



# Section 811 PRAC Tenant Selection Plan (TSP)

## Sinnissippi Residential Program

**SPF-IROCH**  
555 Fairview Drive  
Rochelle IL 61068-2310

**SPF-II-MC**  
1126 Healthcare Drive  
Mt. Carroll, IL 61053-1469

**SPF-III-DIX**  
322 Depot Avenue  
Dixon, IL 61021-2850

**SPF-STER-IV**  
2104 East 23<sup>rd</sup> Street  
Sterling, IL 61081-1608

Sinnissippi Residential Program is a Section 811 PRAC property, that is administered by the U. S. Department of HUD, and is designated to attract applicants for occupancy from all potentially eligible groups of people in the housing area regardless of race, color, religion, sex, national origin, disability, and familial status. The properties have one bedroom units available for rent to persons with disabilities.

### Management Agent

This property is managed by Alliance, Inc., 325 IL Route 2, Dixon. For any questions, please contact Teresa Good at 15-284-6611.

### Purpose of Plan

The purpose of this Resident Selection Plan is to establish guidelines for the selection of residents from a pool of applicants in accordance with HUD regulations and state/federal civil rights and fair housing legislation, and to preclude admission of applicants whose habits and practices would have a detrimental effect on other residents, the property, or the neighborhood environment.

### Availability of Plan

This Resident Selection Plan is available to the public upon request. It may be reviewed in the site rental office at the address listed above during normal office hours.

### Modification of Plan

Management will review this Resident Selection Plan **at least once annually** to ensure that it reflects current operating practices, program priorities, and HUD requirements. If the property and/or HUD's Contract Administrator feel the plan needs to be modified in any way, a notice of such modification will be provided by mail to applicants on the waiting list.

# Section 811 PRAC Table of Contents

## **I. Fair Housing and Equal Opportunity Requirements – Page 6**

- Non-Discrimination
  - Equal Access to Housing Regardless of Sexual Orientation, Gender Identity or Marital Status
- Section 504 of the Rehabilitation Act of 1973
  - Reasonable Accommodations
  - Information Regarding Handicaps
  - Neutral Policies
  - Auxiliary Aids to Ensure Effective Communication
  - Assistance Animals
  - Accessible Route
  - Reasonable Modifications
  - Mitigating Circumstances and Equal Access
- Civil Rights Related Program Requirements
  - Limited English Proficiency (LEP)

## **II. Privacy Policy – Page 9**

- Federal Privacy Act of 1974
  - Consent to Disclose an Individual’s Information to Another Person or Entity
  - Disclosure to Persons Assisting Residents with the Recertification Process
- Records Obtained through HUD’s EIV System
  - Public Notice
  - Protecting the Confidentiality of EIV Information
  - Determining Eligibility for Assistance
- Information on Handicaps/Disabilities
- Investigations into Fraud/Criminal Activities

## **III. Qualifying for Admission under HUD’s Program Eligibility Requirements – Page 10**

- Income Limit Requirements
  - Counting Family Members for Income Limits
  - Admitting Over-Income Applicants
- Social Security Number Requirements
  - Exceptions to Disclosure of Verification of SSNs
  - Required Documentation
  - Assistance Applicants
  - Existing Residents
- Authorization for Release of Information Requirements
- Only Residence Requirements
- Rent Formula Requirements
  - PRAC Rent Formula
- Noncitizen Rule Requirements
- Verification Requirements
  - Individual Verification Forms
  - Preferred Forms of Verification
- Additional Program Requirements
  - Eligibility Requirements for PRAC Residents under the Student Rule

## **IV. Qualifying for Admission under HUD’s 811 PRAC Project Eligibility Requirements – Page 13**

- Section 811 PRAC Project Eligibility Requirements
- Overall Category of Disability Served at this 811 PRAC Property
- Definitions of Persons with Disabilities for the 811 PRAC Program
  - Defining Disabled Household for Section 811 PRAC
  - Defining Person with a Disability for Section 811 PRAC
- Leasing Units to Non-Eligible Families
  - Serving a Different Disabled Population than Originally Funded to Serve
- Eligibility of Remaining Members of a Resident Family
  - Qualifying Member Leaving the Unit Due to Death
  - Qualifying Member Leaving the Unit for any Reason other than Death

## **V. Qualifying for Admission under Owner/Agent's Occupancy Standards – Page 15**

- Unit Size Occupancy Standards
  - Two Persons per Bedroom
  - Prohibition against Denying Families with Children
  - Counting Family Members for Unit Size
- Standards for Unit Assignment
  - Assigning a Smaller Unit than Required
  - Assigning Units Larger than Required
  - Change in Family Size after Initial Occupancy
  - Change in Need for Accessible Features
- Policy for Unit Transfers
  - Requests from Residents
  - Requirement by Owner
  - Acceptable Reasons for Transfers
  - Placement on Transfer Waiting List
  - Procedures for Filling Vacancies
  - Priority for Filling Vacancies
- Assigning Units for Persons with Physical Disabilities
  - Assigning Accessible Units
  - Reasonable Accommodations

## **VI. Marketing – Page 18**

- Fair Housing Requirements
  - Filling Available Units
  - Race and Ethnic Data Reporting
- Affirmative Fair Housing Marketing Plan (AFHMP)
  - Monitoring and Documenting Marketing Activities
  - Five-Year Review of Plan
- Advertising
  - Population to be Targeted
  - Form of Advertisement
  - Source of Advertising
  - Fair Housing Poster

## **VII. Application Intake and Processing – Page 19**

- Application Intake
  - Communications with Applicants
  - Race/Ethnicity Data Collection
- Written and Signed Applications
  - Supplement and Optional Contact Information
  - Offering Assistance to Applicants
- Determining an Applicant's Eligibility
  - Placement on a Waiting List
  - Placement on More than One List
- Applicant Interview/Briefing
  - Ineligible Applicants

## **VIII. Waiting List Management – Page 21**

- Accommodating Persons with Disabilities
- Selecting Names from the Waiting List
  - Skipping Over an Applicant on the Waiting List
  - Applicant's Refusal to Accept a Unit
- Maintaining the Waiting List
  - Policy for Closing the List
  - Reopening the List
- Updating the Waiting List
  - Removal of Applications from the Waiting List

## **IX. Screening for Suitability to Determine Eligibility – Page 23**

- Applicant Screening Policy
  - Prohibited Screening
- Procedures to Determine an Applicant's History
  - Screening for Credit History
  - Screening for Rental History
  - Record of Eviction
  - Record of Disturbance
  - Screening for Housekeeping Habits
  - Screening for Marijuana Use
  - Screening for Drug Abuse and Other Criminal Activity
  - Screening for Sex Offender Status
  - Misrepresentation of Information
  - Screening of Live-In Aides or New Adult Additions to the Household
- Policy for Applying VAWA Protections (including VAWA 2013)
  - Defining Affiliated Individual
  - Option to Bifurcate Lease
  - Applicable HUD VAWA Forms

## **X. Verification Requirements and EIV – Page 26**

- Verification of Eligibility Factors
  - Verification of Family Composition
  - Verification of Disability
  - Verification of Income Eligibility
  - Verification of Social Security Numbers
  - Verifying Eligibility of a Student for Assistance
- Verification of Income through the EIV System
  - Use of EIV Data and Reports
- Required Verification and Consent Forms
  - Required Consent Forms
  - Owner-Created Verification Forms
  - Acceptable Verification Methods
  - Resolving Discrepancies

## **XI. Making an Occupancy Determination/Rejection or Admission – Page 29**

- Rejection of Ineligible Applicants
  - Certain Prohibitions for Rejecting Applicants
  - Allowable Reasons for Rejection
  - Appeal Process
- Acceptance of Eligible Applicants
  - Offering a Unit
  - Briefing the Applicant before Move-In
  - Preparing to Move In
  - Annual Unit Inspections
  - House Rules
  - Pet Rules

## **XII. Resident Responsibilities at Move-In and Thereafter – Page 32**

- The Leasing Process
  - Lease Requirements
  - Amending the Lease for Rent Changes
  - Modifying the Lease
  - Collection of Rent
  - Collection of Security Deposit
  - Collection of a Pet Deposit
  - Charges in Addition to Rent
- Annual Recertification Requirements
  - Use of the EIV System at Recertification
  - Annual Criminal Background Checks
  - Notification System

- Interim Recertification and Reporting Requirements
  - Owner Responsibilities
  - Resident Responsibilities
  - Change in Family Composition after Initial Occupancy in Section 811 PRAC
  - Miscellaneous Reporting Requirements

### **XIII. Termination – Page 36**

- Termination of Assistance
- Termination of Tenancy by Owner
  - Material Noncompliance with the Lease
  - Failure to Disclose and Provide Verification of SSNs
  - Drug Abuse and Other Criminal Activity
  - Lifetime Sex Offender
  - Breaking State or Local Laws and Other Good Cause
  - Manner of Service
- Termination of Tenancy by Resident

# I. Fair Housing and Equal Opportunity Requirements

## Non-Discrimination

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

The property will not discriminate on the basis of race, color, sex, religion, age, handicap, disability, or national origin in the leasing, rental, or use or occupancy thereof. In addition, the property will not:

- Deny to any applicant the opportunity to apply for housing, nor deny to any eligible applicant the opportunity to lease housing suitable to its needs;
- Provide housing which is different from that provided others;
- Subject a person to segregation or disparate treatment;
- Restrict a person's access to any benefit enjoyed by others in connection with the housing program;
- Treat a person differently in determining eligibility or other requirements for admission;
- Deny a person access to the same level of services; or
- Deny a person the opportunity to participate in a planning or advisory group that is an integral part of the program.

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

## Equal Access to Housing Regardless of Sexual Orientation, Gender Identity or Marital Status (Equal Access Rule)

On February 3, 2012, HUD published a final rule entitled Equal Access to Housing in HUD Programs regardless of Sexual Orientation or Gender Identity, which ensures that properties across HUD programs are open to all eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status. The rule includes the following provisions, which will be upheld by the property at all times:

- A determination of eligibility for this property will be made in accordance with the eligibility requirements provided by HUD, and will be made available without regard to actual or perceived sexual orientation, gender identity, or marital status.
- This property will not inquire about the sexual orientation or gender identity of an applicant or tenant for purposes of determining eligibility or otherwise making housing available. However, it is possible that the property may need to make inquiries into sex for temporary, emergency shelter with shared sleeping areas or bathrooms, or to determine the number of bedrooms to which a household may be entitled.

### Definitions for the Equal Access Rule

The property will use the following definitions that are applicable to the Equal Access Rule:

- The term *family* includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:
  - A single person, who may be an elderly person, displaced person, disabled person, near-elderly person or any other single person; or
  - A group of persons residing together and such group includes, but is not limited to a family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family); (ii) an elderly family; (iii) a near-elderly family; (iv) a disabled family; (v) a displaced family; and (vi) the remaining member of a tenant family.
- The term *gender identity* means actual or perceived gender-related characteristics.

## Section 504 of the Rehabilitation Act of 1973

It is the policy of this property to assure that qualified individuals with handicaps or disabilities are not discriminated against on the basis of their handicap or disability. The property also assures that these individuals will have equal opportunity to receive and enjoy the benefits of living at the property.

### Reasonable Accommodations

The property will seek to identify and eliminate situations or procedures that create a barrier to equal housing opportunity for all. In accordance with Section 504 of the Rehab Act of 1973, the property will make reasonable accommodation for individuals with handicaps or disabilities (applicants or residents). Such accommodations may include changes in the method of administering policies, procedures, or services at this property where such modifications would be necessary to afford full access to the housing program for qualified individuals with handicaps.

In reaching a reasonable accommodation with, or performing structural modifications for otherwise qualified individuals with disabilities, the property is not required to:

- Make structural alterations that require the removal or altering of a load-bearing structural member;
- Provide support services that are not already part of its housing programs;
- Take any action that would result in a fundamental alteration in the nature of the program or service;
- Take any action that would result in an undue financial and administrative burden on the property, including structural impracticality as defined in the Uniform Federal Accessibility Standards (UFAS).

## **Information Regarding Handicaps**

The property ensures that any questions related to handicapped information on the application have to do with program eligibility and allowable medical or handicapped deductions for housing applicants who wish to take advantage of those deductions. It is not required that any information regarding a possible handicap be revealed other than for program eligibility requirements.

## **Neutral Policies**

The property will make reasonable adjustments to rules, policies, practices, and procedures in order to enable an applicant or resident with a disability to have an equal opportunity to use and enjoy the unit and the common areas of a dwelling, or to participate in or have access to other activities conducted or sponsored by management.

## **Auxiliary Aids to Ensure Effective Communication**

The property will seek to effectively communicate with applicants, residents, and members of the public who are individuals with handicaps or disabilities. The use of auxiliary aides will be implemented when necessary. The property requests 7 days' notice in order to make any service, meeting, interview, appointment, or any business accessible. Requests for auxiliary aids may include visual alarms, tactile signs, visual doorbells, readers, interpreters, large print or Braille applications, leases, and other information/communications, recordings of such information, and a community room television that provides closed-captioning service.

## **Assistance Animals**

The property will allow assistive animals which are defined as animals that are used to assist, support, or provide service to persons with disabilities. Assistance animals – often referred to as service animals, assistive animals, support animals, or therapy animals – perform many disability-related functions including but not limited to guiding individuals who are blind or have low vision, alerting individuals who are deaf or hard of hearing to sounds, providing minimal protection, or rescue assistance, pulling a wheelchair, fetching items, or alerting persons to impending seizures to persons with disabilities who have a disability-related need for such support.

## **Household Pets**

The property does not allow household pets.

## **Accessible Route**

For mobility-impaired persons, this property is an accessible facility on an accessible route. Documents that the resident would like to review may be examined during regular business hours. Please contact the management office to make arrangements to examine any documents.

## **Reasonable Modifications**

The property will permit residents with handicaps or disabilities to make reasonable modifications to their individual units or common areas at the resident's own expense. When the resident vacates the unit, s/he must agree to restore the premises to the condition that existed before the modification, if requested by the property. The property will not require this restoration if the modification benefits the property or is needed by another resident. To ensure that funds will be available to pay for restorations at the end of the tenancy, management will negotiate as part of the restoration an agreement requiring that the resident pay into an interest bearing escrow account, a reasonable amount of money, not to exceed the cost of the restorations. Management will require that the work be done utilizing licensed contractors, and that any required building permits will be obtained.

## **Mitigating Circumstances and Equal Access**

Section 504 and Fair Housing regulations state that consideration for mitigating circumstances shall be given to all persons applying for occupancy. If an applicant feels there is a mitigating circumstance or reasonable accommodation to be considered for determining occupancy, they should contact the property immediately to schedule a meeting. Management will provide assistance to insure equal access to a resident's documents. An individual with disabilities is responsible for providing her/his own transportation to and from the location where all documents are kept.

# **Civil Rights Related Program Requirements**

## **Limited English Proficiency (LEP)**

Executive Order 13166 requires Federal agencies and grantees to take affirmative steps to communicate with persons who need services or information in a language other than English. Management has taken steps to ensure meaningful access to the information and services that we provide for persons with limited English proficiency, by providing interpreter services and/or written materials translated into other languages. HUD's required leases, recertification notices, and the Consent for Release of Information Packet (9887 and 9887-A) are all available upon request in Amharic, Korean, Arabic, Portuguese, Armenian, Russian, Chinese, Spanish, Farsi, Tagalog, French, Vietnamese, and Khmer (Cambodian).



# II. Privacy Policy

## Federal Privacy Act of 1974/ACT 5 U.S.C 552a

Management, in compliance with the Privacy Act, is fulfilling its fiduciary responsibility by giving notice of the authority to obtain income information on all individuals applying to or currently living in HUD-assisted housing, to determine eligibility and the amount of rent a resident will pay. This is achieved through HUD forms 9887 and 9887-A, *Applicant's/Tenant's Consent to the Release of Information*. Each applicant/resident gives their consent to the release of information by signing these forms, and the individual verification forms that apply to them. It is a requirement to sign these forms at the time of move-in, and annual/initial certifications. The effect on an individual for not signing the forms will be denial or termination of assistance.

### Consent to Disclose an Individual's Information to Another Person or Entity

The Privacy Act prohibits the disclosure of an individual's information to another person without the written consent of such individual. The EIV data of a household member will not be shared with another household member or to a person assisting the resident, unless the individual has provided written consent to disclose such information. However, management is not prohibited from discussing with the head of household how the income and rent were determined.

### Disclosure to Persons Assisting Residents with the Recertification Process

With the written consent of the resident, EIV data may be shared with persons assisting in the recertification process, including review and explanation of third party income verifications. Disclosure of EIV to these parties must pertain only to the resident who has provided his/her consent. Parties to whom the resident can provide written consent include guardians, translators, interpreters, individuals assisting an elderly individual or a person with a disability, powers of attorney, and other family members. Disclosure of EIV information to Service Coordinators, along with a release of information consent form to access their file, will be allowed only if the resident is present during the review of the file.

## Records Obtained through HUD's EIV System

### Public Notice

According to the EIV System of Records Notice published in the Federal Register on 8-8-06, management hereby gives public notice to all applicant/residents of its participation in HUD's Enterprise Income Verification system of records which houses any and all confidential information on all individuals living at this property.

### Protecting the Confidentiality of EIV Information

Income reports in HUD's EIV system contain sensitive data including SSNs, birth dates, names, and physical addresses of resident families, and will not be shared by management with anyone not authorized to have it. The reports will be utilized by management at times of recertification to determine if the resident has begun to receive any new income since the last certification. To minimize the risk of exposing a resident's SSN, management will not include the full nine-digit SSN of any individual in emails or other electronic communications, including faxes.

### Determining Eligibility for Assistance

This privacy policy in no way limits the property's ability to collect such information as it may need to determine eligibility and income, compute rent, or determine an applicant's suitability for tenancy.

## Information on Handicaps/Disabilities

Consistent with the intent of Section 504 of the Rehabilitation Act of 1973, any information obtained on an applicant's/resident's handicap or disability will be treated in a confidential manner.

## Investigations into Fraud/Criminal Activities

This privacy policy is not intended to preclude the cooperation of management/agent with local, state, or Federal investigations into fraud or criminal activity. With proper identification, the property is permitted to advise the investigating officer whether or not an individual is a resident, how long an individual has been a resident, and any other appropriate answers to questions related to the investigation. The property will not make files, forms, or documents available to the investigating officer unless a court order for such action is provided.

# III. Qualifying for Admission under HUD's 811 PRAC Program Eligibility Requirements

Program Eligibility determines whether applicants are eligible for federal rental assistance. This Section 811 PRAC property will not admit ineligible applicants. In order to be eligible a family must meet all of the following requirements.

## Income Limit Requirements

HUD establishes income limits and revises them annually to ensure that federal rental assistance is provided only to eligible families. The Income limits for this Section 811 PRAC property are restricted by HUD not to be greater than the Very Low Income Limit. The limits are based on family size and the annual income the family receives. Applicants must have an income that is not greater than this maximum income limit established by HUD. Once an applicant is approved under the income limit rule and moves into the property, this income eligibility test will not be done again unless the resident has gone to market rent and wants once again to be eligible for subsidy. It is important to note that a household does not need to have income to be eligible for the Section 811 PRAC program.

### Admitting Over-Income Applicants

If the owner is temporarily unable to lease all units to income eligible families, s/he will request for approval of HUD to admit applicants with incomes that exceed the applicable program income limits. The information will be submitted to the HUD Field Office using Situation #6 of Exhibit 3-1 of HUD Handbook 4350.3 REV-1. The Field Office will forward the waiver request with a recommendation to HUD Headquarters for the final decision on the approval.

## Social Security Number Requirements

Applicants will be required to disclose and provide verification of the complete and accurate SSN assigned to them except for those individuals who do not contend eligible immigration status, or for residents who were age 62 or older as of 1-31-10, and whose initial determination of eligibility was begun before 1-31-10.

### Exceptions to Disclosure of Verification of SSNs

The SSN requirements do not apply to the following individuals:

- **Individuals who do not Contend Eligible Immigration Status.**  
In this PRAC property the restriction on assistance to noncitizens does not apply, and individuals are not required to declare their citizenship or immigration status on a Citizenship Declaration form. Such individual will not be subject to the requirement to disclose and provide verification of a SSN. However, a resident who is not a citizen and who does not contend eligible immigration status must sign a self-certification, containing the penalty of perjury clause, certifying to that effect. The certification will support the individual not being subject to the requirements to disclose or provide verification of a SSN. The certification will be retained in the resident file.
- **Individuals Age 62 or Older as of January 31, 2010**  
If an individual is 62 or older as of 1-31-10, and their initial determination of eligibility was begun before 1-31-10, they are exempt from the requirement to disclose and provide verification of a SSN. The exception status for these individuals is retained if the individual moves to a new assisted unit under any HUD assisted program or if there is a break in his or her participation in a HUD assisted program. Documentation will be obtained from the O/A where the initial determination of eligibility was determined prior to 1-31-10, which verifies the applicant's exemption status, and will be retained in the resident file.

### Required Documentation

Each non-exempt assistance applicant and their household members must submit to management the complete and accurate SSN assigned to them, and documentation of the numbers submitted. Allowable documentation is:

- A valid SSN card issued by the Social Security Administration (SSA);
- An original document issued by a federal or state government agency, which contains the name and SSN of the individual, along with other identifying information; or
- Such other HUD-allowable evidence of the SSN as indicated in Appendix 3 of HUD Handbook 4350.3 REV-1.

## Existing Residents

SSNs must be disclosed and verification provided for any household member who has not previously disclosed a SSN as of 1-31-10, at the time of the next IR or AR, except for those individuals who do not contend eligible immigration status, or residents who were age 62 or older as of 1-31-10, and whose initial determination of eligibility was begun before 1-31-10. The head of household will be notified when the EIV system identifies that a household member has provided an invalid SSN, so that the discrepancy can be resolved and the correct SSN disclosed and verified. If a resident or any member of a resident's household is assigned a new SSN, the SSN must be disclosed and verification provided to management at the time of receipt of the new SSN, or at the next IR or AR.

## Authorization for Release of Information Requirements

Applicants and residents must sign the two HUD-required authorization consent forms HUD-9887 and HUD-9887-A. Applicant must sign form HUD-9887 at move-in, initial and at each annual recertification. Refusing to sign these forms will cause the applicant to be ineligible for assistance. Once the applicant has become a resident and is asked to sign these forms at future certifications of income at this PRAC property, the refusal to sign is cause for eviction. Applicant regardless of whether they report income must sign the following forms:

- Form HUD-9887, *Notice and Consent for the Release of Information to HUD and to a PHA*
- Form HUD-9887-A, *Applicant's/Tenant's Consent to the Release of Information – Verification by Owners of Information Supplied by Individuals Who Apply for Housing Assistance*

## Only Residence Requirements

Applicants must agree that their rental unit will be their only residence. When applicants are being interviewed, they are required to reveal all assets they own including real estate. They are allowed to own real estate, whether they are retaining it for investment purposes as with any other asset, or have the property listed for sale. However, they may never use this real estate as a residence while they live in HUD-assisted housing.

## Rent Formula Requirements

Applicants must agree to pay the rent required by the subsidy formula used at the property. At a PRAC property the Contract Rent represents the amount of rent an owner is entitled to collect to operate and maintain the property. When utilities are added to the Contract Rent, this amount is called the Gross Rent, which at a PRAC property is also called the Operating Rent. The PRAC Rent Formula listed below includes a Total Tenant Payment (TTP), which is the amount the resident is expected to contribute for rent and utilities, and is based on the family's income.

### PRAC Rent Formula

Total Tenant Payment is the greater of 30% of monthly-adjusted income, 10% of monthly gross income, or Welfare Rent. Also to be noted is that a resident at this PRAC property may have a TTP that exceeds the Operating Rent.

## Noncitizen Rule Requirements

HUD's requirements for the Noncitizen Rule do not apply to residents living in this Section 811 PRAC property. However, under the EIV Final Rule, noncitizens who do not hold eligible immigration status must self-certify that they are not contending eligible immigration status, and therefore are not eligible for subsidy. The owner will provide a document for all PRAC applicants and residents to complete to self-certify if they are not contending eligible immigration status as a noncitizen. See more information on this issue in the Social Security Number requirements earlier in this section.

# Verification Requirements

Applicants must agree to furnish any information required to verify eligibility for rental assistance including all sources of income and assets. Applicants are hereby informed that, by law, the penalties for false information may include eviction, loss of assistance, fines up to \$10,000, and imprisonment up to five years. Applicants must understand that a final decision of eligibility cannot be made until all verifications are complete. In addition, they must understand that HUD has the right to compare any of the information supplied in the verifications with information that federal, state, or local agencies have on the family's income and household composition. See also Section X of this plan, *Verification Requirements and EIV*.

## Individual Verification Forms

In addition to the Authorization for Release of Information Consent Forms indicated earlier, applicants must sign individual Verification Forms that have been designed by management for obtaining documentation from third parties, to verify an applicant's income and deductions for determining the rent.

## Preferred Forms of Verification

Verifications will be attempted in the order indicated below. Each file will be documented to show that management attempted to obtain third party written documentation before relying on some less acceptable form of information.

- Upfront Income Verification through the Enterprise Income Verification (EIV) system;
- Third party written;
- Third party oral with a record kept in the file;
- Review of documents provided by applicant, or
- Affidavits from the family.

# Additional Program Requirements

## Eligibility Requirements for PRAC Residents under the Student Rule

On 11-30-05 Congress enacted Public Law 109-115, which included in Title III, Section 327, appropriations for HUD regarding eligibility of students for assisted housing under Section 811 PRAC programs. Owners are required to determine a student's eligibility for housing assistance at move-in, annual recertification, initial certification (when an in-place resident begins receiving housing assistance), 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. Management will use the following HUD guidelines as indicated in Chapter 3 and Appendix 3 of HUD's occupancy handbook, HUD Handbook 4350.3 REV-1.

### **Students who are Not Eligible for Assistance in Section 811 PRAC Program**

A student who is enrolled at an institution of higher education must meet **all** of the following criteria, or s/he will not be eligible for assistance in the Section 811 PRAC programs:

- Be of legal contract age under state law;
- Have established a household separate from parents or legal guardians for at least one year prior to application for occupancy or meet the US Dept of Education's definition of an independent student;
- Not be claimed as a dependent by parents or legal guardians pursuant to IRS regulations; and
- Obtain a certification of the amount of financial assistance that will be provided by parents, signed by the individual providing the support, even if no assistance is being provided.

### **Defining Student Financial Assistance Income in Section 811 PRAC Programs**

The full amount of financial assistance paid directly to the student or to the educational institution and amounts of scholarships funded under title IV of the Higher Education Act of 1965, including awards under federal work-study programs or under the Bureau of Indian Affairs student assistance programs, are excluded from annual income for the above programs.

# **IV. Qualifying for Admission under HUD's 811 PRAC Project Eligibility Requirements**

## **Section 811 PRAC Project Eligibility Requirements**

Project eligibility establishes whether applicants are eligible to reside in the specific property to which they are applying. Section 811 properties serve one or any combination of statutorily recognized categories of disability based upon the population to be served as described in the application for funding of the property. There must be a match between the applicant and their eligibility for occupancy in that particular project, based on the family size, and the unit sizes available in the project. The Fair Housing Act prohibits the owner from inquiring whether an applicant has a disability, or what the nature or severity of a disability may be. However, the owner is allowed to make an inquiry of all applicants, whether or not they are persons with disabilities, and if they are able to meet the requirements of tenancy. The Owner will inquire of every applicant to this Section 811 PRAC property these 2 questions, and in addition, will ask each applicant if they are a current illegal abuser or addict of a controlled substance.

## **Overall Category of Disability Served at this 811 PRAC Property**

The three statutorily recognized types of disabilities administered in HUD's Section 811 PRAC program are physical disability, developmental disability, and chronic mental illness. This property has been approved by HUD to house participants who are persons with mental and physical disabilities. The property will inquire of all applicants to determine whether the applicant qualifies for a disability. However, the property will never make an inquiry designed to determine whether an applicant is able to live independently, nor will the property require applicants to provide access to confidential medical records in order to verify a disability.

### **Rental Application**

The Owner has implemented a rental application at the property which defines the type of disability being served at the property, and asks if the applicant qualifies as a person with disabilities under that definition. The application also advises all applicants that if they have a disability, and need a reasonable accommodation in order to participate in the application process or to make effective use of the housing program, they have the right to request such an accommodation. The Owner's application also defines reasonable accommodation and explains the process by which the housing provider will consider requests for reasonable accommodations.

### **Verification of Disability**

As allowed by HUD, the Owner will verify an applicant's disability, but will verify the disability only to the extent necessary to document that the applicant is qualified for the particular type of housing that is administered at this property. Additional considerations that the Owner will verify are:

- Is the applicant qualified for deductions used in determining adjusted income;
- Is the applicant entitled to any preference they may claim;
- If the applicant has requested a reasonable accommodation, is there a disability-related need for the requested accommodation or modification; and
- Does the applicant need the design features of the unit.

## **Definitions of Persons with Disabilities for the 811 PRAC Program**

### **Defining Disabled Household for Section 811 PRAC**

- One or two persons whom are adults (18 years or older) who each have a disability;
- The surviving member or members of any household who were living in a unit assisted under this part (Section 811 Capital Advance) with the deceased member of the household at the time of his or her death.

### **Defining Person with a Disability for Section 811 PRAC**

A person with disabilities means:

- (1) Any adult having a mental, or emotional impairment that is expected to be of long-continued and indefinite duration, substantially impedes his or her ability to live independently, and is of a nature that such ability could be improved by more suitable housing conditions.
- (3) A person with a chronic mental illness, i.e., a person who has a severe and persistent mental or emotional impairment that seriously limits his or her ability to live independently, and whose impairment could be improved by more suitable housing conditions.
- (4)

## **Leasing Units to Non-Eligible Individuals**

If the property is temporarily unable to lease all units to eligible individuals, the owner will request HUD approval to lease one or more units to individuals that do not meet the income eligibility requirements that are discussed in Section III of this plan. The owner's written request providing the information specified in Situation 6 of Exhibit 3-1 of the handbook will be submitted to HUD Headquarters with the recommendation of the HUD Field Office. If permitting over-income individuals to lease one or more units is not sufficient to solve a potential vacancy problem, in order to protect the financial viability of the property, the owner will request approval to serve a population other than the one(s) it was originally approved to serve.

### **Serving a Different Disabled Population than Originally Funded to Serve**

Because Section 811 PRAC properties traditionally serve one or any combination of the three statutorily recognized categories of disability, the owner must state in the application for funding which category of persons with disabilities are to be served. If the owner decides to request approval to serve a different disabled population than persons with mental disabilities, the owner will apply to the HUD Field Office for such permission. The owner will design a plan to demonstrate to the HUD Field Office that shows the following:

- The owner can adequately serve the proposed disabled population based on past experience in serving the proposed population;
- Funds are available from the state or local government or from other outside sources to pay for any necessary supportive services and a written commitment for funding is provided by the source or the owner;
- The need for the original occupancy category no longer exists;
- The current residents can choose to remain in the project or move. If the residents remain, the owner can begin housing persons in the newly approved category only as vacancies occur; and
- There are sufficient subsidized units available in the area to house current project residents who are willing to move, as well as to house individuals who no longer qualify for the housing because of the changed category.
- The request and recommendation of the HUD field office is sent to the HUD Multifamily HUB Director for approval.

# V. Qualifying for Admission under the Owner/Agent's Occupancy Standards

Being eligible for federal rental housing is not an entitlement. Every applicant must meet the resident selection criteria set in place at the property, which is used to demonstrate the applicant's suitability as a resident. The criteria is determined by verifying information on past behavior to document the applicant's ability, either alone or with assistance, to comply with essential lease provisions and any other rules governing tenancy. The applicant will be judged on past habits and practices related to tenancy and not on any attribute or behavior which may be imputed to a particular group or category of persons of which an applicant may be a member.

## Unit Size Occupancy Standards

This property has units designed to serve persons with disabilities. The unit size standards listed below take into consideration not only family type, but also family size and what unit sizes are available in the property. It is possible that a family might be eligible for subsidy under HUD's requirements, but would not be eligible under the unit size requirements of this property. If the appropriate unit size is part of the configuration of the property but is not available at the time of application, the applicant will be put on a waiting list.

### Two Persons per Bedroom

The property has adopted a bedroom size standard of two persons per bedroom. This standard serves to prevent the over-utilization or under-utilization of units that could result in an inefficient use of housing assistance. This standard also ensures that residents are treated fairly and consistently in order to receive adequate housing space. The property will not make social judgments on a family's sleeping arrangement. Management has adopted the following occupancy standards:

<u>Bedroom</u>	<u>Minimum</u>	<u>Maximum</u>
1	1	2

### Prohibition against Denying Families with Children

The Fair Housing Act prohibits properties receiving Federal assistance from discriminating on the basis of familial status, defined by Congress as children under the age of 18, making it illegal to discriminate against families because of the presence of children. Due to program requirements and bedroom size the property does not have approval to serve individuals under the age of 18.

# Standards for Unit Assignment

## Change in Need for Accessible Features

If an individual is in an accessible unit but no longer needs the accessible features, management may request that the family move to another unit in the property.

## Policy for Unit Transfers

### Requests from Residents

Once an applicant has become a resident, a transfer of units may be warranted. There are one bedroom unit sizes at this property. If a resident has a medical/health condition that warrants a unit that has special design features for a person with disabilities, a transfer may be requested. On occasion there may be other requests for transfers that the property will consider on a case-by-case basis. All transfer requests must be made in writing, and must state the reason for the request. The request will then be forwarded to the property manager/owner for final approval.

### Acceptable Reasons for Transfers

Current residents may qualify for a unit transfer for one of the following conditions:

- Medical/health conditions, including inability to use stairs, or the need for a live-in attendant;
- There is a need for a unit with special design features for a person with disabilities; or
- Other potential conditions not related to health, which will be reviewed on a case-by-case basis by management.

### Placement on Transfer Waiting List

If the property manager approves a request for a transfer to a different unit, and there is no current unit available, the resident will be placed on the property's transfer waiting list. In-house residents that must be transferred due to overcrowding will be transferred first. Residents needing transfers due to medical reasons must have a written physician's statement.

### Procedures for Filling Vacancies

If a request for a transfer to a different unit is approved, the resident agrees to pay all transfer costs prior to the move. Costs may include damages that are beyond normal wear and tear. However, if a resident is transferred as an accommodation to a household member's disability, then management may be obligated to pay the costs associated with the transfer as discussed under Section 504 of the Rehabilitation Act of 1973 of Chapter 2 of HUD Handbook 4350.3 REV-1.

### Priority for Filling Vacancies

The property will fill its vacant units with current residents awaiting transfers before applicants from the property's waiting list. Unit transfers that are required by management will take priority over resident requested transfers.

## Assigning Units for Persons with Physical Disabilities

Management will always give an individual that has indicated a need for certain unit accommodations because of a disability, the opportunity to decide for itself, in compliance with Section 504 of the Rehabilitation Act, whether a unit meets the needs of the family. The property will notify the household whenever any unit becomes available, without regard to unit accessibility. The property will never prohibit an eligible individual with a member who has a disability from accepting a suitable nonaccessible unit if no accessible unit is available when the family reaches the top of the waiting list. If the applicant decides to accept a standard unit, s/he may request some modification to the unit as a reasonable accommodation.

### Assigning Accessible Units

If a unit becomes available that has either been made accessible under Section 504, or was originally designed for disabled households when the property was approved for funding, the property will first offer the unit to an individual with disabilities who is currently residing in a nonaccessible unit who requires the features of the unit. If there is no such current resident, the property will offer the unit to the next qualified applicant on the waiting list who needs the features of the accessible unit.

When neither a current resident nor a qualified applicant require the features of an available accessible unit, the property will offer the unit to another resident or applicant, and will incorporate as an addendum to the lease an agreement that the resident will move to a nonaccessible unit within the property when one becomes available. This addendum will also cover whether the resident or the property will pay for the cost of such a move.

### Reasonable Accommodations

The property will consider requests for reasonable accommodations from applicants/residents with disabilities, in order that they may benefit from the use and enjoyment of the dwelling units. The applicant/resident must be able to show that the requested



accommodation is necessary, and that there is a strong, identifiable relationship between the requested accommodation and the individual's disability.

If a household requests an accessible feature, policy modification, or other reasonable accommodation, the property will provide the requested accommodation unless doing so would result in a fundamental alteration in the nature of the program, or an undue financial and administrative burden. A fundamental alteration is a modification that is so significant that it alters the essential nature of the operations of the property.

# VI. Marketing

## Fair Housing Requirements

The property enforces a marketing effort that attracts a broad cross-section of the eligible population without regard to race, color, religion, sex, disability, familial status, or national origin.

### Filling Available Units

Whenever additional applicants are needed to fill available units, advertising will be carried out in accordance with the HUD-approved AFHMP, and as indicated below.

### Race and Ethnic Data Reporting

The property will offer all members of an applicant/resident family the option of completing Form HUD-27061-H, Race and Ethnic Data Reporting Form. This form is used for gathering race and ethnic data in assisted housing programs. The form will be offered for completion at initial application or at lease signing. In-place residents who have not completed the form will be offered the opportunity to complete the form. There is no penalty for persons who do not complete the form. The property will place a note in the file of any family member who chooses not to complete the form.

## Affirmative Fair Housing Marketing Plan (AFHMP)

The property complies with the requirements of the HUD-approved AFHMP established for the property, which is designed to promote equal housing choice for all prospective residents regardless of race, color, religion, sex, disability, familial status, or national origin. The purpose of the plan is to ensure that eligible families of similar income levels will have a similar range of housing opportunities. The plan outlines marketing strategies management will use. Special efforts will be made to attract persons who are least likely to apply due to such factors as the racial or ethnic composition of the neighborhood. Marketing will also seek to reach potential applicants outside the immediate neighborhood if marketing only within the neighborhood would create a disparate impact against certain classes, such as the case of an entire neighborhood that includes no minorities.

### Monitoring and Documenting Marketing Activities

The property will monitor marketing efforts and document the results in writing. The documentation will be made available, upon request, for all marketing activities, to show consistency with affirmative fair housing marketing requirements and the approved plan for the property. This documentation will include copies of media and marketing materials, records of marketing activities conducted, and documentation of any special marketing activities conducted in accordance with the property's approved AFHMP.

### Five-Year Review of Plan

The property will review the AFHMP every five years and update it as needed to ensure compliance with HUD regulations. If the demographics of the area have changed, the property will determine whether advertising efforts should be targeted to different groups. The AFHMP will be revised whenever a substantial change takes place, or the local Consolidated Plan is updated, and be submitted to HUD for approval.

## Advertising

### Population to be Targeted

When available units cannot be filled from applicants on a waiting list, the property will target advertising to groups other than the typical population of the neighborhood, and will reach out to applicants who are least likely to apply because they are not the predominant racial or ethnic group in the neighborhood.

### Form of Advertisement

All advertising for this property includes either the HUD-approved Equal Housing Opportunity logo, the Equal Housing Opportunity slogan, or an equal housing statement. All visual advertising will depict members of all eligible protected classes including individuals from both majority and minority groups.

### Source of Advertising

The property will use the following public forums for its advertising: Local newspaper which include: Rochelle News-Leader, The Telegraph, The Daily Gazette, and the Mirror Democrat and Local Radio Stations which include: WCCI (100.3 FM), WRHL (106 AM/ 103.3 FM), WIXN (1460 AM), and WSDR (1240 AM).

## **Fair Housing Poster**

The property has posted the required Equal Housing Opportunity poster in a window of the Leasing Office which can be seen from the street, so that it is readily apparent to all persons seeking housing.

# VII. Application Intake and Processing

## Application Intake

All persons wishing to be admitted to the property, or placed on the property's waiting list, must complete an application. All applications will be taken at the property site office, or at the home office of the management company as listed on the front page of this Resident Selection Plan.

### Communications with Applicants

All communications with applicants will be by first class mail or by telephone. Failure to respond to letters or phone messages may result in withdrawal of an application from further processing. The property will make exceptions to these procedures to take into account circumstances beyond the applicant's control, such as medical emergencies or extreme weather conditions. Applicants with disabilities may also request auxiliary aids or TTY/TTD services.

### Race/Ethnicity Data Collection

The applicant provides self-certification of their race and ethnicity for data collection by using form HUD-27601-H, Exh 4-3 of HUD Handbook 4350.3 REV-1. Completing this form is optional and there is no penalty for not completing it.

## Written and Signed Applications

Written applications will be accepted from anyone who wishes to apply. Every application must be completed, signed and dated by the owner/agent and by the applicant. Owner/agent will be required to time stamp. The information requested on the application form includes:

- Household characteristics such as name, sex, age, disability status (only where necessary to establish eligibility), need for an accessible unit, and race/ethnicity;
- General household contact information such as address, phone number, etc.;
- Sources and estimates of the household's anticipated annual income and assets;
- Disclosure of Social Security numbers for all family members except for members who are exempt;
- Citizenship declaration and consent form(s);
- Higher education student status (only if a member of the household is a student in higher education);
- Screening information including drug/criminal history; State sex offender registration records; listing of states where all family members have lived; prior landlord references
- Marketing information regarding how the applicant heard about the property; and
- Certification from the applicant stating the accuracy and completeness of information provided, and an acknowledgement that the applicant has read the Privacy Act and understands the disclosure requirements.

### Supplement and Optional Contact Information

Management will provide all applicants the opportunity to complete the information on form HUD-92006, Supplement to Application for Federally Assisted Housing. This form gives applicants the option to identify an individual or organization that the owner may contact and the reason(s) the individual or organization may be contacted. Management will not require applicants to provide the contact information, as providing contact information is optional. Those applicants who choose not to provide the contact information will be asked to check the box indicating that they "*chose not to provide the contact information*", and sign and date the form.

### Offering Assistance to Applicants

Staff will be prepared to assist any applicants who might have trouble completing the application. This assistance may take the form of answering questions about the application, helping applicants who might have literacy, vision or language problems and, in general, making it possible for interested parties to apply for assisted housing.

## Determining an Applicant's Eligibility

Before putting any applicant on a waiting list, the property will make a preliminary eligibility determination to ensure that there are no obvious factors that would make an applicant ineligible.

### Placement on a Waiting List

If a preliminary screening indicates that an individual is eligible for tenancy, but units of appropriate size are not available, management will place the family on a Waiting List according to the date and time the application was received in the rental office. The individual will be notified when a suitable unit becomes available.

## **Placement on More than One List**

Individual may request and be placed on more than one waiting list. For more information on Waiting List Management, see Section VIII of this Resident Selection Plan.

## **Applicant Interview/Briefing**

As applicants approach the top of the waiting list they will be contacted to schedule an interview to verify all information given on the application. The interview will be conducted in accordance with HUD Handbook 4350.3 REV-1. The property will confirm and update all information provided on the application, and will explain program requirements, verification procedures, and penalties for false information, which include eviction, loss of assistance, fines up to \$10,000, and imprisonment up to five years. The applicant will be asked to sign the release of information consent portion of the Authorization for Release of Information (Forms HUD 9887 and 9887-A) and any other necessary verification requests.

## **Ineligible Applicants**

At the completion of the verification process, applicants will be ineligible to move into the property for any of the following:

- The applicant's gross annual income changes by the time they reach the top of the waiting list, and exceeds the income limit for the property;
- Household members have failed to meet disclosure requirements for Social Security numbers;
- Household members have failed to sign the release of information forms; and,
- Landlord reference checks reveal that the applicant has a history of nonpayment of rent, eviction for nonpayment of rent, history of disruptive behavior, or history of damaging site property.

# VIII. Waiting List Management

Anyone who wishes to be admitted to the property or to be placed on the property's Waiting List must complete an application. The application must include a signature certifying the accuracy and completeness of information provided. If the applicant is placed on the property's Waiting List, the list will note the name of the applicant, the date and time of application, the type of income, the size of unit desired, and any other pertinent information.

## Accommodating Persons with Disabilities

The property will accommodate persons with disabilities who cannot utilize the property's preferred application process, by providing alternative methods of application in-take (e.g. accepting mailed or online applications). In addition, the public notification of any closing or opening of the property's waiting list will comply with HUD fair housing requirements, such as adopting suitable means to assure that notices reach eligible individuals with disabilities and those with limited English proficiency. The property also ensures that notices of and communications during all meetings will be provided in a manner that is effective for persons with hearing, vision, and other communications-related disabilities consistent with Section 504 and ADA. This includes ensuring that meeting sites are accessible and auxiliary aids and services are provided as needed, e.g. , materials in Braille, audio, and large type; sign language interpreters, computer-assisted real time transcription (CART) services, and assistive listening devices, etc. The opening of the property's waiting list and accepting applications for limited periods, will always be done in a manner advocated in HUD's Notice H14-16, and will be done for periods longer than a single day, which could create disorderly and unsafe application intake. Applications will be made available ahead of time, and in multiple venues, both physical and online, which will create safer, more accessible, and more effective application intake.

## Selecting Names from the Waiting List

The property will select names from the waiting list in chronological order to fill vacancies.

### Skipping Over an Applicant on the Waiting List

According to §5.216 (h) of Federal Register Notice 74 FR 68924, published on 12-29-09, the O/A will skip over an assistance applicant as follows: "...if the processing entity determines that the assistance applicant is eligible to participate in a program, the assistance applicant may retain its place on the waiting list for the program but cannot become a participant until it can provide the complete and accurate SSN assigned to each member of the household, and the required documentation referred to in paragraph (g)(1) of the notice."

### Applicant's Refusal to Accept a Unit

When appropriately sized units are offered to applicants, and an applicant turns down unit offers two consecutive times, the applicant will be placed at the bottom of the Waiting List.

## Maintaining the Waiting List

In order to maintain a balanced application pool, the property may, at its discretion, restrict application taking, suspend application taking, and close waiting lists in whole or in part. Decisions about closing the waiting list will be based on the number of applications available, and the ability of the property to house an applicant within a reasonable period of time. Closing the waiting lists, restricting intake, or opening the waiting lists will be publicly announced in the local newspaper.

### Advertising

Advertising and outreach activities will be done in accordance with applicable fair housing marketing requirements and the HUD-approved AFHMP, and will target groups other than the typical population of the neighborhood in which the property is located, while reaching out to applicants who are least likely to apply because they are not the predominant racial or ethnic group in the neighborhood. Further, all advertising depicting persons will depict members of all eligible protected classes including individuals from both majority and minority groups, including both sexes.

## Updating the Waiting List

The Waiting List will be updated annually. Applicants must contact the property the first of every year between January 2<sup>nd</sup> and January 31<sup>st</sup> in order to stay on the Waiting List. The property will update the waiting list by removing the names of those who are no longer interested in, or who are no longer qualified for, assisted housing. The applicant is responsible to update the application with any changes that may occur to remain active on the current waiting list.

## **Removal of Applications from the Waiting List**

The property will not remove an applicant's name from the waiting list unless:

- The applicant requests that the name be removed.
- The applicant was clearly advised of the requirement to tell the property of his/her continued interest in housing by a particular time and failed to do so. Those applicants failing to respond within the required time frame will be removed from the list. They may reapply at any time, but will not assume their old position on the list.
- The property made a reasonable effort to contact the applicant to determine if there is continued interest in housing, but has been unsuccessful.
- Management is informed by the applicant that they are no longer qualified for assisted housing.

# IX. Screening for Suitability to Determine Eligibility

## Applicant Screening Policy

All applicants for assisted housing will be screened according to the criteria set forth in HUD's Occupancy Handbook, HUD Handbook 4350.3 REV-1. Certain key questions relating to the applicant's eligibility and resident history will be asked, including Social Security numbers, and the names, addresses and telephone numbers of current and former landlords. Failure to provide this information will result in cessation of application processing. Property staff will assist applicants, as needed, in understanding the application process and completing forms. Applicants will be instructed on what aspects of their background will be checked. An applicant has the right to voluntarily withdraw from the application process at any time.

### Prohibited Screening

- The property will not require physical examinations or medical testing as a condition of admission;
- The property will uniformly require all applicants to furnish evidence of ability to meet the obligations of tenancy, but will not impose greater burdens on persons with disabilities. Persons with disabilities may meet the requirements of the lease with the assistance of others such as attendant care providers;
- The property will not require a donation, contribution or membership fee as a condition of admission;

## Procedures to Determine an Applicant's Rental History

### Record of Eviction

Management will check court records for evidence of evictions or judgments against the applicant, to determine the applicant's past history of meeting financial obligations, and their future ability to make timely rent payments. If it is determined by the landlord that the applicant is not credit worthy, the applicant will be rejected.

- Record of termination from residential programs will be checked with the online service Judici and with any housing providers referred by the applicant.
- An applicant will in no way be held accountable by the property for the rental delinquency or other problems of a former household of which the applicant was a member, but not the head or spouse.
- Staff will consider the date and circumstances of any past eviction or termination in determining its relevance to property tenancy.

### Record of Disturbance

- Management will check with the current landlord for potential problems regarding undesirable noise, disturbance of neighbors, or destruction of property.
- An applicant's behavior toward property staff will be considered in relation to future behavior toward neighbors. Physical or verbal abuse or threats by an applicant toward staff will be noted in the file.

### Screening for Housekeeping Habits

Management will check with the current landlord regarding the applicant's housekeeping habits, to determine the maintenance of the present home in regards to sanitary conditions, and fire and safety standards that would pose a threat to other residents.

### Screening for Marijuana Use

The Controlled Substances Act (CSA) categorizes marijuana as a Schedule 1 substance and therefore the manufacture, distribution, or possession of marijuana is a federal criminal offense. Because the CSA prohibits all forms of marijuana use, the use of marijuana for recreational purposes or medical purposes is illegal under federal law even if it is permitted under state law. With regard to questions concerning the use of marijuana in MF assisted properties in states that have decriminalized the use of marijuana, the controlling authority is Section 577 of the Quality Housing and Work Responsibility Act of 1998 (QHWRA). Because this property is federally assisted, the requirements of QHWRA apply, and the property will deny admission to any household with a member who is determined, at the time of application for admission, to be illegally using a controlled substance as that term is defined by the CSA. In addition, the property will terminate the tenancy for any household with a member who the property determines is illegally using a controlled substance, or whose illegal use, or pattern of illegal use, of a controlled



substance is determined by the property to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

## **Screening for Drug Abuse and Other Criminal Activity**

Management will deny admission if:

- Any household member has been evicted from federally assisted housing for drug-related criminal activity, for 3 years from the date of eviction. If the evicted household member who engages in drug-related criminal activity has successfully completed a supervised drug rehabilitation program or circumstances leading to the eviction no longer exist, management may, but is not required to, admit the household.
- Any household member is currently engaging in illegal drug use.
- Management determines that there is reasonable cause to believe that a household member's illegal use or a pattern of illegal use of a drug may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. (Examples of evidence of illegal activities may include a conviction record, former landlord references, etc.)
- Management determines that there is reasonable cause to believe that a household member's abuse or pattern of abuse of alcohol interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

## **Screening for Sex Offender Status**

Management will deny admission to any member of the household that is subject to a lifetime registration requirement under a state sex offender registration program. During the admission screening process, management will perform the necessary criminal history background checks in the state where the housing is located, and in every state where all household members are known to have resided. Management will use the Dru Sjodin National Sex Offender Database provided by the Department of Justice when screening for sex offender status.

In addition, management will conduct criminal background checks, including State lifetime sex offender registration checks, on all adult tenants at recertification. If the background checks indicate that the tenant is in violation of the provisions of the lease, management will evict in accordance with the lease and the owner's standards for termination of tenancy. If management learns that a lifetime sex offender was erroneously admitted, the property will offer the family the opportunity to remove the ineligible family member from the household. If management learns that a tenant is committing criminal activity while living on the property, management will terminate tenancy.

## **Misrepresentation of Information**

If, during the course of processing an application, it becomes evident that an applicant has falsified or otherwise misrepresented any facts about his/her current situation, history, or behavior in a manner that would affect eligibility, applicant selection criteria qualification, allowances or rent, the application shall be rejected.

# **Policy for Applying VAWA Protections (including VAWA 2013)**

Criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking, engaged in by a member of a resident's household or any guest or other person under the resident's control, shall not be cause for termination of assistance, or occupancy rights if the resident or an affiliated individual of the resident's family is the victim or the threatened victim of that abuse.

An incident(s) of actual or threatened domestic violence, dating violence, sexual assault, or stalking will not be construed as serious or repeated violations of the lease by the victim (or threatened victim), and will not be "good cause" for the termination of the assistance, tenancy, or occupancy rights of a victim of such violence. The owner will support and assist victims of domestic violence, dating violence, sexual assault, or stalking and protect victims, as well as members of their family or affiliated individuals, from being denied housing or from losing their HUD assisted housing as a consequence of domestic violence, dating violence, sexual assault, or stalking.

## **Defining Affiliated Individual**

VAWA 2013 defines an *affiliated individual* with respect to an individual, as a spouse, parent, brother, sister, or child of that individual, or an individual to whom that individual stands in loco parentis, or any individual, tenant, or lawful occupant living in the household of that individual, and replaces the term *immediate family member* with *affiliated individual* in referring to other victims associated with the tenant who are protected under this provision."

## **Option to Bifurcate Lease**

VAWA 2013 requirements provide that notwithstanding the restrictions placed on admission, occupancy, and termination of occupancy or assistance, or any Federal, State, or local law to the contrary, an O/A of assisted housing may bifurcate a lease for housing in order to evict, remove, or terminate assistance to any individual who is a tenant or lawful occupant of the housing who engages in *criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking against an affiliated individual or other individual*, and mandates that if such bifurcation occurs, and the removed tenant or lawful occupant was the sole tenant eligible to receive assistance under a covered housing program, the O/A shall provide any remaining tenant the opportunity to establish eligibility for the covered housing program.

### **Providing a Reasonable Time**

If the remaining tenant cannot establish eligibility, the O/A is required to provide the tenant a reasonable time to find new housing or to establish eligibility under another covered housing program. VAWA 2013 provides that HUD is to determine what constitutes a reasonable time, which when established will be followed by the property.

## **Applicable HUD VAWA Forms**

### **Form HUD-91066, Certification of Domestic Violence, Dating Violence or Stalking**

All current residents will be provided the option to complete form HUD-91066, *Certification of Domestic Violence, Dating Violence or Stalking*. This form will also be made available to all families at the time of admission

### **Form HUD-91067, Lease Addendum for VAWA**

Form HUD-91067, HUD's lease addendum for the VAWA provisions, is a required addendum to every lease. If it is determined that physical abuse caused by a resident is clear and present, the law provides management the authority to bifurcate the lease, and remove, evict, or terminate housing assistance to that individual, while allowing the victim, who lawfully occupies the home, to maintain tenancy. The eviction of, or termination action against the individual, will be done in accordance with the procedures prescribed by federal, state, and local law. If such action is deemed necessary, an interim recertification will be processed reflecting the change in household composition.

# X. Verification Requirements and Enterprise Income Verification (EIV)

## Verification of Eligibility Factors

### Verification of Family Composition

Management will verify family composition to determine the appropriate unit size for the family. In addition, verification of age may need to be obtained since eligibility for certain deductions such as the dependent deduction, child care, etc., is dependent on the age of the family member to whom the deduction pertains, and the relationship of the family member to the head of household.

### Verification of Disability

Verification of disability will be obtained to determine whether the head, spouse, or co-head meets the definition of disability used to determine eligibility for this Section 811 PRAC property, or to identify applicant needs for features of accessible units or reasonable accommodations. Management will not specifically ask for or verify the nature and extent of the disability.

#### Acceptable Verification of Disability

Verification of disability (handicap) may be provided by:

- Receipt of supplemental social security disability or social security disability benefits, which would provide verification that an individual met the handbook definition of person with disabilities; or
- Verification by a reliable source that the individual meets the relevant definition of a person with a disability/handicap for this property.

#### Verification of the Need for an Assistance Animal

Some applicants or residents may require the use of assistance animals as a reasonable accommodation for a disability. Management will verify that the applicant/resident has a disability and that there is a disability-related need for the requested accommodation, in this case the assistance animal. Management will require the applicant/resident to provide documentation of the disability and the need for the animal from an appropriate third party, such as a medical provider, mental health provider, or other professional in a position to provide this verification.

### Verification of Income Eligibility

All sources of income required by HUD to be included in a family's income and used to determine applicant eligibility will be verified by management in accordance with Chapter 5 of HUD Handbook 4350.3 REV-1. This includes using the EIV system for up-front verification of employment and income information.

### Verification of Social Security Numbers

Applicants and residents, excluding individuals who do not contend eligible immigration status and residents age 62 or older as of 1-31-10, whose initial determination of eligibility was begun before 1-31-10, will be required to disclose and provide verification of the complete and accurate SSN assigned to each household member. (See Section III of this plan for more information.)

#### Adequate Documentation

Adequate documentation to verify the SSN of an individual is a social security card issued by the SSA, an original document issued by a federal or state government agency which contains the name and SSN of the individual along with identifying information of the individual, or other acceptable evidence of the SSN listed in Appendix 3.

### Verifying Eligibility of a Student for Assistance

This Section 8 property is subject to the restriction on assistance to students of higher education. Management will verify parent's income, whether jointly or individually, at each certification that the student is in school, whether full time or part time, unless the student is claiming independence from parents. If the student is claiming independence from parents, management will verify the student's independence in accordance with Paragraph 3-33 of HUD Handbook 4350.3 REV-1.

# Verification of Income through the EIV System

HUD's Enterprise Income Verification (EIV) system is an upfront income verification tool available to owners to validate wage, unemployment and social security income during annual, interim, and initial certifications of residents' income. It is a web-based application available to authorized program administrators of HUD's rental assistance programs, which allows an owner to verify income through an independent source that systematically and uniformly maintains income information in computerized form for a large number of individuals. It is also known as automated written third party verification.

## Use of EIV Data and Reports

Management has trained its staff regarding the use of all EIV data and reports, as outlined in the property's EIV Policies and Procedures manual at the property. Included in these reports are Income Reports which are used as a third party source to verify residents' employment and income during mandatory recertifications of family composition and income, and Verification Reports, which are used to further assist management in reducing subsidy payment errors. Management has trained its staff to retain EIV data in residents' files for the term of tenancy plus 3 years after tenancy is terminated.

### Procedures for Using the Existing Tenant Search

Management will use the Existing Tenant Search at the time of processing all applicants for admission, to determine if there may be applicants or applicant household members who are currently residing at another multifamily assisted property or Public and Indian Housing (PIH) property at the time of application processing. If it is found that an applicant is residing at a multifamily assisted or PIH property, management will discuss this with the applicant, giving them the opportunity to explain any circumstances relative to them being assisted at another location, such as their intention to move from their existing location. In addition, before admitting the applicant, management will contact the respective PHA or O/A to confirm the individual's program participation status, and if the individual has given a 30-day notice to vacate at their current property. Management will then coordinate the move-in/move-out dates with the PHA or O/A.

### Safeguards

Management is currently in compliance with the EIV system and has established guidelines in the property's EIV Policies and Procedures manual outlining technical, administrative and physical safeguards for staff to implement for ensuring the security and confidentiality of resident records.

# Required Verification and Consent Forms

## Required Consent Forms

Individuals must authorize owners to request independent verification of data required for program participation. To provide owners with this authorization, adult family members must sign two HUD-required consent forms, plus management's specialized verification forms.

### Form HUD-9887, Notice and Consent to the Release of Information to HUD.

Each family member who is at least 18 years of age and the head, spouse or co-head, regardless of age, must sign this form at MI, IC, and AR, regardless of whether s/he has income. Additionally, the form must be signed when a new adult member joins the household, and when members of the household become 18 years of age. The consent allows HUD to verify information with the IRS, the SSA, and with state agencies that maintain wage and unemployment claim information.

### Form HUD 9887-A, Applicant's/Tenant's Consent to Release of Information – Verification by Owners of Information Supplied by Individuals Who Apply for Housing Assistance.

Owners and all family members 18 years of age and older, regardless of whether they have income, must sign this form. The consent allows owners to request and receive information from third-party sources about the applicant/resident.

## Owner-Created Verification Forms

All information relative to eligibility and level of assistance will be documented, and appropriate verification forms or letters placed in the applicant file. Management has created verification forms for specific verification needs which it will utilize when requesting information from employers, banks, child care providers, doctors, pharmacies, etc. No decision to accept or reject an application will be made until all verifications have been collected. Management staff will be the final judge of the credibility of any verification submitted by an applicant. All information relative to the following items will be verified:

- Income, assets, family composition, and Social Security numbers;
- Deductions for such things as dependent status, age, childcare, disability, disability expenses, and medical costs;
- Documented ability and willingness to abide by lease requirements, previous history of tenancy, rent paying, caring for a home, and criminal activity of any family member.

### Certification Checklist/Questionnaire

Tenants will be required to complete a checklist/questionnaire at MI and each AR, IR, and IC, certifying to any income, assets, deductions or level of eligibility.

### **Verification Documentation**

Documentation used as part of the verification process may include:

- Certification Checklists/Questionnaires as listed above;
- Verification forms completed and signed by third parties;
- Reports/letters of interviews; and
- Notes of telephone conversations with reliable sources. At a minimum, telephone conversations will indicate the date of the conversation, source of the information, name and job title of the individual contacted, and a written summary of the information received.

### **Acceptable Verification Methods**

All verifications of eligibility, income, assets, and deductions will be attempted in the following order:

- Upfront-income verification (UIV) with use of EIV being mandatory and use of non-EIV UIV being optional;
- Written third-party verification;
- Oral third-party verification, with a record kept in the file;
- If third-party verification is not available, management will document the resident file to explain why third-party is not available.

### **Dispute of EIV Information**

Securing income information through HUD's EIV system will always be management's first choice of verification. If the resident disputes the information obtained in EIV, management will request written 3<sup>rd</sup> party verification. For each file where EIV is not used, the file will be documented to show that management attempted to obtain third-party written documentation before relying on some less acceptable form of information.

### **Resolving Discrepancies**

Management will investigate and confirm possible discrepancies and errors to a resident's reporting of income. The property will not suspend, terminate, reduce, make a final denial of rental assistance, or take any other adverse action against an individual based solely on the data in EIV. When the employment and income data in EIV is not the same as reported by the resident, or when the resident disputes the EIV data, the property will independently verify any information by obtaining third party verification directly from the third party source. The property will notify the resident of the results of the third party verification and request the resident come into the office, within 10 days of notification, to discuss the results. The resident may contest the findings in the same manner as applies to other information and findings relating to eligibility factors.

### **Attempted Fraud**

Any information provided by the applicant that verification proves to be untrue may be used to disqualify the applicant for admission on the basis of attempted fraud. Fraud is defined in Par 8-13A of HUD Handbook 4350.3 REV-1 as an applicant/resident knowingly providing inaccurate or incomplete information. Unwitting errors that do not secure an advantage with regard to program eligibility, preferences, or rent will not be used as a basis to exclude applicants. Management considers false information about income, assets, family composition, Social Security numbers, allowances, and previous resident or criminal history to be grounds for rejecting an applicant.

### **Pursuing for Fraud**

If the property determines that the resident is in non-compliance with his/her lease because he/she knowingly provided incomplete or inaccurate information, the property will follow the guidance in Par 8-18 of HH 4350.3 REV-1, for terminating the resident's tenancy and for filing a civil action against the resident to recover improper subsidy payments. Where fraud is suspected, the property will report this to the HUD OIG Office of Investigation.

### **Recalculating Rent Owed**

If the property determines that the resident unreported or underreported his/her income, management will go back to the time the unreported or underreporting of income started, not to exceed the 5-year limitation that the resident was receiving assistance discussed on forms HUD-9887 and HUD-9887-A, and calculate the difference between the amount of rent the resident should have paid and the amount of rent the resident was charged. A record of this calculation will be provided to the resident and also retained in the resident's file.

### **Resident Repayment of Unreported or Underreported Income**

Residents are obligated to reimburse the property if they are charged less rent than required by HUD's rent formula due to underreporting or failure to report income. The resident is required to reimburse the property for the difference between the rent that should have been paid and the rent that was charged. Residents can repay amounts due in a lump sum payment, by entering into a repayment agreement with the property, or a combination of the two.

# XI. Making an Occupancy Determination

## Rejection or Admission

If at any point in the screening process it becomes clear to the property that an applicant will not meet the screening criteria, the file will be sent to the appropriate Supervisor for review. If any information is missing or the case for rejection or acceptance is not compelling, the file will be returned to the staff for further work. If an applicant is clearly eligible and passes the screening criteria, admission will be authorized. A copy of completed screening will be placed in tenant file. Likewise, if the applicant is ineligible, rejection will be authorized.

### Rejection of Ineligible Applicants

Applicants who do not pass the eligibility requirements will immediately be sent a Notice of Rejection. This written notice will specifically state the reason for the rejection, and will inform the applicant of her/his right to respond to management in writing, or to request a meeting within 14 days to dispute the rejection.

#### Certain Prohibitions for Rejecting Applicants

##### Prohibition of Rejecting Applicants because of Discrimination

The owner will not discriminate against an applicant based on race, color, religion, sex, national origin, familial status, or disability.

##### Prohibition of Rejecting Applicants because of Disabilities

Management will comply with HUD's prohibition of rejecting an applicant because s/he has a handicap or disability, or for reasons that could be overcome by the property's reasonable accommodation of the applicant's disability or handicap. If, even with a reasonable accommodation, applicants with disabilities/handicaps cannot meet essential program requirements, management will be permitted to reject them. Such insurmountable problems might arise because of behavior or performance in past housing, inability to comply with the terms of the property's lease, or needed services from property staff that represent an alteration in the fundamental nature of the property's program. An applicant who has a disability/handicap but who is able to demonstrate a history of meeting financial obligations, caring for a rental unit, avoiding disturbing neighbors and destroying property, abstaining from criminal behavior, and complying with the property's lease, would be recommended for admission with no further reference to or consideration of any disability or handicap.

##### Prohibition of Rejecting Applicants Due to VAWA

The VAWA protects victims of domestic violence, dating violence or stalking, as well as their immediate family members, from being denied housing assistance if an incident of violence is reported and confirmed. An applicant's status as a victim of domestic violence, dating violence, or stalking is not a basis for denial of rental assistance or for denial of admission, if the applicant otherwise qualifies for assistance or admission.

#### Allowable Reasons for Rejection

##### Failing HUD's Requirements

The property will reject an applicant if s/he:

- Is ineligible for occupancy based on HUD's guidelines as indicated in HUD Handbook 4350.3 REV-1;
- Is unable to disclose and document a SSN;
- Does not sign and submit verification consent forms or the Authorization for Release of Information (Forms HUD-9887 and HUD-9887-A);
- Has household characteristics that are not appropriate for the unit sizes that are available;
- Does not meet the property's screening criteria as set forth below.

##### Failing the Property's Screening Criteria

Reasons for failing the property's resident screening criteria include:

- An individual member was, or is, engaged in criminal activity that involves crimes or physical violence to persons or property, or that disturbs the peaceful enjoyment of the premises;
- The applicant or a member of the household is subject to a State lifetime sex offender registration in any state;
- There is evidence of acts of violence or any other conduct that constitutes a danger or disruption to the peaceful enjoyment of the premises;
- There is confirmed drug addiction or alcohol abuse, such as a conviction for possession, trafficking or use of 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;

- A family member was evicted in the past 3 years from federally assisted housing for drug and criminal activity;
- A family member has a conviction for the offense of rape, prostitution, indecent exposure, sodomy, carnal abuse, impairing the morals of a minor or similar crimes indicating sexual deviation;
- There is evidence of grossly unsanitary or hazardous housekeeping habits, which includes the creation of health or safety hazards through acts of neglect, or causing, or permitting to cause any damage to or misuse of the premises. This includes causing or permitting infestation, foul odors or other problems injurious to other persons' health, safety, welfare or enjoyment of the premises; depositing garbage improperly; failing to properly use all utilities, services, appliances and equipment in the unit, or failing to maintain such in good and clean condition. In cases where a qualified agency, such as F.I.A. or Protective Services, reports that a family shows potential for improvement in the area of housekeeping, an eligibility decision will be reached after receiving such a referral.

## **Appeal Process**

All denied applicants have 14 days to respond in writing, or to request a meeting to discuss their rejection. Appeal letters should be sent to the address on the cover page of this plan. A member of management's staff who was not involved in the initial decision to deny admission will conduct any meeting with the applicant. A written response will be sent to the applicant within 5 days following the review meeting with the final decision.

# **Acceptance of Eligible Applicants**

## **Offering a Unit**

When a unit becomes available for occupancy, it will be offered to the first applicant at the top of the Waiting List. If the applicant cannot be contacted within 4 working days, the offer will be canceled and the unit will be offered to the next applicant on the Waiting List. In that event, the first applicant will be sent a letter requesting confirmation of their interest in remaining on the Waiting List. If the applicant replies affirmatively, their application will retain its position on the Waiting List. The applicant will be advised at that time that if another unit becomes available and they cannot be reached within 4 working days, their name will be moved to the bottom of the waiting list. If the applicant's reply is negative, or if no reply is received within 4 working days, the application will be withdrawn.

## **Briefing the Applicant before Move-In**

Management will hold a meeting prior to the applicant taking possession of their unit to ensure that all new residents understand the terms of the lease, lease attachments, rent, security deposit, charges for facilities and services, maintenance, damages, residents' rights, recertification requirements, unit inspections, house rules, penalties for fraud, and conditions for termination of assistance and tenancy. At the briefing management will give new residents an opportunity to ask questions and discuss the information being presented.

## **Preparing to Move In**

- The applicant and site manager will inspect the unit, and will both sign the Move-In Inspection Form;
- All applicants will sign the lease and related documents;
- The applicant will pay the security deposit by personal check, bank check, cashier's check or money order;
- The applicant will pay the pet deposit (if applicable) by personal check, bank check, cashier's check or money order;
- The applicant will pay the rent for the first month or partial month of occupancy by personal check, bank check, cashier's check or money order;
- The applicant will be given a copy of the lease, the HUD-50059 Form used to certify the rent, the Initial Notice for next year's Annual Recertification, the Move-In/Move-Out Inspection Form, House Rules, a HUD Fact Sheet describing the program and how the property determined the rent, the *Resident Rights and Responsibilities* brochure, the *EIV & You* brochure, and the receipt for the security deposit and first month's rent.

### **Move-In Inspection**

Before executing the lease, management and the resident will jointly inspect the unit to determine if it is decent, safe, sanitary, and in good repair. If cleaning or repair is required, management will specify on the MI/MO inspection form the date by which the work will be completed, which will be no later than 30 days after the effective date of the lease. The inspection form will be signed and dated by both management and the resident.

### **Failure to Move In on Time**

If an applicant fails to move in on the agreed date, the applicant will be contacted to determine if extenuating circumstances exist. If the property determines that extenuating circumstances do exist, and the applicant cannot immediately move into the property, the application will be returned to its current spot on the waiting list, and the unit will be offered to the next household on the Waiting List. If the property does not find that there are extenuating circumstances, the application will be withdrawn.

## **Annual Unit Inspections**

In addition to the unit inspection at move-in/move-out, there will also be an annual inspection for repairs and monitoring of housekeeping habits. Management will always give a 24-hour written notice in advance of the annual inspection. If a resident is written up for poor housekeeping habits, s/he must clean their unit within five (5) days for a re-inspection. If a resident has 3 unsatisfactory inspections, s/he will be required to move out of the property.

## **House Rules**

The property has House Rules/Guidelines provided at move in at recertification. These rules identify allowable and prohibited activities in housing units and common areas that are related to the safety, care and cleanliness of buildings on the property, and to the safety and comfort of the residents, and that are compliant with state and local requirements.

The house rules/guidelines are reviewed annually and may be modified. Residents will be notified of any modifications to the House Rules/Guidelines 30 days before they become effective. All residents will be given the opportunity to accept the changes in writing. If a resident chooses to reject any House Rule/Guidelines changes, s/he will be required to move out of the property within 60 days.

## **Assistance Animals Rules**

The Assistance Animal Rules are provided at move in at this property are instituted to help maintain a decent, safe, and sanitary living environment for the residents of the property. The rules include guidelines on the registration and inoculation of pets, the sanitary disposal of waste, and the restraint of pets while in common areas, to help ensure that existing and prospective pet owners know their responsibilities to their pets and neighbors, as well as the property.

### **Assistance Animals**

Management will not apply pet rules to assistance animals and their owners. This prohibition does not preclude an owner from enforcing state and local health and safety laws, nor does it preclude the owner from requiring that a resident with a disability who uses an assistance animal be responsible for the care and maintenance of the animal, including the proper disposal of the assistance animal's waste.



# **XII. Resident Responsibilities at Move-In and Thereafter**

## **The Leasing Process**

### **Lease Requirements**

Once an applicant has been approved and is ready to move into their assisted unit, they are required to sign a lease, which is a contract between the owner and resident that explains the terms for residing in the unit. The lease is legally binding and is enforceable in a court of law. The lease will be provided in languages other than English for Limited English Proficiency (LEP) persons in accordance with HUD Handbook 4350.3 REV-1.

#### **Form of Lease**

The lease being used at this Section 811 PRAC property is Appendix 4-D from HUD Handbook 4350.3 REV-1, and will only be modified for documented state or local laws.

#### **Required Lease Attachments**

The following documents will be attached to the lease:

- HUD-50059, signed by the resident and the owner;
- HUD-50059-A, signed by the owner and, when applicable, by the resident.
- Move-In Inspection Report, signed by both the owner and resident;
- House Rules/Guidelines
- Assistance Animal Rules (if applicable);

#### **Signatures**

The head of household and spouse/significant other of the household will be required to sign the lease, any HUD- issued lease addendums, and any owner's lease addendums. When a resident transfers to another unit, the owner and all residents required to sign the lease will be required to sign a lease for the new unit.

#### **Lease Term**

The Initial Lease Term for this Section 811 PRAC property is one year. The lease will automatically be renewed for successive one-month terms.

## **Amending the Lease for Rent Changes**

Amending the lease for a change in rent provides the owner and resident with an accurate and up-to-date record of an increase or decrease in a resident's rent. The lease is a legal contract between the owner and the resident, which stipulates the amount of rent the resident is obligated to pay to the owner each month. By amending the lease for changes in the rent, the resident and owner are both aware of the amount of rent the resident must pay to the owner each month.

- Any increase in rent must be governed by HUD regulations and requirements currently in effect. HUD does not require an addendum for a change in the resident's rent. The printout of the HUD-50059 or HUD-50059-A serves as an addendum identifying the change in rent.
- If the resident rent increases for any reason other than a resident's failure to comply with recertification requirements, the owner must give the resident 30 days advance written notice of the increase. The notice must state the reason for the increase, and that it revises the rent.
- If the contract rent or assistance payment changes but the resident rent and utility allowance remain the same, the owner need only provide the resident with a copy of the revised HUD-50059 or HUD-50059-A.

## **Modifying the Lease**

The Model Lease for this Section 811 PRAC property may only be modified for documented state or local laws, or when an owner chooses to include a provision in the lease that permits the owner to enter the leased premises at any time without advance notice to the resident when there is reasonable cause to believe an emergency exists or that the health or safety of a family member is endangered. Modifications to the lease will be made in the form of a lease addendum.

### **Notice of Modification**

Any modification to the lease will only be effective at the end of a lease term. The owner will provide the resident with the approved modification at least 60 days prior to the end of the lease term. The notice will include a copy of the revised lease, or an addendum revising the existing lease agreement. The owner will include a letter clearly stating that the resident can either accept the modification or move, but that a response is due within 30 days. Residents must either accept the modification by signing both copies and returning one to the owner, or refuse the modification and give the owner a 30-day notice of intent to vacate. If, within 30 days, the resident indicates that the modification is unacceptable or does not respond, the owner will begin procedures for terminating tenancy as set forth in paragraph 8-13 B of the handbook.

## **Collection of Rent**

The owner will accept a resident's personal check for payment of rent. If the resident bounces a rent check, thereafter the owner will refuse to accept the resident's personal check, and will require the resident to pay rent in a guaranteed form, such as a money order, a cashier's check, or bank check.

## **Collection of Security Deposit**

Security deposits provide owners with some financial protection when a resident moves out of the unit and fails to fulfill his/her obligations under the lease. The owner will collect a security deposit at the time of the initial lease execution, and will place the security deposit into a segregated, interest-bearing account. The deposit for this Section 811 PRAC property will be the greater of one month's Total Tenant Payment or \$50.

### **Interest Earned on the Security Deposit**

The Owner will comply with state and local laws regarding investment of the security deposit and distribution of any interest earned thereon. When state or local law is silent, the actual rate earned on the security deposits will be computed and credited to each resident's portion of the security deposit. The owner will place all security deposits into a segregated, interest-bearing account. The balance of the account will equal the total amount collected from all residents then in occupancy, plus any accrued interest and less allowable administrative cost adjustments.

### **Refunding and Use of the Security Deposit**

In order to receive a refund of the security deposit, a resident must provide the owner with a forwarding address or arrange to pick up the refund. Subject to state and local laws, an owner may use the resident's security deposit as reimbursement for any unpaid rent or other amounts the resident owes under the lease. Within 30 days after the move-out date (or shorter time if required by state and/or local laws), the owner will either refund the full security deposit plus accrued interest to a resident that does not owe any amounts under the lease, or provide the resident with an itemized list of any unpaid rent, damages to the unit, and an estimated cost for repair, along with a statement of the resident's rights under state and local laws.

- If the amount the owner claims is less than the security deposit plus accrued interest, the owner must refund the unused balance to the resident.
- If the owner fails to provide the list to the resident, the resident is entitled to a full refund of the resident's security deposit plus accrued interest.

If a disagreement arises concerning the reimbursement of the security deposit, the resident has the right to present objections to the owner in an informal meeting. The owner will keep a record of any disagreements and meetings in the resident file for a period of three years for inspection by the HUD Field Office or CA. These procedures do not preclude the resident from exercising any rights under state and local law.

### **Security Deposit for Transfers**

When a resident transfers to a new unit, the owner will charge a new deposit and refund the deposit for the old unit.

## **Collection of an Assistance Animal Deposit**

### **Assistance Animals**

Assistance animals are animals that provide disability-related assistance, support, or provide service to persons with disabilities and are exempt from a pet deposit.

## **Charges in Addition to Rent**

### **Damages**

Whenever damage is caused by carelessness, misuse, or neglect on the part of the resident, household member, or visitor, the resident is obligated to reimburse management for the damages within 30 days after the resident receives a bill from management. The property will deduct accrued, unpaid damage charges from the resident's security deposit at the time of move-out, as allowed by the laws of this state.

### **Special Management Services**

The property will charge for special services such as responding to lockout calls and providing extra keys. At the time of move-out the property will charge the resident for each key not returned.

### **Court Filing, Attorney, and Sheriff Fees**

The property will accept fees from residents who wish to avoid/settle an eviction suit as permitted by state and local laws.

## **Annual Recertification Requirements**

To ensure that assisted residents pay rents based on their ability to pay, HUD requires owners to conduct a recertification of family income and composition at least annually. Based on this requirement the property will ask residents to sign consent forms and third party verification forms annually. The property will obtain third-party verification directly from the third party source for the following items:

- Annual income from wages, unemployment, and Social Security benefits when resident is unable to provide acceptable income documentation or disputes the employment and income information in the EIV system;
- Reported annual income from sources not reporting income data to the EIV system;
- The value of individuals assets;
- Expenses related to deductions from annual income; and
- Other factors that affect the determination of adjusted income.

### **Use of the EIV System at Recertification**

The property will use the EIV Income Report as third-party verification of employment and income unless the resident disputes the information on the EIV report. In addition, the property will use the EIV Income Discrepancy Report to review and resolve any potential discrepancies between the income reported in the EIV system and what has been reported by the resident.

### **Annual Criminal Background Checks**

HUD has given owners the authority to require a criminal background check, including a State lifetime sex offender registration check, on residents at recertification. The property may conduct these checks on all residents at recertification. A copy of the completed screening will be placed in tenant file.

If the background checks indicate that the resident is in violation of the provisions of the lease, the owner will evict the resident in accordance with the lease and the owner's standards for termination of tenancy. The owner will notify the household of the proposed action based on the information, and will provide the subject of the criminal record and the resident with a copy of the information and an opportunity to dispute the accuracy and relevance of the information obtained from any law enforcement agency.

### **Notification System**

#### **Initial Notice**

Management will initiate the annual recertification process by first notifying the resident at the signing of each lease of their obligation to recertify next year. This is called an Initial Notice of recertification. The resident is obligated to respond to this notice by reporting to management at the requested time to complete the recertification process.

#### **Reminder Notices**

One hundred twenty days before the new recertification effective date, management will send all residents a First Reminder Notice of their need to report for an Annual Recertification, and to bring income information to the recertification interview. If the resident does not respond to this notice, a Second Reminder Notice will be sent 90 days in advance of the annual recertification effective date, and likewise a Third Reminder Notice/Notice of Termination will be sent 60 days in advance, if the resident has not responded to the first or second reminder notices.

#### **Eviction**

If the resident does not respond to any of the recertification notices at this 811 PRAC property by the recertification effective date, management will immediately begin the process to terminate tenancy due to noncompliance with the lease requirement to recertify annually. The resident will be required to pay the greater of Operating Rent or 30% of income until eviction procedures are completed. If the resident reports for a recertification interview after the eviction process is initiated, the eviction process will be stopped, and the property will complete the recertification and make it effective the first day of the month following the month the resident complied with the recertification process.

## **Interim Recertification and Reporting Requirements**

If circumstances occur in a resident's life that either affect their ability to pay their rent, or constitute a change in the family composition, a recertification of income, assets, allowances, or household composition should take place before the next scheduled annual recertification is due. This action is called an Interim Recertification. Owners and residents both have certain responsibilities under HUD regulations to initiate interim recertifications to ensure that an assisted resident continues to pay rent according to his/her ability to pay.

## **Owner Responsibilities**

Management will process interim recertifications when the resident reports circumstances which would decrease the rent, as indicated in Chapter 7 of HUD's occupancy handbook, HUD Handbook 4350.3 REV-1. If the owner learns that a resident has failed to report a required change in income or family composition, as listed below, s/he will immediately notify the resident in writing of his/her responsibility to provide information about such changes. The notice will refer the resident to the lease clause that requires the interim recertification, and give the resident 10 calendar days to respond to the notice. In this 811 PRAC property the resident will be informed that s/he will be evicted if the 10-day deadline is not met. In addition, the owner will use the EIV New Hires Report on an annual basis to determine if a member of the resident's household has new employment.

## **Resident Responsibilities**

As required in the resident's lease, if an assisted resident experiences the following changes in their income or household composition at a time other than their scheduled annual recertification, HUD requires them to immediately report these changes to management, so that an interim recertification can be processed:

- Any household member moves out of the unit;
- An adult member of the household who was reported as unemployed on the most recent certification or recertification obtains employment;
- The household's income cumulatively increases by \$200 or more a month.

# XIII. Termination

## Termination of Assistance

Actions for an owner to terminate assistance at this Section 811 PRAC property do not apply. Any violation of the lease will require the owner to terminate tenancy.

## Termination of Tenancy by Owner

The authority to terminate tenancy of residents is in accordance with the HUD model lease and the state/local Landlord/Tenant Act. Management will terminate a resident's tenancy for the following reasons:

### Material Noncompliance with the Lease

Management has the right to terminate tenancy when a resident is in material noncompliance with the lease, including:

- Failure of the resident to sign and submit consent forms allowing verification of information regarding the resident's income and eligibility;
- Failure to disclose and verify social security numbers;
- Extended absence or abandonment of the unit;
- Fraud, which is when a resident knowingly provides inaccurate or incomplete information;
- Nonpayment of rent due under the lease, including any repayment of rents due if the resident was charged a lesser rent than required by HUD's rent formula due to underreporting or failure to report income.

### Repeated Minor Violations

Management has the right to terminate tenancy for repeated minor violations that:

- Disrupt the livability of the property;
- Adversely affect the health or safety of any person;
- Adversely affect the right of any resident to the peaceful enjoyment of the property;
- Interfere with the management of the property; or
- Have an adverse financial effect on the property.

### Failure to Disclose and Provide Verification of SSNs

Management is required to terminate tenancy of a resident and the resident's household if the SSN disclosure and verification requirements for all household members are not met in the specified timeframe. This includes those households where a child under the age of six who did not have a SSN was added to the household with the understanding that the SSN would be disclosed and verification provided within 90 days after admission, or within the 90 day extension period, if applicable.

### Drug Abuse and Other Criminal Activity

Management will terminate tenancy for any type of criminal activity including the following:

- It is determined that a household member is illegally using a drug,
- It is determined that a household member is illegally using marijuana, even if it is permitted under state law for recreational or medical purposes;
- It is determined that a pattern of illegal use of a drug interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents;
- It is determined that a household member's abuse or pattern of abuse of alcohol threatens the health, safety, or right to peaceful enjoyment of the premises by other residents;
- It is learned that a resident is fleeing to avoid prosecution, or custody, or confinement after conviction of a crime.

### Lifetime Sex Offender

Management is required to terminate the tenancy of a participant who is subject to a lifetime registration requirement under a State sex offender registration program who was erroneously admitted (the household member was subject to a lifetime registration requirement at admission and was admitted after June 25, 2001) and is receiving housing assistance. If management erroneously admitted a lifetime sex offender, the O/A must offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, the O/A must terminate assistance for the household.

### Breaking State or Local Laws and Other Good Cause

State and local laws impose obligations on a landlord and resident. These laws provide that violations of the resident's obligations constitute grounds for eviction:

- Management will terminate tenancy for other good cause, which is defined by state and local laws;
- The conduct of a resident may be deemed good cause, provided management has given the resident prior written notice and stated the conduct would constitute a basis for termination of occupancy in the future;
- The resident's refusal to accept change to the Lease agreement may be deemed good cause.

## **Manner of Service**

The notice to terminate tenancy will be served by delivering a copy of a 30 day notice to tenant. The date on which the notice is deemed received by the resident is the date he/she signs notice. Service of the notice is deemed effective once the notice has been signed.

## **Termination of Tenancy by Resident**

The resident may terminate the lease agreement at the end of the initial term or any successive term by providing management with a written 30-day notice to vacate the unit, as required in the lease. Whenever the Owner has been in material noncompliance with the lease, the resident may in accordance with State law terminate the lease by so advising the owner in writing.