

Tenant Selection Plan Casa Grande Senior Apartments

Casa Grande Senior Apartments is a HUD Section 202 PRAC and Tax Credit property that is assisted 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. The property has 44 one-bedroom units that have project-based subsidy provided by HUD and 13 Tax Credit Units available for rent to all eligible elderly households. The goal of this Tenant Selection Plan is to establish a guideline for the selection of residents in accordance with HUD regulations,

Effective Date: August 9, 2007 (Revised; Oct. 2, 2007; Feb. 1, 2008; May 21, 2008; July 22, 2008; Oct. 22, 2008; May 1, 2009; July 23, 2010; Aug. 16, 2010; Oct. 26, 2015, Oct. 26, 2016, Feb. 22, 2018, Jan. 31, 2019, September 21, 2021)

1. APPLICATION

At least 1 applicant must be elderly (age 62 or older). Each applicant must completely fill out the appropriate pre-application for occupancy and be willing to submit all required documentation and submit to a credit check and criminal background screening.

Applications will be date stamped upon receipt and processed to determine pre-qualification on a first-come, first-served basis. If a pre-application is not completely filled out, the applicant will be contacted to request any missing information. Once the pre-application is completed and pre-qualification determined it will be placed on the waitlist per the initial date stamp. If additional information is needed and no response is received within 14 days of notification the pre-application will be mailed back to the applicant with a letter of explanation.

The applicant is responsible for completing the pre-application accurately. Misrepresentation of information is grounds for disqualification.

2. ESTABLISHING AND MAINTAINING THE WAITLIST

The waiting list will remain open until the length of wait time exceeds 3 years. At that time the wait list may be closed, notification of the closure will be advertised in accordance with all HUD requirements and will appear on the PEP Housing website. Upon re-opening the waitlist, notification of the opening will be advertised in accordance with all HUD requirements and will appear on the PEP Housing website.

The waitlist will be reviewed, and a mailing sent to all applicants to determine if they wish to remain on the list at least every other year. Applicants may call or mail their response to remain on the waitlist. Applicants who do not respond by the deadline or whose mail is returned “undeliverable” will be removed from the waitlist and will not receive further communication regarding being removed. It is the applicant’s responsibility to update their contact information if there are any changes.

The top 5 applicants will need to complete a Full Application packet and provide current income and asset statements in an attempt to have prospective residents pre-qualified to move in as apartments become available. The top 5 applicants will be contacted to begin this process by phone first, if the phone number on file has changed, we will then mail a notification to the most current address on file, if that is returned or we receive no response within 10 days we will

consider this a withdrawal from the waitlist for failing to either respond or update their contact information. Applicants who decline to participate in the pre-qualification process as outlined above will be removed from the waitlist.

When a unit becomes available the applicant at the top of the list will be notified by phone. They must respond within 72 hours. If applicant does not respond within 72 hours to continue the certification process management will notify the applicant that their name has been removed from the waitlist by mail and then the next applicant will be contacted. If the applicant does respond and declines the unit it will be considered a pass, as described below. This policy is designed to minimize the loss of revenue from vacancy.

Applicants may decline an available unit no more than 2 times;

- 1) The 1st time they decline their name will be moved to the bottom of the waitlist.
- 2) The 2nd time they decline their name will be removed from the waitlist. Applicants who are removed for declining 2 units, must wait 1 year before submitting a new application.

In addition to the applicant waitlist management will maintain a waitlist for existing residents who require

- 1) a unit transfer due to a Reasonable Accommodation need

Management will offer vacant units to existing residents on this waitlist before households on the applicant waitlist.

3. INCOME LIMITS

HUD establishes and publishes income limits annually based on family size for each county in the United States based on the median income of the geographic area. Applicants must have an income that is not greater than the maximum income limits established by HUD program type.

Once an applicant is approved under the income limit rule and moves into the property, this income eligibility test will not be done again. Income limits for this property are listed below:

Very low-income limit 50% of median income

4. ASSIGNMENT OF UNITS AND UNIT TRANSFERS

When an applicant is notified of an available unit, applicant must respond within 72 hours to continue the certification process. If applicant does not contact the office to advance the application process within 72 hours, or declines the unit, management will move to the next applicant on the list. Applicant should be willing to take possession of the vacant unit per the policy described in #16. This policy is designed to minimize the loss of revenue from vacancy.

The occupancy standards which will be applied are (per Section 503 (b) Uniform Housing Code);

- 1 bedroom for 1 person minimum and a 3-person maximum

When a unit becomes available Management will assign the unit as follows in order of priority:

- 1) An existing resident who
 - a. Has invoked the protections offered under the VAWA policy
 - b. Has a medical condition or as a Reasonable Accommodation to a household members disability
- 2) The Applicant next on the waitlist that is eligible for the unit available.

If the unit available is a handicap accessible unit preference will be given;

- 1) To an existing resident who has need for such a unit
- 2) To an Applicant household who is disabled (regardless of their place on the waitlist) and would derive the greatest benefit from the special features of the unit. When this occurs,

management will make a notation on the waiting list to indicate that an applicant was skipped over per the Tenant Selection Plan.

In the event an applicant without a disability takes possession of a handicap accessible unit, the household will be required to sign a Lease Addendum that would require them to move to a non-handicap unit, of appropriate size, when an applicant household with a disability is accepted.

Residents may transfer between PEP properties if:

- 1) They have invoked the protections offered under the VAWA protection
- 2) They have completed an application and are next on the properties waitlist when a unit becomes available, have a good residency history, are income eligible and allow a home inspection of their current unit. Or;
- 3) Have an approved reasonable accommodation request for such a transfer.

Residents transferring to a different property must complete an income certified for the new property.

5. IDENTIFICATION

All applicants must provide photo identification, Birth Certificate or other acceptable proof of date of birth (for age verification) and social security number verification. In accordance with HUD's restrictions on housing assistance to non-citizens and to ensure compliance with the new Identity Theft Prevention Policy Guidelines (Red Flags Rule). All information obtained will be for application processing only and will remain confidential and secured.

6. INTERVIEWS

All applicants being offered a unit will be required to fill out a full application, to provide appropriate documentation, to attend an application interview and to allow third party verifications, landlord and or reference checks.

When processing an application for a HUD subsidized unit management will conduct an Existing Tenant Search through the Enterprise Income Verification (EIV) System to verify the applicants and/or other household members are not currently residing in subsidized housing. Applications for Tax Credit units are not subject to the Existing Tenant Search through the EIV system. The applicant is responsible for completing the full application accurately. Misrepresentation of information is grounds for disqualification. If an applicant is accepted and subsequently found to have misrepresented information, this will be grounds for eviction.

PEP Housing uses Onsite Management Systems to screen applicants.

7. INCOME AND ASSET VERIFICATION

Applicant households must be at or below income maximums and meet minimum income requirements as mandated by the funding sources for the property. All applicants must comply with third-party verification of income and assets. All information received from third-party sources is valid for up to 120 days after the "received" date stamp. Two years of tax returns are required for self-employed individuals.

Federally assisted property units (i.e., HUD 202 PRAC) will be subject to EIV as part of the tenant income screening.

If the Applicant moves into a HUD subsidized unit, within 90 days after moving in

- 1) EIV will be used to run the Income Report, the No Income Report, the Income Discrepancy Report, New Hires Report and Deceased Tenant Report . These reports will be run using the same 9887 and 9887A used to process the application

and will be run within 90 days of the households move in date. All reports will be maintained in the residents file for the duration of their residency and not less than 3 years after moving out.

Tax Credit unit applicants and residents are not subject to the use of the EIV system. After moving in all household members must comply with annual recertification procedures. Failure to do so may result in eviction.

8. TIMELY RESPONSE

The applicant is responsible for providing accurate and complete information to insure the ability to verify income and asset information in a timely manner. Lack of response to verifications may result in another applicant being selected in order to minimize vacancy revenue loss. 7 days shall be considered a timely response for replies. If no response is received by noon on day 7, the applicant's name will be removed from the waitlist and the next applicant will be contacted. Extenuating circumstances for a late response will be given consideration.

Applicants may designate a 3rd party person as a point of contact for requests and may receive assistance from this person when completing forms and providing required documentation. It is the responsibility of the applicant and 3rd party person to ensure that management has correct contact information for that person.

9. COMPLIANCE

PEP Housing is an "equal opportunity" housing provider. Management shall comply with the provisions of Federal, State and Local laws prohibiting discrimination in housing on the basis of race, color, national origin, religion, ancestry, disability, familial status, marital status, age, source of income, sex, sexual orientation, AIDS/HIV, medical condition, gender identity and expression, genetic information, or any other arbitrary discrimination.

All PEP Housing properties will strive for occupancy that proportionately reflects the area's population diversity in conformity with its Affirmative Fair Housing Marketing Plan.

In order to protect victims of domestic violence, dating violence, sexual assault, or stalking, as well as their immediate family PEP Housing will administer policies in accordance with the Violence Against Women Act. VAWA is a gender neutral law that was originally signed into law in 2006 and amended in 2013, Public Law 109-162 (VAWA). It includes HUD rules for a lease addendum (HUD-91067) revising the lease to reflect the statutory requirements of the VAWA. According to HUD rules, PEP Housing must provide the Notice of Occupancy Rights under the VAWA (form HUD-5380) and Certification of Domestic Violence (form HUD-5382) if an applicant is denied, at time of admission or in the event of a termination or start of an eviction for cause proceeding. The certification may be enclosed with the appropriate notice, directing the family to complete, sign and return the form within 14 business days. A police report may be used in lieu of the certification form.

Owners are not required to demand that an individual produce official documentation or physical proof, of an individual's status as a victim of domestic violence, dating violence, sexual assault or stalking in order to receive VAWA protection.

10. CREDIT AND LANDLORD CHECK

All applicants must submit to a credit and landlord check to determine their payment and tenancy history. We require continuous housing history for the past 5 years.

Applicants may provide alternative documentation showing where they have been residing or a pattern of homelessness, including but not limited to a signed statement from a homeless shelter or social worker that attests to their homeless status.



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Unacceptable credit may be grounds for denial. Unacceptable credit means;

- 1) The person has 2 or more 90 day past due reports in the past 2 years or any collection or bankruptcy reports within 2 years. Medical collections will not be considered in the credit history.
- 2) Utility Company arrears.

All applicants will be allowed to discuss extenuating circumstances for any negative credit report with management.

Unacceptable landlord check may be grounds for denial.

Acceptable landlord check means;

- 1) The person has no unlawful detainer on their rental history, damaged property, or allowed persons not on a lease to live in their unit.
- 2) Has no eviction within the past 5 years or breached their rental agreement including house rules and regulations unless evidence is given to support that the applicant is a victim of domestic violence, dating violence, sexual assault or stalking.
- 3) The person has no history of late rent payments.
- 4) The person has neither been physically violent nor threatened physical violence and has no history of being involved in criminal activity at or near their dwelling.
- 5) The person has no history of disturbing the quiet enjoyment of the premises by others.
- 6) Landlord would re-rent to applicant.

All applicants will be allowed to discuss mitigating circumstances for any negative landlord report.

Fair and Accurate Credit Transactions Act of 2003 (FACT Act) and Fair Credit Reporting Act of 1971 (FCRA) issued final rules to implement sections 114 and 315 allowing consumers easier access to view their reports and dispute incorrect items. PEP Housing has developed an Identity Theft Prevention Policy which shall take all precautions to safeguard applicants and tenant's confidential information on their credit report and to identify any "red flag" alerts which are suspicious in nature and may be due to identity theft.

Using policies and procedures believed to be effective at identifying "red flags" associated with identity theft PEP Housing will train all appropriate staff. The program will be reviewed after any identity theft incident and at least once every 12 months.

Under the FACT Act, applicants have the right to view their credit report free of charge once a year. All applicants have the right to dispute any incorrect items on their report. Applicants will need to contact any of the three major credit bureaus to dispute any incorrect items. If it is found that an item on the credit report is indeed fraudulent and is corrected by the credit bureau, the applicant will be added to the waitlist as of the date and time stamped on the application.

At any indication of identity theft or fraud, Management will log the information regarding any "red flag" alerts on the applicant's credit report or other verifications.

11. CRIMINAL BACKGROUND SCREENING

In accordance with HUD Notice H2002-22, PEP Housing will conduct a criminal background check on all applicants for admission at all of its properties. Using the following mandatory provisions set by HUD, admission will be denied to any applicant or household member:

- 1) Who has been evicted from housing for drug-related criminal activity, for 5 years from the date of eviction. If the evicted household member who engaged in drug-related

criminal activity has successfully completed a supervised drug rehabilitation program or circumstances leading to the eviction no longer exist, PEP Housing may, but is not required to, admit the household.

- 2) Who is currently engaging in illegal drug use.
- 3) If there is reasonable cause to believe that a household member's illegal use or a pattern of illegal use of a drug, as well as a household member's abuse or pattern of abuse of alcohol, 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.)
- 4) Who is subject to a lifetime registration requirement under a state sex offender registration program. Applicants that are lifetime registered sex offenders are not eligible for tenancy at any PEP Housing property.
- 5) With misdemeanor or felony records depending on the nature of the crime.
- 6) With records of violent criminal activity.

Due to the implementation of the VAWA, an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking will not be construed as serious or repeated violations or other "good cause" in a case for denying admission. A Certification of Domestic Violence (form HUD-5382) is made available to all applicants at the time of denial.

12. SCREENING FOR SUITABILITY

Screening is used to help ensure that applicants admitted to the property will abide by the terms of the lease, pay rent on time, take care of the property and unit, and allow all residents to peacefully enjoy their homes. An effective screening policy will also ensure fair, consistent, and equal treatment of applicants. The following adopted screening criteria must be consistently applied to all applicants in a non-discriminatory fashion and in accordance with all applicable fair housing and civil rights laws including VAWA:

- 1) Screening for drug abuse and other criminal activity.
- 2) Screening for housekeeping habits. Owners may visit the applicant's current dwelling to assess housekeeping habits. In defining home visit standards, a radius of 25 miles should be the maximum distance traveled to visit an applicant at home. A reasonable standard in housekeeping habits is applied to all applicants. Messy living quarters are not the same as safety and health hazards.

The screening of live-in aides at initial occupancy and screening of persons or live-in aides to be added to the household after initial occupancy involve the same procedures for Credit, Landlord and Criminal Background checks. All screening criteria applies to live-in aides, except for the requirement to be income qualified because live-in aides' income is not counted and they are not responsible for rental payments.

13. STUDENT RULE

For Low Income Housing Tax Credits (LIHTC); an entire Household comprised of Full-Time Students (as defined by IRC 152(f) (2)) is not eligible to receive housing.

For HUD; if a student is enrolled at an institution of higher education, is under the age of twenty-four (24), is not a veteran, unmarried and does not have a dependent child, is individually ineligible for Section 8 assistance, or the student's parents are, individually or jointly, ineligible for assistance, no Section 8 assistance can be provided to the student.

14. REASONABLE ACCOMMODATION REQUESTS

All applicants requesting special accommodations based on a disability must verify the need for the accommodation but not the nature of the disability.

- 1) For all requests, verification of the need for an accommodation by an appropriate professional will be required. In the case where a request is based on an obvious disability, no written verification will be required.
- 2) No applicant will be required to reveal any disability; all such revelation will be voluntary.
- 3) Reasonable accommodations will be reviewed and approved or denied by the onsite manager or 504 Coordinator.
- 4) All applicants will be allowed to discuss any denial of request with management. All appeals will be reviewed by the 504 Coordinator.

Reasonable Accommodation requests may be denied if the requested accommodation would place an undue financial burden on the owner or cause irreparable damage to the property.

15. ACCEPTANCE OR REJECTION

Applicants will be accepted or Rejected based on following selection criteria.

- 1) Household meets age or disability restrictions
- 2) Complete and accurate Pre and Full applications
- 3) Copies of all requested ID, income, and asset documents
- 4) Cooperation with and timely response to appointments and requests
- 5) Income qualification proven for the unit being offered
- 6) An applicant's status as a victim of domestic violence is not a basis for denial of admission if the applicant otherwise qualifies
- 7) Credit history
- 8) Past housing history
- 9) Criminal history
- 10) Student status
- 11) An applicant's request for Reasonable Accommodation is not a basis for denial of admission if the applicant otherwise qualifies

If an applicant is rejected, management will promptly notify the applicant in writing, explaining in the notice:

- 1) The reasons for the rejection, clearly stated; and
- 2) Attached they will find the Notice of Occupancy Rights under the VAWA (form HUD-5380) and Certification of Domestic Violence (form HUD-5382); and
- 3) That the applicant has fourteen (14) calendar days from the date of the letter to respond in writing to request a meeting to discuss the rejection with a member of the management staff who did not make the initial decision to reject the applicant. A written final decision will be sent to the applicant within five (5) calendar days of the meeting. An applicant who successfully appeals a rejection will be reinstated at the top of the waitlist and offered the next available unit.

All accepted applicants will be notified and offered a move-in date.



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16. NOTIFICATION

After a resident is approved for occupancy, they will be notified and given a starting lease date that is based on the date the unit is ready to move in. This date is determined to minimize the vacancy revenue loss for that unit. The prospective resident should be willing to take possession of the vacant unit the day it is available for occupancy but must take possession no more than 7 days after the unit is available for occupancy regardless of whether or not the resident is able to physically move in at that time. If a prospective resident is a current voucher holder or currently resides in HUD assisted housing, we will make an exception to the 7-day rule but will require that the 30-Day Notice to Vacate be given within a timely manner of the offer of the vacant unit. Timely notice is considered to be within 72 hours of being notified of the vacancy. If a prospective resident cannot pay the rent needed to move in due to a financial hardship, they may utilize community rental assistance programs. If after all avenues are explored the applicant is still unable or unwilling to take possession on the date required, the next available applicant will be offered the unit.

If an applicant has accepted a unit, completed the qualifying process, and been notified of their move in date and at that time declines the unit, they will be removed from the waitlist and may not reapply for 1 year.

17. RESIDENCE

The rental unit must be used as the applicant's primary place of residence. As such, the household member must occupy the unit a minimum of 10 months in every calendar year. All units will be occupied in accordance with the standards set forth in the appropriate regulatory agreement.

18. MODIFICATION OF PLAN

This Tenant Selection Plan will be reviewed and or updated annually to ensure that it reflects Casa Grande Senior Apartments current operating practices, program priorities, HUD and Tax Credit requirements. If the property, PEP Housing, 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. For this reason, the current Tenant Selection Plan in place at the property will always be dated.

Thank you for applying with PEP Housing, we look forward to serving you!