal; Vacancies; Transfer of Duties. Any officer or agent of the Company may be removed from office, with or without cause, at any time, by the Manager. Any vacancy in the office of President, Vice President, Treasurer, Secretary, Assistant Treasurer, Assistant Secretary or other office for any reason shall be filled by a person designated by the Manager to serve until his or her successor is duly appointed or until his or her earlier death, resignation or removal. The Manager in its sole and absolute discretion may transfer the power and duties, in whole or in part, of any officer to any other officer or Persons, notwithstanding the provisions of this Agreement, except as otherwise provided by the laws of the District of Columbia.

Compensation. The salaries, if any, of all officers of the Company shall be fixed by or in a manner prescribed by the Manager.

Third Party Reliance. Third parties dealing with the Company shall be entitled to rely conclusively upon the power and authority of the officers of the Company as set forth herein.

Execution of Instruments. All checks, drafts, bills of exchange, acceptances, bonds, endorsements, notes or other obligations or evidences of indebtedness of the Company, and all deeds, mortgages, indentures, bills of sale, conveyances, endorsements, assignments, transfers, stock powers or other instruments of transfer, contracts, agreements, dividends or other orders, powers of attorney, proxies, waivers, consents, returns, reports, certificates, demands, notices or documents and other instruments or rights of any nature may be signed, executed, verified, acknowledged and delivered by such officer or officers or such other Person or Persons (whether or not officers, agents or employees of the Company) as the Manager may from time to time designate.

Initial Officers. The initial officers of the Company are:

President, Secretary	Andrea Bertone
Vice President, Treasurer	Christina Arnold

#### Liability to Third Parties/Indemnification

No Member or Manager shall have any personal obligation for any obligations, losses, debts, claims, expenses or encumbrances (collectively, “liabilities”) of or against the Company or its assets, whether such liabilities arise in contract, tort or otherwise, except to the extent that any such liabilities are expressly assumed in writing by such Member. The Company shall defend, indemnify and hold harmless each Indemnified Person, to the extent permitted by District of Columbia law, from and against any loss, liability, damage, cost or expense, including reasonable attorneys’ fees (collectively, “loss”) incurred by reason of any demands, claims, suits, actions, or proceedings solely arising

out of (a) the Indemnified Person's relationship to the Company or (b) such Indemnified Person's capacity as the Manager or an officer; except to the extent such loss arises from an activity where the Indemnified Person is finally determined by a court of competent jurisdiction to have acted in bad faith and in a manner that either involved fraud, willful misconduct or gross negligence or a knowing violation of criminal law. Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Company in advance of the final disposition of such action, suit or proceeding, and no less often than monthly, upon receipt of an undertaking by and on behalf of the Indemnified Person to repay such amount, if it shall ultimately be determined that such Indemnified Person is not entitled to be indemnified by the Company.

## CAPITAL CONTRIBUTIONS

### Capital Contributions

The Member may, but shall not be required to, make capital contributions to the Company.

### Return of Capital Contributions

Except as provided elsewhere in this Operating Agreement, the Member is not entitled to the return of any part of its capital contributions or to be paid interest in respect of its capital contributions. An unrepaid capital contribution is not a liability of the Company.

admission of additional members;

## TRANSACTIONS OF MEMBERS WITH THE COMPANY

### Admission of Members

Subject to the provisions of Article 8 hereof, a new Member (including the admission of a Person as a Member in substitution of the existing Member) may be admitted at such times and on such terms and conditions (including the amount of such Person's capital contributions and the resulting membership interest) as may be determined by the Manager. Subject to the provisions of Article 8 hereof, no such admission shall be effective until the new Member has agreed in writing to be governed by all the terms and conditions of this Operating Agreement, and any of the provisions of this Operating Agreement shall have been amended or modified to take into account such additional Members as agreed by the Member and the additional Members.

### Business Transactions of Member with Limited Liability Company

Except as otherwise provided in this Agreement, a Member may lend money to and transact other business with the Company and, subject to applicable law, has the same rights and obligations with respect to the transaction as a Person who is not a Member.

### Resignation of Members

No Member may resign except with the prior consent of the Manager; any attempted resignation, without such consent, shall be of no force or effect. In the event a Member resigns, then the Manager shall amend Exhibit A to reflect his or her resignation.

### Assignment of Membership Interest.



Subject to the provisions of Article 8 hereof, and except as otherwise agreed by the Manager, a Member may Assign all or any portion of his or her Membership Interest to any Person only with the prior written consent of the Manager.

## PROFIT, LOSS, INCOME and DEDUCTIONS

### Determination of Profit and Loss

The profit and loss of the Company shall be determined in accordance with the accounting methods followed for federal income tax purposes and otherwise in accordance with sound accounting principles and procedures applied in a consistent manner. An accounting shall be made for each taxable year by the accountants employed by the Company as soon as possible after the close of each such taxable year to determine the profit or loss of the Company, which shall be credited or debited, as the case may be, to the Member.

### Allocation of Profits, Losses, Income and Deductions; Distributions

One hundred percent (100%) of the profits, losses, income and deductions of the Company shall be allocated to the Member. The Manager may make distributions to the Member from time to time in its discretion.

## DISSOLUTIONS

### Events of Dissolution

The Company shall be dissolved and its affairs shall be wound up upon the first to occur of the following:

the sale or disposition of all or substantially all of the Company assets, and the distribution of the proceeds thereof to the Member;

a determination by the Member to dissolve;

the occurrence of an event that makes it unlawful for the Company's business to be continued;

the entry of a decree of judicial dissolution under the Act; or

the death, adjudication of incompetency or Bankruptcy of the Member.

### Winding Up

Upon dissolution under Section 7.1, the Company shall conduct no further business, except for taking such action as shall be necessary for the winding up of the affairs of the Company and the liquidation and the distribution of its assets to the Member pursuant to the provisions of this Operating Agreement, and thereupon the Manager shall act as Liquidator of the Company within the meaning of the Act and immediately proceed to wind up and terminate the business and affairs of the Company.

### Sale of Company Assets

Upon dissolution, the Liquidator shall sell such of the Company assets as it deems necessary or appropriate. In lieu of the sale of any or all of the Company Property, the Liquidator may convey, distribute and assign all or any part of the Company Property to the Member in such form of ownership as shall be determined by the Liquidator to be applicable to the jurisdiction where the Property is located. A full accounting shall be

made of the accounts of the Company and of the Company's assets, liabilities and income, from the date of the last accounting to the date of such dissolution. The profits and losses of the Company shall be determined to the date of dissolution and transferred as provided in Section 6, to the Member. In accounting for distributions of Company Property, such Property shall be valued at its fair value at the date of dissolution as determined in good faith by the Manager. Any difference between the valuation of Company Property and its book value shall be considered as though it represented profit or loss, and shall be allocated to the Member as provided in Section 6. Any gain or loss on disposition of Company Property shall be credited or charged to the Member in the same manner as the difference between the valuation of Company Property and its book value.

#### Distribution Upon Liquidation

Immediately following the Company's liquidation, the Company assets shall be applied in the following order of priority:

first, to the payment and discharge of, or the making of reasonable provisions for, all of the Company's debts and liabilities to the Member and Persons other than the Member, including contingent, conditional and unmatured liabilities of the Company, and the expenses of dissolution and winding-up, in the order of priority as provided by law, including the establishment of a reserve fund for contingent, conditional and unmatured claims as deemed necessary and reasonable by the Liquidator; and  
second, all remaining assets to the Member.

#### separateness provisions

The Company shall not engage in any business or activity, or fail to take any action, which would cause the Company at any time to:

engage in any business or activity other than those set forth in Section 2.3 of this Agreement or in the Company's organizational documents, as applicable, and activities incidental thereto;

acquire or own any material assets other than (i) the Property, (ii) amounts realized through the operation or disposition of the Property, and (iii) such incidental personal property as may be necessary in connection therewith;

merge into or consolidate with any Person or dissolve, terminate or liquidate in whole or in part, transfer or otherwise dispose of all or substantially all of its assets or change its legal structure;

fail to preserve its existence as an entity duly organized, validly existing and in good standing (if applicable) under the laws of the applicable jurisdiction of its organization or formation;

own any subsidiary or make any investment in any Person;

incur any debt, secured or unsecured, direct or contingent (including guaranteeing any obligation) except for obligations as a result of indebtedness in the ordinary course of its business of owning and operating the Property, including trade payables in the ordinary course of its business of owning and operating the Property;

hold itself out to be responsible for the debts of another Person, other than commercially reasonable tenant allowances, payments, contributions or reimbursements made by the

Company in the ordinary course of business to a tenant pursuant to the terms of the applicable lease for construction by or on behalf of such tenant of tenant improvements; make any loans or advances to any Person, other than commercially reasonable tenant allowances, payments, contributions or reimbursements made by the Company in the ordinary course of business to a tenant pursuant to the terms of the applicable lease for construction by or on behalf of such tenant of tenant improvements, and other than advances to or deposits with vendors or service providers at the Property made in the ordinary course of business;

seek the dissolution or winding up in whole, or in part, of the Company; or maintain its respective assets in such a manner that it will be costly or difficult to segregate, ascertain or identify its individual assets from those of any member, manager, principal or Affiliate of the Company, or any member, manager, principal or Affiliate thereof or any other Person, with the understanding that (i) to the extent that the Company shares the same employees (if any) with other Persons, the salaries of and the expenses related to providing benefits to such employees at all time shall be fairly and non-arbitrarily allocated among such Persons, with the result that each such person shall bear its fair share of the salary and benefit costs associated with all such common employees, (ii) to the extent that the Company jointly contracts with other Persons to do business with vendors or service providers or to share overhead expenses, the costs incurred in so doing at all times shall be fairly and non-arbitrarily allocated among such Persons, with the result that each such Person shall bear its fair share of such costs, (iii) to the extent that the Company contracts or does business with vendors or service providers where the goods or services provided are or shall be partially for the benefit of other Persons, the costs incurred in so doing at all times shall be fairly and non-arbitrarily allocated to or among such Persons, with the result that each such Person shall bear its fair share of such costs, and (iv) to the extent that the Company or other Persons have offices in the same location, there shall be a fair, appropriate and non-arbitrary allocation of overhead among them, with the result that each such Person shall bear its fair share of such expenses.

## GENERAL PROVISIONS

### Governing Law

This Operating Agreement is governed by and shall be construed in accordance with the laws of the District of Columbia, excluding any conflict-of-laws rules or principle that might refer the governance or the construction of this Operating Agreement to the law of another jurisdiction.

### Severability

In the event that any provision of this Agreement shall be held to be invalid or unenforceable, the same shall not affect in any respect whatsoever the validity or enforceability of the remainder of this Operating Agreement.

### Survival of Rights

Except as provided herein to the contrary, this Operating Agreement shall be binding upon and inure to the benefit of the signatories hereto (as well as to all future parties who are admitted as Members in this Company) and Indemnified Persons, their respective heirs, executors, legal representatives, and permitted successors and assigns.

#### No Third-Party Beneficiaries

Except as otherwise expressly provided in this Agreement, nothing in this Agreement is intended to confer upon any Person other than the parties hereto any rights or remedies.

#### Section Headings

Section headings contained in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning or interpretation of this Agreement or any of its terms and conditions.

#### Waiver

No consent or waiver, express or implied by the Member or the Company, to the breach or default by the Member in the performance of its obligations under this Operating Agreement shall be deemed or construed to be a consent or waiver to any other breach or default.

#### Securities Laws Restrictions

The interests described in this Agreement have not been registered under the Securities Act of 1933, as amended, or under the securities laws of the District of Columbia or any other jurisdiction. Consequently, these interests may not be sold, transferred, assigned, pledged, hypothecated or otherwise disposed of, except in accordance with the provisions of such laws and this Agreement. By executing this Agreement, the Member represents and acknowledges that it is acquiring its interest for investment purposes only and without a view to distribution.

**EXECUTED** as of the date first written above.

**PROJECT HOPE INTERNATIONAL,  
INC., a Maryland corporation**

By: \_\_\_\_\_

Name: **[Name of Officer of Member]**

Title: **[Title of Officer of Member]**

**EXHIBIT A**

**GENERAL SERVICES DC, LLC  
MEMBERS AND MEMBERSHIP INTERESTS**

<b><u>Names and Addresses of Members</u></b>	<b><u>Membership Interest</u></b>
Project Hope International, Inc. 4410 Massachusetts Avenue, N.W. #210 Washington, DC 20016	100%

## **Memo on Fiduciary Duties**

**Privileged and Confidential  
Attorney-Client Communication**

TO: Christina Arnold  
Project Hope International

FROM: Lauren W. Bright

CC: Alex Lakatos

DATE: October 13, 2004

RE: Fiduciary Duties and Potential Liabilities

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This memorandum will provide general information about the duties and potential liabilities of nonprofit corporations and associations, and particularly volunteers working on behalf of nonprofit corporations. The memorandum also will provide information about protections a nonprofit corporation may provide to help insulate officers, directors, staff, and other volunteers from personal liability arising out of their activities conducted on behalf of the nonprofit corporation.

The first section of this memorandum describes the general duties and potential liabilities of volunteers working on behalf of a nonprofit corporation. We first present a number of general principles that should guide a volunteer's actions on behalf of the nonprofit corporation. Directors, officers, and volunteers have "fiduciary duties" that include the duties of care, loyalty, and obedience; breach of these duties by a volunteer can in certain circumstances result in personal liability. In addition to having to fulfill these fiduciary duties, and despite the corporation's nonprofit status, a volunteer also could be held personally liable under certain circumstances for defamation, antitrust violations, and tortious conduct or negligence. Finally, we provide a brief overview of two aspects of a nonprofit corporation particularly important for volunteers to recognize and be sensitive to — the nonprofit corporation's tax-exempt status and its intellectual property rights.

### **A. Fiduciary Duties**

Under general corporate law principles, both volunteers (such as members of the Board of Directors) and paid staff have a fiduciary relationship with the corporations for which they serve. This relationship gives rise to three duties that are owed by the volunteer to the corporation: the duties of care, loyalty, and obedience. Simply put, this

means that a volunteer working on behalf of any corporation, whether organized as a nonprofit or otherwise, must act reasonably, prudently, and in the best interests of the corporation. The volunteer/corporation relationship further requires the volunteer to conduct his activities free of negligence, fraud, and conflicts of interest. If the volunteer breaches these duties or acts otherwise, the corporation or its members could hold the volunteer personally liable for any resulting damages.

**Loyalty.** The duty of loyalty is an obligation to act only in the best interests of the corporation and to avoid conflicts of interest. This duty prevents a volunteer from using his position or information concerning the corporation and its property in a manner that allows him to secure a benefit for himself. A conflict may occur when the volunteer participates in work important to the corporation, while the volunteer, at the same time, has other professional, business, or volunteer responsibilities that could bias the volunteer one way or the other regarding the corporation's work. The duty of loyalty requires the volunteer to reveal this conflict of interest to the corporation and refrain from participating in the activity or, where the conflict or the appearance of conflict could be very serious, the volunteer may have to even withdraw from the corporation. Similarly, a volunteer should not directly compete for opportunities against the corporation. Furthermore, a volunteer should not appropriate "corporate opportunities," such as business prospects, ideas, or investments that are related to the activities of the corporation.

**Obedience.** The duty of obedience is the obligation to pursue the objectives that make up the corporation's general purpose or mission. These objectives are generally set out in the legal documents creating the corporation, such as the Articles of Incorporation and/or Bylaws. A volunteer has the duty to act in accordance with these documents, as well as all applicable laws and regulations.

**Care.** The duty of care requires volunteers to exercise ordinary and reasonable care in the performance of their duties for the corporation. This duty includes the obligation to act honestly and in good faith with the corporation and with others on behalf of the corporation. The Revised Model Nonprofit Corporation Act ("RMNCA"), indicates that duty of care means "with the care an ordinarily prudent person in a like position would exercise under similar circumstances." A nonprofit volunteer's duty of care is measured by the "business judgment" rule, under which a showing of gross negligence is needed to impose liability. Under the business judgment rule, there is a presumption that in making a business decision, a volunteer of a nonprofit corporation will act on an informed basis, in good faith, and in the honest belief that the action is in the best interests of the corporation. In determining whether a business judgment was made on an informed basis, the question will turn on whether the volunteer has informed himself prior to making a business decision, of all material information reasonably available to him. This inquiry reflects the rule's focus on the motivation or process taken by the volunteer in reaching the business decision, rather than the substance of the decision itself.

The obligation of good faith that is central to an analysis of the duty of care is made up of essentially three components: honesty of intention, openness, and fair dealing. Courts

will usually look to some tangible evidence that demonstrates good faith, rather than mere self-serving professions of good faith. The honest belief that the action was taken in the best interests of the corporation requirement is very similar to the standards under the duty of loyalty. Volunteers, therefore, must honestly believe that they have acted not in their personal interests or even the interests of others, but, rather, in the interests of the corporation they are serving.

**Confidentiality.** A volunteer also is under an obligation not to disclose confidential information about the corporation's activities unless they are known by the public, are on the public record, or disclosure is authorized. As a rule, then, the volunteer should treat information about the corporation as confidential until there has been general public disclosure or it is a matter of public record. It is best to leave public pronouncements about the corporation to the corporation's designated spokesperson.

## **B. Potential Liabilities**

**Antitrust.** The federal and state antitrust laws are designed to promote and ensure open and fair competition in all commercial endeavors. Generally, antitrust laws prohibit any combination or conspiracy that unlawfully restrains trade. The courts have established that an individual can be held personally liable for damages arising out of antitrust violations, where the volunteer participated in the unlawful acts, or where he acquiesced or ratified the actions of others of the corporation. However, personal liability under the antitrust laws generally is imposed only where the corporation's agents are actively and knowingly engaged in the antitrust violations. Therefore, although a volunteer could be held personally liable for violations of antitrust laws, it is likely only in the most extreme circumstances in the accreditation context. Antitrust claims against the corporation, however, are potentially more likely.

**Tort Liability.** A nonprofit corporation and its volunteers potentially risk being sued for injury or damage on account of negligence or other civil wrongdoing, *i.e.*, a tort. For a court to find a nonprofit corporation, and particularly one of its volunteers, liable for negligence, the injured party must first overcome a heavy burden of proof. The nonprofit corporation must have done something wrong, *i.e.*, acted negligently and breached a duty of care, such as failing to share safety data on its own products or procedures that it knew or should have known might protect the public. In addition, the party's injury must actually have resulted from this negligence or wrongdoing

**Defamation.** Volunteers should avoid statements that could unfairly damage another person's reputation, such as declaring or implying that certain persons or organizations are dishonest, fraudulent, or immoral. These or similar comments, if untrue, would constitute defamation. Written defamation is called libel and a verbal defamation is called slander. Truth is an absolute defense to a claim of defamation, but the burden is on the maker to prove the truthfulness of the statement. Furthermore, a statement of pure opinion is generally not actionable; unfortunately, there is not a bright line between what the courts consider a statement of fact and one of opinion. For the most part, however, if a volunteer takes reasonable precautions to ensure accuracy,



including making reasonable inquiry, the volunteer will not be held liable for defamation even if the speech or writing turns out to be false or defamatory. Where the statements concern a public official or “public figure,” the speaker will not be held liable unless the speaker actually knew that the statements were false or were made with “reckless disregard” of its truth or falsity. Publication or communication of a derogatory statement within a nonprofit corporation, including to its members, for the purpose of promoting a common interest, may be protected by a “qualified privilege.”

### C. Important Nonprofit Issues

Volunteers, particularly Officers and Directors, should be aware of other obligations in connection with serving on the Board of Directors of a nonprofit corporation. In particular, tax exemption and intellectual property rights are of critical importance.

**Tax-Exemption.** A Section 501(c)(3) organization, whether organized as a corporation or not, must be organized and operated exclusively (*i.e.*, “substantially” under IRS rules) for purposes that are charitable, educational, religious, literary, or scientific. Section 501(c)(3) organizations must not have earnings that inure to the benefit of private individuals, must not carry on substantial activities to influence legislation, and must not participate at all in any political campaign activity. In addition, there are specific new rules for Section 501(c)(3) organizations that prohibit “excess benefits” and ensure that compensation received by individuals who have the ability to influence the organization’s Board, such as an Executive Director, must be reasonable.

A Section 501(c)(3) organization may engage in some activities that may not be directly related to its tax exempt purposes, for example marketing products or receiving advertising income, as long as these unrelated activities (and any revenues the organization receives from them) are not a substantial part of the corporation’s overall activities. The revenue generated by these activities, if unrelated to the corporation’s nonprofit purposes, will be taxable. However, if an organization’s level of unrelated revenues rises to 20 or 30 percent of the organization’s annual budget, its tax-exempt status may be jeopardized. In that case, the organization should consider spinning off some of the activities into a for-profit subsidiary controlled by the organization. It is absolutely essential that a Section 501(c)(3) organization and its staff and employees conduct their activities in accordance with the tax-exempt purposes and rules described by the IRS. Failure to do so could result in the imposition of taxes, penalties, or even revocation of tax-exempt status.

**Intellectual Property.** More often than not, the most important and valuable property held by a nonprofit corporation is its intellectual property. Intellectual property, also called “intangible property,” consists of patents, trademarks, service marks, trade names, certification marks, copyrights, or mailing lists (which also can be considered trade secrets). It is important to assert and protect the copyright to all corporate materials and the trademark of the corporate name. All volunteers should be aware of this issue and take all reasonable steps to protect the corporation’s intangible property. Registrations with appropriate state and government authorities can enhance the value of

intangible property and provide important procedural protections in the event of any litigation, and such registrations are usually recommended. Volunteers also should be concerned that proper copyright or trademark notices are used, that registrations are made, and that sources are attributed. It is also important to ensure that the corporation has all rights to use any copyrighted materials, including trademarks, mailing lists, or other intangible property. Finally, copyright assignments or releases should be received from all those who write material for the corporation's publications and materials. Also, any agreements with independent contractors should include provisions assigning copyright to the corporation.

Effective use of board members, especially new board members, requires that he/she learn as much as possible about the organization, its mission, history and hopes, as soon as possible. As such, in addition to the above information, we suggest that new board members (and current members, if interested) be provided copies of and an opportunity to review basic corporate documents (articles of incorporation, bylaws, corporate mission, list of full board, etc.). In addition, new directors should review significant, recent board actions as well as the financial statements of the corporation and any Forms 990 that have been filed with the IRS to familiarize themselves with the structure of the organization.

We hope you find this information useful. Please contact us if you have any questions.

## Sample PHI THU Budget

<b>Expenditure</b>	<b>Annual Cost (\$)</b>	<b>Monthly Cost (\$)</b>	<b>Provided by PHI</b>	<b>Another provider</b>	<b>Not Provided or provided by residents</b>
<b>Mortgage</b>					
<b>Rent</b>					
Deposits (security)					
<b>Improvements</b>					
Partitions/additional rooms					
Additional bathrooms					
ADA compliance					
Zoning compliance					
Sprinklers/fire protection					
Alarms/security features					
Furniture					
Other					
<b>Routine maintenance</b>					
Interior painting					
Exterior painting					
Snow removal					
Lawn care / landscaping					
Plumbing (e.g., clogged drains)					
Electrical (e.g., light bulbs)					
Minor repairs (broken hinges, cracks in drywall)					
Carpet cleaning					
Other					
<b>Extraordinary Repairs</b>					
Roof (every 10-20 years)					
Water boiler (every 10 years)					
Air Conditioner Maintenance					
Other					
<b>Utilities and housekeeping</b>					
Electricity					
Water					
Trash removal					
Laundry (sheets, clothing)					

Housekeeping (dusting, vacuuming, sweeping, mopping)					
Telephone					
Mail					
Television/Radio/Newspaper					
Misc.					
<b><u>Resident Needs</u></b>					
Food					
Medical					
Legal					
Social Services					
Transportation					
Keys and access					
Outplacement					
<b><u>Staff</u></b>					
On-site					
Intake/outplacement					
Management					
Other					
Health insurance and benefits					
<b><u>Insurance</u></b>					
Directors & Officers					
Third-party liability					
Property & Casualty					
Office Equipment					
Office Furniture					
Computer Equipment					
Internet Access					

## **Memo Re: Discussion of PHI THU “House Rules”**

To: Alex Lakatos

From: Rebecca Carr

Date: July 13, 2004

Re: Project Hope International’s Transitional Housing Unit

### **I. Introduction**

Project Hope International (“PHI”) is setting up a Transitional Housing Unit (“THU”) for trafficking victims in Prince George’s County, Maryland. In order to provide a secure living environment for all residents, PHI will establish “house rules,” such as banning the use of drugs or threatening other residents. PHI needs to be able to ask residents to leave for failure to comply with the rules, if such rules are to be effectively enforced. To ensure that PHI has these rights, residents should sign a contract setting forth the rules and stating that failure to comply affords PHI the right to ask that resident to leave. This contract needs to be drawn up as a license agreement rather than a lease, however, because Maryland law prohibits landlords from contracting around tenant’s rights in a lease.

There are differing opinions on whether license agreements can cover living arrangements, and the Maryland Code does not address real estate licenses. However, the one Maryland case on point supports the conclusion that PHI should set up the contracts as license agreements. In that case, the court found that a person occupying land without exclusive possession and without paying rent was subject to a license instead of lease.

The subject of the rights of shelter residents is little explored in the case law. Support for PHI’s ability to set up rules and ask residents to leave based on failure to comply with those rules can be found by analogizing THU to state subsidized shelters. Under the Maryland Emergency and Transitional Housing Program, Md. Regs. Code 07.06.09.05, state subsidized shelters retain the right to terminate accommodation for shelter residents who do not follow the rules. State subsidized shelters in New York take the same approach.

### **II. Discussion**

#### **A. Licenses and Leases**

PHI will have greater rights to require residents who are subject to a license agreement to leave the Transitional Housing Unit for failure to comply with “house rules” than residents subject to a lease. PHI would be required to obtain a court order to evict residents who had signed a lease; whereas, PHI would have the right to ask a resident to leave at any time for breaking a license agreement.

According to the Maryland Code, a lease is “any oral or written agreement, express or implied creating a landlord and tenant relationship.” Md. Code Ann., Real Prop. § 1-101(h) (2003). Once a landlord and tenant relationship is created, the tenant acquires certain statutory rights. The landlord can evict a tenant for breaching the lease; however, the landlord needs to provide the tenant with one month’s notice (if the tenant is a danger to other persons or property, then the tenant only has the right to fourteen days notice). § 8-402.1(a). If the tenant fails to move out, the landlord must obtain an eviction judgment from the district court. *Id.* A landlord may not contract around the rights granted to tenants under Maryland law; therefore, a lease may not give a landlord the right to evict a tenant without a court judgment. § 8-208(d).

A license, on the other hand, is a mere personal privilege granting “the permission or authority to engage in a particular act or series of acts upon the land of another without possessing an interest therein.” 25 Am. Jur. 2d. Easements and Licenses in Real Property § 137 (2004). Unlike a lease, a license can be revoked at any time. *Id.* §11.6.

## **B. License Agreements and Exclusive Possession**

As a license grants the privilege to use the land for a specific purpose or commit a specific act upon the land, there is disagreement in the law over whether or not a license agreement can grant permission to occupy land or a house. However, Maryland case law suggests that an occupant is only elevated from a licensee to a lessee if he has exclusive possession of the land.

“[A] lease conveys exclusive possession of the premises to the tenant, and thus, the tenant holds an estate. In contrast, a licensor retains legal possession of the land, and the licensee has only a privilege to enter for a particular purpose.” Bruce, Jon W. & James W. Ely, Jr., The Law of Easements and Licenses in Land § 11.1 (2004). Interpretations of what “purposes” a license may cover vary. Some authority states that licenses may grant the right to occupy a house; other authority states that licenses may grant the right to use, but not live on the land. Compare Hill v. Smith, 277 S.E.2d 542, 545 (N.C. Ct. App. 1981) (permission to occupy the house and have a garden without the deed being furnished was a license to use the property) with Brinkley v. Day, 362 S.E.2d 587, 589 (N.C. Ct. App. 1987) (an instrument that grants a right to use and occupy the land is not a license and so the testator’s wife had a life estate in the apartment rather than a license). However, the single Maryland case discussing this issue held that an inhabitant may be subject to a license rather than a lease. Delauter v. Shafer, 822 A.2d 423, 428 (Md. 2003).

In Maryland “the question of whether the relation of landlord and tenant existed between the parties ... [is] a question of law to be determined by the court upon the consideration of the facts,” Delauter v. Shafer, 822 A.2d 423, 426 (Md. 2003) (quoting Howard v. Carpenter, 22 Md. 10, 23 (1864)). In a court’s determination of whether a contract is a lease or a license, the court considers “ ‘what a reasonable person in the position of the parties would have thought [the arrangement] meant.’ ” *Id.* at 427 (quoting Pacific Indemnity v. Interstate Fire & Casualty Co., 408 A.2d 486, 488 (1985)).

Applying these standards, in Delauter v. Shafer, the Maryland Court of Appeals found that an inhabitant of his in-law's farm, who had been on the land for over thirty years, was subject to a license agreement instead of a lease. Id. at 428. The court primarily focused on the issue of possession, stating: "A mere permission to use the land, dominion over it remaining in the owner and no interest in or exclusive possession of it being given, is but a license." Id. at 427 (quoting from 1 Tiffany, The Law of Real Property § 79, at 117-118 (3d ed. 1939)). The court felt that because the inhabitant's in-laws would come to the farm every day to work "Shafer never had exclusive possession of the farm," and that it was "clear that no lease existed." Id. at 428. The court also considered the fact that Shafer never paid rent in determining that the arrangement was a license rather than a lease. Id. at 428.

Cases from other states concerning landlord and tenant relationships also focus on the issue of exclusive possession. In Cal-Am Corp v. Dept of Real Estate, the California Court of Appeals explained that the test for determining whether an agreement is a license or a lease is "whether the contract gives exclusive possession of the premises against all the world, including the owner, in which case it is a lease, or whether it merely confers a privilege to occupy under the owner, in which case it is a license." 163 Cal.Rptr. 729, 732 (1980). The court found that the nature of time-share interests entitling members to use a condominium unit for several weeks a year was that of a lease because the members would have exclusive occupancy over the unit in which they stayed while they were there. Id. In Reeder v. Reeder, the Nebraska Supreme Court held that there was no landlord and tenant relationship between two brothers where one brother and his family lived in the other brother's vacate home because the other brother was not precluded from entering the house at any time. 348 N.W.2d 832, 835 (1984).

The residents of the THU should be considered governed by a license agreement. The residents will not have exclusive possession of the premises as they will be living with other residents and a house manger from PHI will be there at all times, and they will not be paying rent.

### **C. Rights of State Subsidized Shelters in Maryland and New York**

Further support for PHI's right to set up "house rules" and ask residents to leave for breaking those rules can be drawn from (1) Maryland's Emergency and Transitional Housing and Services Program and (2) New York case law concerning the rights of shelter residents.

Maryland's Emergency and Transitional Housing and Services program provides state funding for shelters and services for the homeless. Transitional shelters in this program provide sleeping accommodations for three to twenty-four months and services to help the "homeless family units achieve stable, permanent housing and as a high level of economic self-sufficiency as possible." Md. Regs. Code 07.06.09.05(C)(a)(ii) (2004). Service providers have the right to terminate the service if the client "[r]efuses to abide by the rules of the service provider." Md.Reg. Code 07.06.09.05(E)(f) (2004).

Helping People Out Everywhere (“HOPE”) is New York, not-for-profit, social service agency, which receives funding from the Westchester County Department of Social Services, providing temporary shelter and social services to homeless and other needy individuals. Upon entry to one of HOPE’s shelters, residents are required to sign a license agreement stating that the “license may be revoked at any time by HOPE” and that “I am not a tenant or roomer of the property operated by HOPE ... I simply have transient access to the property ... I shall have a right of access only during such time as I am actively involved in the HOPE program ... I must comply with all policies, rules and regulations set forth by HOPE . . . and the owner of the property.” HOPE v. Deich, 155 Misc.2d 707, 709 (Yonkers City Ct. 1992) (ellipses in original).

In Hope v. Deich, the court found that a resident who was asked to leave a shelter after violating HOPE’s rules was a licensee with no property interest in his bed because this was a “nonpermanent shelter program,” and that these shelters needed to be able to remove residents. Id. at 712-713. The court stated: “[W]ithout the ability to summarily transfer a person out of a shelter when he/she fails to follow the rules and regulations set forth in the agreement, the shelter programs would have no way to enforce participation in the programs and to insure a safe, peaceful, and a healthy living environment, conducive to the treatment and rehabilitation of each of the members of the shelter program.” Id. at 713.

Similar to both Maryland’s Program and HOPE, PHI will be providing temporary accommodations and social services to people in need. Even though PHI will be privately funded, PHI should have the same right to have residents leave who do not abide by the rules in order to create a safe environment and successful program for all the residents.

### **III. Recommendations**

PHI should require residents to sign a contract upon entry stating:

- The contract does not create a landlord and tenant relationship
- The resident is there as a temporary resident rather than a tenant
- The resident will not acquire any tenant rights or any interest in the THU
- The house rules
- PHI retains the right to ask the resident to leave upon the violation of the house rules
- If the violation is of a serious nature, PHI has the right to ask the resident to leave immediately
- If the violation is of a more minor nature, PHI has the right to ask the resident to leave within 24 hours



## Sample MOU with Referring SPOs

### TEMPLATE MEMORANDUM OF UNDERSTANDING

By and Between

Project Hope International, Inc.

and

Agency X

Project Hope International, Inc., [*a Maryland corporation, located at 4410 Massachusetts Avenue, NW #210, Washington, D.C. 20016*] (“PHI”) and Agency X a [\_\_\_\_\_] (“NGO”) hereby enter into this Memorandum of Understanding (“MOU”) dated as of the \_\_\_ day of \_\_\_\_\_, 2004.

#### **Background and Objectives**

- PHI and its affiliates are a non-profit organization based in the metropolitan Washington, D.C. area committed to aiding the victims of labor, sexual, and other human trafficking with emergency transitional housing.
- NGO is a non-governmental organization that provides certain services to victims of trafficking including [*legal and social services*].
- NGO provides certain housing to victims of trafficking on an ad-hoc basis and also desires to place victims of trafficking in PHI’s emergency transitional housing.
- NGO will continue offering its legal, social and other services to such victims while they are placed at PHI’s emergency transitional housing.
- PHI agrees to provide such housing for good and valuable consideration pursuant to this MOU.

#### **PHI Housing**

- PHI will establish secured emergency transitional group housing (“PHI Housing”) in one or more locations in the metropolitan Washington, D.C. area for qualified victims of trafficking as determined under this MOU.

- PHI requires that each PHI Housing location be kept confidential for security reasons. NGO will hold in trust and strict confidence the location of each PHI Housing location.
- PHI will install and maintain a security system at each PHI Housing location. PHI will inform the local police of each PHI Housing location and that residents are victims of trafficking that may be subject to certain risks.
- PHI Housing is limited to secured shelter, utilities (e.g., gas, electric, sewer, and water), and basic furnishings that PHI normally provides residents of PHI Housing. PHI may also provide residents of PHI Housing toiletries and other incidentals in its discretion. For the avoidance of doubt, PHI Housing is not a “shelter” or “temporary” housing facility. PHI Housing does not include meals, medicines, toiletries, incidentals, telecommunications, or other services that are typically provided at shelters.
- Nothing herein shall create a leasehold interest in PHI Housing in favor of NGO or its clients.

### **Qualified Victims**

- PHI will determine in its sole discretion who is a qualified victim of trafficking (“Qualified Resident”). PHI’s criteria for determining who is a Qualified Resident includes, without limitation: (i) individuals who do not have specialized needs or circumstances; (ii) individuals who do not present a security risk to other PHI Housing residents; and (iii) individuals that are not likely to disrupt the PHI Housing environment and its existing residents.
- NGO will not knowingly propose individuals that may be a security risk to a PHI Housing location or other individuals residing in PHI Housing.
- PHI may interview each individual proposed by the NGO for PHI Housing. NGO will assist PHI in arranging and conducting such interviews. NGO will provide PHI background and other relevant information on each proposed individual.

### **Right of Review and Removal**

- PHI may review and re-evaluate each individual receiving PHI Housing every three (3) calendar months to determine whether such individual remains a Qualified Resident.
- PHI may remove or relocate, at its sole discretion, any victim from PHI Housing, to the extent permitted by law.

### **NGO Obligations**

- NGO will continue to offer residents of PHI Housing the legal, social, and other services it normally provides such individuals. NGO will not discriminate against PHI Housing residents.
- NGO will pay PHI [*three hundred U.S. dollars (USD \$300)*] per calendar month per resident receiving PHI Housing that the NGO referred to PHI. Partial months of PHI Housing will be paid on a pro-rata basis. Such amount will be paid in arrears on or before the fifteenth (15<sup>th</sup>) day of the following month in which PHI provided housing. Such amount will be paid by electronic funds transfer to PHI's designated account. As of the effective date of this MOU, such account is:

Wachovia Bank  
 Account Number: 2000013896571  
 Routing Number: 055003201

### **Future Opportunities**

- PHI and NGO will seek to identify other opportunities to collaborate with each other to aid victims of trafficking. Such opportunities may include seeking federal and state grants.

### **Termination**

- Either party may terminate this MOU upon [*ninety (90)*] calendar days written notice to the other party. NGO's payment obligations will cease upon such termination.

### **Indemnities and Warranties**

- NGO agrees to indemnify, defend, and hold harmless PHI and PHI's affiliates, and their respective officers, directors, employees, agents, successors, and assigns from any and all, actual or threatened, claims and losses arising from, in connection with, or based on allegations, whenever made of, any: (i) individuals, or the acts or omissions of such individuals, it refers to PHI Housing; (iii) its unauthorized disclosure of the location of PHI Housing; and (iii) NGO's gross negligence, intentional torts, or unlawful conduct.
- PHI agrees to indemnify, defend and hold harmless NGO and NGO's affiliates, and their respective officers, directors, employees, agents, successors and assigns from any and all, actual or threatened, claims and losses arising from, in connection with, or based on allegations, whenever made of, any PHI: (i) gross negligence, (ii) intentional torts, or (iii) wilfull misconduct.
- SUBJECT TO THE OTHER PROVISIONS OF THIS MOU, PHI HOUSING IS MADE AVAILABLE ON AN "AS IS, WHERE IS" BASIS, WITH NO

EXPRESS OR IMPLIED WARRANTIES WHATSOEVER. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY DISCLAIMED.

**General**

- Any provision of this MOU which contemplates performance or observance subsequent to termination or expiration of this Master Agreement will survive and continue in full force and effect.
- Except with respect to indemnification, this MOU is entered into solely between, and may be enforced only by, PHI and NGO, and this MOU will not be deemed to create any rights in third parties, including PHI Housing residents and victims of trafficking, or to create any obligations of PHI or NGO to any such third parties.
- The Agreement and performance under it shall be governed by and construed in accordance with the substantive laws of the state of [Maryland] without regard to choice of law principles. In the event that any provision of this MOU conflicts with applicable law or if any such provision is held invalid by a competent authority, such provision will be deemed to be restated to reflect as nearly as possible the original intentions of the parties in accordance with applicable law. The remainder of this MOU will remain in full force and effect.

IN WITNESS WHEREOF, PHI and NGO have executed this MOU effective as of the \_\_\_\_ day of \_\_\_\_, 2004.

**PHI:**  
Project Hope International, Inc.

**NGO:**  
[Insert name of NGO]

By: \_\_\_\_\_

By: \_\_\_\_\_

Its Authorized Agent

Its Authorized Agent