

TENANT SELECTION PLAN

For

Group Homes

Referred to as “the Community”

***Includes: Pauley Glover Commons,
Sunshine House & Quest End***

TENANT SELECTION PLAN

The Community's Tenant Selection Plan was developed to be used in the selection of tenants and also to serve as a guide for the administration of waiting lists for this property. Selection criteria must not be confused with US Department of Housing & Urban Development (HUD) program requirements.

APPLICATION

Applicants will be given an application form to be completed in order for eligibility to be determined. Eligibility will always be determined according to HUD guidelines. In an effort to comply with Section 504 of the Rehabilitation Act of 1973 the community management will strive to grand reasonable accommodations to those persons with disabilities, including but not limited to, ease of access, oral interpreters and larger print documents (Additional accommodations under 504 Heading are contained further along in this document). In an effort to improve access to services for persons with Limited English proficiency, documents can be provided in several languages available through freetranslations.com and through HUD. In addition to providing applicants the opportunity to complete applications at the project site, applications may also be sent out and received by mail. Persons with disabilities who, as a result of their disabilities, cannot utilize the owner's preferred application process will be provided alternative methods of taking applications.

The Community noted above specifically serves households who meet the following requirements:

Pauley Glover Commons Apartments: Family Housing - for mobility impaired head of household and/or co-head and their family members

Sunshine House Residential housing: CMI Housing - For individuals that meet the requirements of a Chronically Mentally Ill household.

Quest End Residential housing: CMI Housing - For individuals that meet the requirements of a Chronically Mentally Ill household.

Must possess the legal capacity to enter into a lease agreement.

The unit for which the family is applying must be the family's only place of residence.

By law only US citizens or nationals, and non-citizens, who have eligible immigrations status, regardless of age, may benefit from Federal assistance. A mixed family –a family with one or more ineligible family members and one or more eligible family members- may receive prorated assistance. Continued assistance, or a temporary deferral of termination of assistance is based on specific factors relative to the dates of assistance

granted prior to June 19, 1995 and eligibility of continued assistance established prior to November 29, 1996. If after November 29, 1996 anyone is added to a family, the family is not eligible for continued assistance, but may receive prorated assistance. Families that are found to be ineligible for assistance or partial assistance as regards the requirements of 1, 2, or 3 below will be notified in writing.

1. All U.S. citizens or Nationals are required to complete and sign a declaration of citizenship and provide acceptable supporting documentation such as:
 - Birth Certificate
 - Naturalization certificate
 - Valid Passport

2. Non-citizens, under the age of 62, claiming eligible status are required to complete and sign:
 - A declaration of eligible immigration status
 - A consent form
 - Submit one of the DHS approved documents
 - Form I-551 permanent
 - Form I-94
 - Form I-688
 - Form I-688B
 - Form I-551
 - or other acceptable evidence as determined by the DHS as published in the Federal Register - Since this DHS list contains several specific annotations, please see last page attached

3. Non-citizens, 62 years or older, are required to complete and sign a declaration of eligible status and supply proof of age:
 - Birth Certificate
 - Baptismal Certificate
 - Census document showing age
 - Social Security Administration Benefits printout
 - Any DHS document that provides a full birth date/year - Since this DHS list contains several specific annotations, please see last page attached.

4. Applicants and tenants must disclose SSNs for all household members, except those who do not contend eligible immigration status, and tenants age 62 or older as of January 31, 2010, whose initial determination of eligibility was begun before January 31, 2010, and provide verification of the complete and accurate SSN assigned to them.

Applicants must submit this documentation of citizenship/immigration status no later than the date regarding verification of other eligibility factors. At least one family member must be eligible for assistance at the time of admission.

If the applicant cannot supply the required documentation within the specified time frame, the applicant may be granted up to an additional 30 days, based on the circumstances, if the applicant can certify that the documentation is temporarily unavailable and additional time is needed to collect and submit the required documentation. The applicant will be informed in writing whether an extension will be granted or denied. If an extension is granted, the letter will specify the new deadline for submitting documentation. If the request is denied, the letter will state the reasons for the denial. Regardless, all applicants will be treated consistently and in accordance with fair housing guidelines.

DISCLOSURE OF SOCIAL SECURITY NUMBERS

Disclosure for social security numbers, based upon 24 CFR 5.216 Disclosure and Verification of Social Security and Employer Identification Numbers, requires that all new applicants and participants must provide proof of a valid social security number. Applicants must comply before admission. Applicant may remain on the waiting list even if other household members have not submitted social security numbers. However, the otherwise eligible household may not be deemed eligible until all household members have submitted a valid social security number and acceptable verification that the social security number is correct. The applicant who has not disclosed and/or provided verification of SSNs for all non-exempt household members has 90 days from the date they are first offered an available unit to disclose and/or verify the SSNs. During this 90-day period, the applicant may, at its discretion, retain its place on the waiting list. After 90 days, if the applicant is unable to disclose and/or verify the SSNs of all non-exempt household members, the applicant should be determined ineligible and removed from the waiting list.

Accepted forms of DDN documentation

1. A valid social security card issued by the Social Security Administration
2. An original document issued by federal or state government agency with the SSN and name of the applicant or participant plus other identifying information
3. Such other evidence of the SSN that HUD may prescribe in administrative instructions such as in (Appendix 3)
 - Driver's license with SSN
 - Identification card issued by a Federal, State, or local agency
 - Earnings statement on payroll stubs
 - Bank statement
 - Form 1099
 - Benefit award letter
 - Retirement benefit letter
 - Life insurance policy
 - Court records
 - Medical provider card
 - ID card from Employer or trade union

Applicants and tenants must disclose SSNs for all household members, except

- Individuals who do not contend eligible immigration status,
- Current participants who are 62 years of age or older as of January 31, 2010 are exempt from the SSN disclosure requirement if they have had an initial determination of eligibility before the January 31, 2010 date in a qualified housing program.
- The household may be admitted if a new household member under the age of 6 was added at least 6 months prior to the move-in date. The household must provide documentation for the SSN within 90 days after the move-in date.

New households members 6 years and older and those younger than 6 who have been issued a SSN must also submit their SSN with documentation.

New household members under the age of 6 years who have a SSN are subject to the same disclosure as new household members at least 6 years old & must disclose the SSN upon the earlier of (1): the request of the processor or (2) the interim reexamination or recertification of family composition that includes that new member.

The entire household could lose its tenancy if one member fails to comply with the SSN disclosure requirements, subject to HUD exemptions provided by HUD regulations; and that the senior exemption applies for all future income examinations, including if the senior moves to a new HUD-assisted property.

All applicants must not exceed the very-low income limits for the property in which they are applying for residency. Also the amount the family is required to pay using the applicable HUD rent formula must be less than the gross rent for the unit or market rent, if applicable. Every person who desires will be allowed to complete an application.

At the time of submission of the application or initial interview, each applicant must:

1. Sign income and expense releases for all verification forms
2. Must sign forms 9887 and 9887-A
3. Complete an application
4. Provide proof of eligibility as described previously
5. Accept a copy of the HUD Facts sheet and the EIV and You brochure
6. Be informed of the penalties for providing false information on their application

Acceptable DHS Documents (HUD Occupancy Handbook, Figure 3:4)

1. Form I-551, *Permanent Resident Card*.
2. Form 1-94, Arrival-Departure Record annotated with one of the following:
 - “Admitted as a Refugee Pursuant to Section 207”;
 - “Section 208” or “Asylum”;
 - “Section 243(h)” or “Deportation stayed by Attorney General”;
 - “Paroled Pursuant to Section 212(d)(5) of the INA.”

3. Form I-94, Arrival-Departure Record (with no annotation) accompanied by one of the following:
 - A final court decision granting asylum (but only if no appeal is taken);
 - A letter from an DHS asylum officer granting asylum (if application was filed on or after October 1, 1990) or from an DHS district director granting asylum (application filed before October 1, 1990);
 - A court decision granting withholding of deportation; or
 - A letter from an asylum officer granting withholding of deportation (if application was filed on or after October 1, 1990)
 - A receipt issued by the DHS indicating that an application for the issuance of a replacement document in one of the above-listed categories has been made and that the applicant's entitlement to the document has been verified.
 - Other acceptable evidence. If other documents are determined by the DHS to constitute acceptable evidence of eligible immigration status, they will be announced by a notice published in the Federal Register.

STUDENT REQUIREMENTS

The Final Rule requires that if a student is enrolled at an institution of higher education, is under the age of 24, and is not a veteran of the US military, and unmarried and does not have a dependent child, and is not a person with disabilities, as such term is defined in section 3(b)(3)(E) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)(E)) and was not receiving assistance under such section 8 as of November 30, 2005, or the student's parents are, and individually or jointly, ineligible for assistance would not be eligible for section 8 assistance. Unless the student is determined independent from his or her parents, as discussed in this guidance, the eligibility of a student seeking Section 8 assistance will be based on both the student and the parents being determined income eligible for section 8 assistance.

This addition to the Tenant Selection Plan was effective January 30, 2006 for any *student seeking Section 8 assistance and any *student already receiving Section 8 assistance:

Requirements specific to *Full or Part-time Students (Enrolled in an institution of higher education) for any household members are as follows:

If the Student is:

1. Under age 24; and
2. Not a Veteran; and
3. Unmarried; and
4. Does not have dependent children; and
5. Is not a person with disabilities, as such term is defined in 3 (b)(3)(E) of the United States Housing Act of 1937 (42 U.S.C. 1437 a(b)(3)(E)) and was not receiving section 8 assistance as of November 30, 2015; and

6. Is not living with his or her parents who are receiving Section 8 assistance; and
7. Is not individually eligible to receive Section 8 assistance *or* has parents (the parents individually or jointly) who are not income eligible to receive Section 8 assistance.

Students with Disabilities receiving Section 8 assistance as of November 30, 2005, can continue to receive Section 8 assistance and are exempt for this Section 8 restriction.

Then the student must meet the following criteria; at time of application, move-in certification, annual recertification, initial certification (when an in-place tenant begins receiving Section 8) and at the time of an interim recertification if one of the family composition changes reported is that a household member is enrolled as a student, and do not qualify as noted above:

- Legal age to enter into a contract under state law
- **Unless** the Student has established separate household from a person's parents or legal guardian for at least **one year** prior to application for occupancy **or** can verify the student meets the U.S. Department of Education definition of an "independent student" (see below). **Then** the student must be eligible for Section 8 assistance and the student's parents, individually and jointly, must be eligible for Section 8 assistance under the LOW limit income guidelines.
- Provide evidence that they are no longer claimed as a dependent by person's parents or legal guardian pursuant to Internal Revenue Service regulations for the prior year income tax returns.
- Verification must be obtained to certify the amount of financial assistance that will be provided by parents, guardians or others signed by the individual(s) providing the support. This certification is required even if no assistance will be provided. The financial assistance provided by persons not living in the unit is part of annual income that must be certified to determine eligibility and at each consecutive certification to determine rent.
- Applicants who hold a non-citizen student visa are ineligible for assistance, as are non citizen family members living with a student.
- Any financial assistance a student receives (1) under the Higher Education Act of 1965, (2) from private sources, or (3) from an institution of higher education that is in excess of amounts received for tuition and other required fees and charges will be included in annual income, except if the student is over the age of 23 with dependent children or if the student is living with his or her parents who are receiving Section 8 assistance.

The U.S. Department of Education definition of an "independent student":

(One or more of the following criteria must be met)

- Be at least 24 years old by December 31 of the award year for which aid is sought;
- Be an orphan, in foster care, or a ward of the court or was an orphan, in foster care, or a ward of the court at any time when the individual was 13 years of age or older;

- Be a veteran of U.S. Armed Forces or is currently service on active duty in the Armed Forces for other than training purposes;
- Have a legal dependents other than a spouse (for example, dependent children or parents);
- Be a graduate or professional student;
- Be legally married;
- The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth (as such terms are defined in section 725 of the McKinney-Vento Homeless Assistance Act) (42 U.S.C. 11431 et seq.) or as unaccompanied, at risk of homelessness, and self supporting, by-
 - A local educational agency homeless liaison, designated pursuant to section 722 (g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act;
 - The director of a program funded under the Runaway and Homeless Youth Act or a designee of the director;
 - The director of a program funded under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (relating to emergency shelter grants) or a designee of the director; or
 - A financial aid administrator; or
 - The individual is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.

WAITING LIST ADMINISTRATION

If a proper size apartment is not available, applicants will be placed on the waiting list shortly after the initial time of application and screened as applicable. The applicant will receive a letter informing them that they have been either approved or denied based on applicable screening. If approved, they will then be notified when an appropriate unit is available. The waiting list will note the name of the applicant, date and time of application, address, phone number, household size, size of apartment necessary and any other pertinent information. The waiting list will be maintained in the first applied manner within the QHWRA income targeting guidelines as outlined below.

If an applicant is denied residency, they will be provided with a letter informing them of the decision to reject the application and the reason the application was denied. They will also be given their appeal rights as set forth by the US Department of Housing and Urban Development.

The waiting list for each available size unit will be closed when the number of applicants for any one-size unit reaches an average wait that is one year or more. When the waiting list is closed, potential applicants will be advised that the waiting list is closed and will not accept any additional applications. A notice that the waiting list is closed will be posted in the rental office. When the waiting list is re-opened a notice will also be posted in the

rental office. All advertising for applicants will follow the advertising and outreach activities as described in the Affirmative Fair Marketing Plan.

Eligibility is also determined by household composition for the size of apartment. Then waiting list will be maintained by the following occupancy standards:

Pauley Glover Commons-all apartments are accessible for the mobility impaired: Specifically designated units for handicapped-for those applicants or co-applicants who have a verified handicap requiring a wheelchair or a disability to the extent that necessitates the features provided in a handicapped unit.

One (1) Bedroom- For one person or a maximum of two persons. (1-2 persons)

Two (2) Bedrooms- For a Head and Co-Head and one or two other members of the household, or Head of Household and one, two or three other members. (2-4 persons)

Sunshine House Residential Housing-designed for CMI residents

0 Bedroom- 1 persons

Efficiency- For a maximum of one person

Questend Residential Housing-designed for CMI residents

0 Bedroom- 1 persons

Efficiency- For a maximum of one person

After evaluation of the completed application, applicants will be notified of their eligibility according to HUD guidelines. If applicants do not qualify, they will be notified of their ineligibility and the reason for it at this time. However, they will be advised that if their circumstances should change, they may reapply. We will also advise them that the income eligibility limits increase and if at some future time they appear to be eligible, they should reapply to be placed on our waiting list.

If the applicant turns down an occupancy opportunity, it will be offered to the next in line. When an applicant turns down an occupancy opportunity two consecutive times, they will be placed at the bottom of the list. In the event the applicant turns down occupancy a third time, applicant will be removed from the waiting list and can reapply when the waiting list is open.

Changes in family size and characteristics may result in the applicant's name being placed on the appropriate waiting list.

The waiting list will be updated at least twice annually. Those applicants failing to respond within the required time frame for indicating their continued interest will be removed from the waiting list. They may reapply at any time, but will not assume their old position on the waiting list. They will be treated as new applicants.

In order for applicants to be placed upon the waiting list, all documents must be completed in entirety. As completed applications are received, each will be time and date stamped, then placed on the waiting list. *See attachment A for a list of documents.*

Transfer of existing tenants to available units will be handled accordingly:

An existing tenant requesting a transfer to an available unit will be put on a waiting list and will only be transferred if his/her request is made in advance and is received prior to placing an individual's application on the current waiting list based upon the need of occupancy and only if the property is currently in compliance with the QHWRA income-targeting program.

Reasons accepted for transfers.

A desire or need for a bigger or smaller unit.

Removing Names from the Waiting List

Applicant names will be removed from the waiting list when any of these occur:

1. The applicant no longer meets the eligibility requirements for the property or program;
2. The applicant fails to respond within 14 days to a written notice for eligibility or vacancy;
3. Mail sent to the applicant's last known address is returned as undeliverable; or
4. The unit that is needed-using family size as the basis-changes, and no appropriate size unit exists in the property.

VIOLENCE AGAINST WOMEN ACT (VAWA)

The Community complies with implementation of the Violence Against Women and Justice Department Reauthorization Act of 2005 for the Multifamily Project-Based section 8 Housing Assistance Payments Program. VAWA provides legal protections to victims of domestic violence, dating violence or stalking. These protections prohibit the Community from not accepting into occupancy, evicting, or terminating assistance from individuals being assisted under a project-based Section 8 program if the asserted grounds for such action is an instance of domestic violence, dating violence or stalking. In addition, the Community will request a tenant or applicant to certify that he/she is a victim of domestic violence, dating violence or stalking and the the incidence(s) of threatened or actual abuse are bona fide in determining whether the protections afforded under the VAWA are applicable.

QHWRA INCOME TARGETING- POST 1981

This community's initial HAP contract was effective after October 1, 1981 and may only admit families up to the very low-income limit. Income Limit changes are checked on a regular basis and adapted as published.

Income targeting is applicable to this community for which project-based assistance is provided under Section 8/202 as follows:

- A. All section 8/202 properties must give priority, for occupancy, to the extremely low-income households. An extremely low-income household is defined as very low-income families whose income does not exceed the greater of the federal poverty guidelines as published by HHS or 30 percent of area median family income.
- B. We will place at least 50 percent of all applicants qualifying under the extremely low-income priority in occupancy, as an occupancy opportunity becomes available. The exception is for a resident qualifying for a transfer.
- C. The waiting list will reflect the income level for which the applicant qualifies. The income level will be based entirely on the information provided on their application. Third party verifications will not be obtained until the applicant interview or when the applicant is contacted about a possible occupancy assignment.
- D. An applicant will be chosen based on the first person on the list to qualify for the next available occupancy assignment.
 1. A household must meet the income requirement for the HAP Contract in which they would be assigned. All opportunities available for occupancy on or after October 1, 1981 (Post-'81 Universe) shall be rented to very low-income families, other than the 50% occupancy priority as established in B above for extremely-low income families.
 2. Occupancy of an extremely low-income applicant household must always follow an applicant household qualifying in any other income level.
 3. If the last applicant moved-in was very-low income limit, the next applicant placed in occupancy must be the first applicant on the list that has extremely low-income and qualifies. This would be regardless of the number of applicant households in any other income levels that may be at the top of the waiting list.
- E. The community will diligently market to extremely low-income households. A diligent marketing effort would require the community to advertise in the local paper and to send letters and/or call agencies and service organizations that would most likely come in contact with extremely low-income households.
- F. If there are no qualifying applicants within the extremely low-income limit on the waiting list and the community has diligently marketed to those households, the Property Manager will choose the next applicant on the waiting list. A diligent marketing effort must be at least thirty (30) days in duration and may commence on the day that intent to move has been given. All marketing efforts must be thoroughly documented.

APPLICANT SCREENING CRITERIA

The Community will obtain landlord references from current and/or former landlords for the past 3 years. Through our contract service provider a criminal background check will also be conducted on all household members 18 years of age and older & live-in attendants, if applicable. The criminal background check will follow the background reporting policy and within the guidelines set forth by HUD.

BACKGROUND REPORT

All individuals applying to HUD property will be required to sign a statement acknowledging that they have read and understood the Background Report Policy.

In response to this mandated rule, the Community will conduct criminal history checks on all applicants and live-in attendants (18 years of age and older) giving special attention to those applicants with:

1. A history felony convictions, during the past 5 years, for criminal activity or eviction involving drug related activity and crimes of physical violence to persons or property, or other criminal acts which adversely affect the health, safety, or welfare of other residents, including but not limited to:
 - a. Possession of drugs
 - b. distribution of illegal drugs
 - c. Rape
 - d. Child molestation
 - e. murder/attempted murder
2. A pattern of continuous or repeated convictions, during the past 5 years, for the same activity, including but not limited to:
 - a. Public intoxication
 - b. public indecency
 - c. disturbance

SEX OFFENDER REGISTRY AND CRIMINAL HISTORY CHECKS

Owner/Agent will screen applicants, live-in aids, persons to be added to household after initial occupancy, and household members for drug related or criminal activity, including a state lifetime registration as a sex offender. Additionally, criminal activity will be screened annually on all household members and live-in aids at time of recertification.

- A. Owner/Agent will utilize the Dru Sjodin National Sex Offender Database by the Justice Department which combines information from individual state sex offender registries.
- B. Owner/Agent will utilize the Indiana State Limited Criminal History Search as a means to search if applicant has any prior criminal history.

CATEGORIES OF REJECTION

Management reserves the right to disapprove or reject applicants for admission if it is determined that any members of the household falls within any of the following categories:

1. **History of Criminal Activity** – Includes cases in which there is verifiable evidence a member of the family who is expected to reside in the household was or is engaged in any criminal activity, which involves crimes of physical violence to persons or property or the nature of which would be detrimental to the safety or welfare of other tenants or their peaceful occupancy of the premises.
2. **Violent Behavior** – Includes cases in which there is verifiable evidence of acts of violence or of any other conduct which would constitute a danger or disruption to the peaceful occupancy of neighbors.
3. **Confirmed Drug or Alcohol Addiction or Abuse** – Any household containing a member(s) who was knowingly evicted in the last three years from federally assisted housing for drug-related criminal activity is prohibited from admission and will be rejected with the following two exceptions:
 - a. The evicted household member has successfully completed an approved, supervised, drug rehabilitation program and appropriate written proof is submitted or
 - b. The circumstances leading to the eviction no longer exist (e.g., the household member no longer resides with the applicant household).

A household in which any member is currently engaged in illegal use of drugs or for which the owner has reasonable cause to believe that a member's illegal use or pattern of illegal use of a drug may interfere with the health, safety, and right to peaceful enjoyment of the property by other residents is prohibited from admission and will be rejected;

If there is reasonable cause to believe that any household member's behavior, from abuse or pattern of abuse of alcohol, may interfere with the health, safety, and right to a peaceful enjoyment by other residents will be prohibited from admission and will be rejected. The screening standards will be based on behavior, not the condition of alcoholism or alcohol use.

Further, this includes evidence of confirmed drug addiction or alcohol abuse, such as a record of conviction for possession, trafficking or use of heroin or other narcotics or controlled substances, a record of conviction for activity relating to the misuse of alcohol, or written reports from a probation officer, a social agency, or the family itself to the effect that the individual is addicted to or is misusing drugs or alcohol. In cases where the individual is undergoing follow-up treatment by a professional agency after discharge from an institution, such person shall be considered eligible if such agency confirms in writing that such person is rehabilitated. **Consideration of rehabilitated person will be given to those individuals that can provide documented proof that they (a) have an addiction to a controlled substance, has a record of such impairment; (b) has recovered from such addiction as evidenced by completion of at least one year of an addiction program, and does not currently possess or use a controlled substance.

4. **Rape, Prostitution or Sexual Deviation** – Includes convictions for the offenses of rape, prostitution indecent exposure, sodomy, carnal abuse,

impairing the morals of a minor or similar crimes indicating sexual deviation. An applicant's admission is prohibited, without exception, for all individuals that are subject to or listed in the state lifetime sex offender registration program.

5. **Grossly Unsanitary or Hazardous Housekeeping** – Includes generally creating any health or safety hazard through acts or neglect and causing or permitting any damage to or misuse of premises and equipment, if the family is responsible for such hazard, damage or misuse causing or permitting infestation, foul odors or other problems injurious to other persons' health, welfare or enjoyment of the premises; depositing garbage improperly; failing to use in a reasonable and proper manner all utilities, facilities, services, appliances and equipment within the dwelling unit or failing to maintain them in good and clean condition, or any other conduct or neglect which could result in health or safety problems or in damage to the premises. In cases where a qualified agency reports that the family shows potential for improvement, a decision as to the eligibility shall be reached after referral to and recommendation by such agency. This category does not include families whose housekeeping is found to be superficially unclean or disorderly, where such conditions do not create a health and safety problem, do not result in damage to or deterioration of the premises and do not adversely affect the peaceful occupancy of neighbors.
6. **Records of Disturbance of Neighbors, Destruction of Property or Other Disruptive or Dangerous Behavior** – Includes behavior or conduct which adversely affects the safety or welfare of other persons by physical violence, gross negligence or irresponsibility; which damages the equipment or premises in which the family resides; or which is disturbing or dangerous to neighbors or disrupts sound family and community life.
7. **Non-compliance with Rental Agreements** – Includes evidence of any failure to comply with the terms of rental agreements on prior residences, such as providing shelter to unauthorized persons, keeping pets or other acts in violation of rules and regulations, and painting or decorating without permission of the owner.
8. **Applicants with a Debit Balance** – Applicants who owe any prior landlord a balance from present or prior occupancy will not be considered for admission until the account is paid in full and reasonable assurance is obtained from the applicant that the states reasons for nonpayment of rent has been sufficiently changed to enable the family to pay all related occupancy expenses. The spouse will not be required to pay the balance before admission if his/her spouse was the former lessee, provided there is legal documentation evidencing a divorce or separation. In any event, the former lessee with unpaid balance will not be added to the lease until all outstanding amounts have been paid in full.
9. **Tenancy or Credit Records** – A consistent, severe or recent history of deficiencies in overall credit in rent payments which indicated that the family would be unable or would otherwise fail to pay when due rent for the apartment and other expenses relating to occupancy of the apartment. The

absence of any history of timely payments of rent and other obligations does not constitute valid reason for rejection.

10. **Misrepresentation** – Willful or serious misrepresentation in the application procedure for the apartment or for any governmental assisted dwelling unit.
11. **Supervision of Children** – If any child under 13 years of age is to occupy the apartment, the applicant must demonstrate that proper supervision will be provided during the period of time in which the child is at home and the head(s) are absent from the apartment. **Persons with disabilities may meet the requirements of the lease with the assistance of others or with services provided by someone who does not live in the unit.**
12. **State and Federal Laws** – Failure to meet the eligibility requirements imposed by applicable State and Federal laws and any regulations or requirements promulgated thereunder.
13. Applicant fails to provide social security numbers for all household members.
14. The applicant is offered and rejects two (2) units in the property.

All disapproved or rejected applicants will be notified in writing. The notification will clearly state the reason(s) for the disapproval or rejection and advise them of their rights for reconsideration and appeal as required by HUD. If any applicant is not satisfied with our decision or disapproval, the applicant shall have the right to request an informal hearing with the Community's designated Hearing Officer, Mr. Jerry Landers, Vice-President Business Development, Aspire Indiana, Inc., Property Management Company. Such request must be made in writing within fourteen (14) days from the date of the notice mailing. The applicant shall be allowed a reasonable opportunity to explain why the application should have been approved. After the conference, the Hearing Officer shall notify the applicant, in writing **within 5 business days**, his decision as to whether applicant was approved or denied occupancy, along with explanation. The applicant shall not be entitled to any further review of the decision after the conference, except as provided in HUD regulations.

504 COMPLIANCE

In compliance with Section 504 of the Rehabilitation act of 1973, discrimination is prohibited based on disability in all programs and activities. It is therefore our obligation to make our programs accessible to persons with disabilities and this includes the following:

1. Reasonable structural modifications will be completed and paid for to units and/or common areas that are needed by applicants and tenants with disabilities, unless these modifications would change the fundamental nature of the project or result in undue financial and administrative burden.
2. Housing will not be segregated based upon disability or type of disability, unless it is authorized by federal statute or executive order.
3. Auxiliary aids and services for effective communication with persons with disabilities will be provided, as necessary.

4. A transition plan will ensure that structural changes are changes are properly implemented to meet program accessibility requirements and self-evaluation performed to ensure that no discrimination occurs based upon disability.
5. Any programs will be operated in the most integrated setting appropriate to the needs of qualified individuals with disabilities.

PREFERENCES

FOR ALL PROPERTIES WITH A HAP CONTRACT

Preference will be given to 50% of all vacant apartments that become available each fiscal year for applicants whose income fall below the 30% of the median income per the income limits set forth by the US Department of Housing and Urban Development. For further details refer to the section titles "QWHRA Income Targeting" located within this document.

Implementation of the Enterprise Income Verification System (EIV)

- HUD clarified that processing entities must use the EIV system in its entirety as a third party source to verify tenant's employment and income information during mandatory reexaminations or recertification of family composition and income. The EIV system is used to verify a tenant's employment and income and to assist in the reduction of administrative and subsidy errors.
- HUD clarified that processing entities must use the EIV system to reduce administrative and subsidy payment errors in accordance with HUD administrative guidance.
- As with any electronic database, there may be, at times, a certain amount of delay between actual changes in income and employment information and updates to the EIV data. HUD has no control over the time lag in this data, which is provided by other sources, the Department understand the concern.
- The Department has and will continue to issue guidance on how to use the data in EIV as third party verification despite the time lag.
- Therefore, we will determine annual income as noted above within the full use of the EIV system in cooperation with the citation and its title 24 CFR 5.609 Annual Income per the 4350.3 REV 1 Change 3, Chapter 5, Section 1: Determining Annual Income.
- With respect to initial admission, EIV cannot be used by processing entities to verify an applicant's income, since form HUD-50059 is not transmitted to HUD until after the family is admitted to the program. HUD will issue administrative guidance with respect to the timeframe for consulting the EIV system once the form HUD-50059 has been transmitted. We will follow administrative guidance as it directs our actions as processing entities. This will allow processing entities to promptly follow up with the family to discuss, in a timely manner, any EIV-noted disparities in reported family employment, income, identity, or receipt of duplicate rental assistance and make any necessary subsidy adjustments based on confirmed information that may not have been reported or may have been understated by the family. HUD

obtains income information for all newly admitted families within 60 days of receiving the form HUD-50059 from the processing entities. It appears our system received the back up from EIV approximately 90 days after move-in transmission.

- As a means of identifying those applicants who are currently being assisted at another Multifamily Housing or Public and Indian Housing (PIH) location, EIV reporting requirements include an Existing Tenant Search. This report will be utilized as a part of the screening criteria for new tenants/applicants.

Enterprise Income Verification (EIV) Information Policy and Procedure

- A. EIV is a third party income verification source that ensures the correct benefits (or wages) is linked with the appropriate individuals. Effective January 31, 2010, Office of Housing required properties that provide housing assistance have access to EIV to verify information submitted at time of (re)certification(s). The EIV system is used to verify a tenant's employment and income and to assist in the reduction of administrative and subsidy errors. Refer to 24 CFR 5.233 "Mandated Use of HUD's Enterprise Income Verification (EIV) System".
- B. Those individuals accessing EIV information must follow the policies and/or procedures below:
 - Use EIV information only in the performance of HUD business and do not disclose EIV information in any way that would violate the privacy of individuals.
 - EIV information can only be accessed and reviewed within hardcopy files and only within the Owner/Agent's office.
 - EIV information cannot be transmitted in any form, as well as disclosed to any individual not authorized by HUD.
 - EIV information may be used only for the purpose of an audit.
 - EIV information should only be retrieved, inspected, or used only within the scope of the department's official duties.
 - All employees accessing EIV information must sign the "Rules of Behavior for Use of Enterprise Income Verification (EIV) Information form. This form will be placed in the employee's supervisory file.
 - All employees must complete any trainings or certifications necessary in maintaining up-to-date education regarding EIV.
 - Protect any and all copies of information retrieved, as well as destroy information in accordance with any HUD established requirement to prevent the reproduction of contents.
 - EIV re-verification will be made quarterly for tenants claiming no sources of income.
 - All individuals receiving HUD housing assistance must complete the form HUD-9887, Notice and Consent for the Release of Information. This information will be kept on file prior to accessing or reviewing an individual's confidential EIV information.

- o Those tenants turning 18 and have not signed the form HUD-9887, must complete the HUD-9887 immediately prior to obtaining information via EIV.
 - o As soon as tenant turns 18 years of age, he/she will be contacted to complete the HUD-9887 within 30 days. In the case that the 30 days fall past the next recertification, 18 year old tenant will be contacted to complete the HUD-9887 within 7 days first contact was made.
 - o Each family head, spouse, or co-head, regardless of age must sign and date the HUD required consent forms (Form HUD-9887 and form HUD-9887A).
 - o Consent for the Release of Information will be must be signed prior to receiving assistance and annually thereafter.
 - o If the applicant or tenant, or any adult member of the applicant's or tenant's family, does not sign and submit the consent form as required in 24 CFR 5.230, applicant will be denied assistance and admission as well as owner will terminate assistance to the family.
- Applicants and residents will receive the brochure "EIV and You". Brochures will be provided to individuals selected from the waiting list as well as current residents at time of recertification. A signed copy of acknowledgment will be placed in the tenant file.
 - Report incidents or suspected incidents involving EIV information to the HUD National Help Desk at 1-888-297-8689.
- C. All Applicants MUST disclose if they are currently receiving HUD housing assistance. The owner/agent will not knowingly assist applicants who will maintain a residence in addition to the HUD-assisted unit. HUD provides the owner/agent with information about an applicant's current status as a HUD housing assistance recipient. The owner/agent will use the Enterprise Income Verification System (EIV) to determine if the applicant or any member of the applicant household is currently receiving HUD assistance.
- D. EIV reporting will be conducted on a monthly basis as well as the time of certification and recertification of tenants.
- How data will be used:
 - i. At time of admission:
 - 1. **Existing Tenant Search** will be used in EIV as part of the screening criteria for new tenants to determine if the applicant or any applicant household members are currently being assisted at another Multifamily Housing or Public and Indian Housing (PIH) location. Refer to HUD notice H 2010-10.
 - ii. At the time of certification or recertification:
 - 1. **Employment Income Verification** will be used in EIV as third party verification of employment.
 - 2. **Income Discrepancy Report** will be used to identify differences of \$2,400 or more annually in the wages,

unemployment compensation and/or social Security benefit income reported by NDNH and SSA and the wages, unemployment compensation and/or Social Security benefit income reported in TRACS (from the form HUD-50059 in effect at the time of the computer match) for the period of income (POI) used for the discrepancy analysis.

- Any income discrepancies discovered will be reviewed with management and compared with any additional information provided by 3rd party verification requests. Within 7 days of non resolution of discrepancy, tenant will be contacted to assist in clarifying such discrepancies.

iii. Monthly:

1. **New Hires Report** will be generated and compared to current residents to identify those who may be employed, but have not reported it to managing agent.
 2. **Deceased Tenants Report** will be generated and compared to the current resident roster to identify any residents who are listed as deceased.
 3. **Multiple Subsidy Report** will be generated and compared to the current resident roster to identify residents who may be receiving duplicate subsidies from another HUD subsidized property.
 4. **Failed EIV Prescreening Report** will be generated to identify any discrepancies reported at certification or recertification.
 5. **Failed Verification Report** will be generated to identify any discrepancies reported.
 6. **Income Reports**
 - **Income Discrepancy Report** will be used to identify tenants whose income may have been under- or over- reported. Discrepancies will be handled as stated in Enterprise Income Verification Policy and Procedure, Section D, ii-2.
 - **No Income Reported by HHS & SSA** will be used to identify income information only provided by these agencies.
 - **No Income Reported on 50059** will be used to easily identify those residents who have reported zero income on the most recent 50059. As indicated in our EIV Policy & Procedures, quarterly review for tenants claiming no sources of income.
- EIV reports will be retained as follows:
 1. The Income Report, the Summary Reports(s) showing Identity Verification Status as “Verified” and the Income

- Discrepancy report(s) and supporting documentation must be retained in the tenant file for the term of tenancy plus three years.
2. Any tenant provided documentation, or other third party verification of income, received to supplement the SSA or NDNH data must be retained in the tenant file for the term of tenancy plus three years.
 3. Result of the Existing Tenant Search must be retained with the application:
 - If applicant is not admitted; the application and search results must be retained for three years.
 - If applicant is admitted, the application and search results must be retained in the tenant file for the term of tenancy plus three years.
 4. The master files for the New Hires Report, Identity Verification Reports, Multiple Subsidy Report and Deceased Tenants Reports must be retained for three years.
 5. Owner/Agent will retain the social security benefit reports and the new hires (W-4), wage and unemployment income reports obtained from EIV that are used as third party verification for the term of tenancy plus three years after tenancy is terminated.
- How information will be stored:
 - i. Tenant file-Employment Income Verifications will be located in each tenant file, locked in a file cabinet behind locked office doors.
 - ii. Reports within the EIV Master File-Quarterly reports as indicated above in D.ii. will be compiled quarterly in a locked file cabinet, behind locked office doors.

VACANCIES AND UNIT TRANSFERS

Described below are the steps to be taken if a current resident household has been approved for transfer due to one or more of the following reasons:

1. Changes in household size or composition (Pauley Glover Commons)
2. Medical needs certified by a doctor (Pauley Glover Commons, Sunshine House & Quest End)
3. As determined by appropriate Professional Trained site staff (Sunshine House & Quest End)

A waiting list for internal transfers for Sunshine House & Quest End will be maintained by a request for a transfer with medical needs as determined by appropriate Professional Trained site staff.

A waiting list for Pauley Glover Commons transfer will be maintained by first request for a transfer with medical needs and given priority over changes in household composition or size.

- A. A resident household's name and pertinent information will be placed on the waiting list and given priority for any vacancies that meet their needs, over other waiting list applicants. Since this community is fully accessible no exception for accessibility exists.
- B. When a unit becomes vacant, the first household who has requested a transfer, that has been approved, will be given priority to relocate to the vacant unit. If the first household chooses not to relocate at this time, each subsequent household requesting a transfer will be contacted to determine if they wish to accept the current vacancy based on their transfer needs. If no transfer households are willing to relocate at this time, then priority is given to applicants on the waiting list in the order their applications were received. Since this community is fully accessible, no exception for accessibility exists.
- C. If a resident household is transferred, as a reasonable accommodation to a household members' disability then the owner will pay the cost associated with the transfer so long as the cost does not inflict an undue financial and administrative burden upon the community.

FINAL TENANT SELECTION

Final selection of an applicant for an apartment will only occur after the full written verification of assets, incomes, and expenses, if applicable, are received in order to assure eligibility according to HUD regulations. Additionally, applicants will be verified through the EIV system, "Existing Tenant Search" as to whether or not they or any member of the household are currently receiving HUD subsidy.

The community will not discriminate against applicants based on race, color, age, marital or familial status, religion, sex, national origin, sexual orientation, gender identity, handicap or socioeconomic class and will comply with all Federal, State and Local Fair Housing and Civil Rights laws and with all equal opportunity requirements set forth in HUD's administrative procedures. Furthermore, all requirements of the following will be adhered to: Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Fair Housing Act, Age Discrimination Act of 1975, Affirmative Fair Marketing Regulations, Title VI, Subtitle D of Housing and Community Development Act of 1992, Uniformed Federal Accessibility Standards (UFAS) effective July 11, 1988 and the Final Guidance to Federal financial Assistance Recipients regarding Title VI prohibition against National Origin Discrimination affecting Limited English Proficient Persons Executive Order 13166 published in the Federal Register on 1-22-07.

NEW PAYMENT AGREEMENTS

The new repayment agreements will include:

1. The total retroactive rent amount owed, the amount of the lump sum paid at time of execution of the agreement, if applicable, and the monthly payment amount.
2. Reference the paragraphs in the lease whereby the tenant is in non-compliance and may be subject to termination of their lease.
3. A clause whereby the terms of the agreement will be renegotiated if there is a decrease or increase in the family's income of \$200 or more per month.
4. A statement that the monthly retroactive rent repayment amount is in addition to the family's monthly rent payment and is payable to the Owner/Agent.
5. Late and missed payments constitute default of the repayment agreement and may result in termination of assistance and/or tenancy.
6. Signatures and dated by the tenant and the Owner/Agent.

SUMMARY









The goal of our Tenant Selection Policy is to establish a guideline for the selection for tenants in accordance with HUD regulations, which will enhance the quality of life for our residents and improve the financial viability of the property.

ATTACHMENT A

DOCUMENTS USED IN PROCESSING APPLICANTS

- Personal Declaration Application Questionnaire
- Declaration Format (Exhibit 3-5, HUD Handbook 4350.3REV-1)
- Background Record & Sex Offender Registry Policy
- Physician's Certification of Need
- Verification of Disability
- Race and Ethnic Data Reporting Form (form HUD-27061-H)
- Residents Rights & Responsibilities
 - **available in English & several other languages**
 - **maybe obtained at**
<http://www.hud.gov/offices/fheo/lep.xml>
- Fact Sheet for HUD ASSISTED RESIDENTS
- What you should know about EIV
- Release of Information (form HUD-9887 & 9887-A)
- Verification of Medical Expenses

Acceptable DHS Documents (HUD Occupancy Handbook, Figure 3:4)

- Form I-551, **Permanent Resident Card**.
- Form I-94, *Arrival-Departure Record* annotated with one of the following:
 -  "Admitted as a Refugee Pursuant to Section 207";
 -  "Section 208" or "Asylum";
 -  "Section 243(h)" or "Deportation stayed by Attorney General";
 - or
 -  "Paroled Pursuant to Section 212(d)(5) of the INA."
- Form I-94, *Arrival-Departure Record* (with no annotation) accompanied by one of the following:
 -  A final court decision granting asylum (but only if no appeal is taken);
 -  A letter from an DHS asylum officer granting asylum (if application was
 - filed on or after October 1, 1990) or from an DHS district director
 - granting asylum (application filed was before October 1, 1990);
 -  A court decision granting withholding of deportation; or
 -  A letter from an asylum officer granting withholding of deportation (if application was filed on or after October 1, 1990).
 - A receipt issued by the DHS indicating that an application for issuance of a replacement document in one of the above-listed categories has been made and that the applicant's entitlement to the document has been verified.
 - Other acceptable evidence. If other documents are determined by the DHS to constitute acceptable evidence of eligible

immigration status, they will be announced by notice published in the *Federal Register*.