

# **TENANT SELECTION PLAN FOUNTAIN VIEW APARTMENTS SCREENING AND SELECTION POLICY**

## **I. Introduction**

The Tenant Selection Plan addresses screening and selection criteria for the rental units in the project known as Fountain View Apartments (Fountain View) in Chicago, Illinois. During a compliance period of thirty (30) years, 40 of the 45 units must be leased as low-income rental units within the meaning of the Low-Income Housing Tax Credit ("LIHTC") program administered by the Illinois Housing Development Authority ("IHDA") and the City of Chicago Department of Housing ("DOH") pursuant to 26 U.S.C §42 ("Section 42"). Of these 40 LIHTC units, 14 are also public housing units. The remaining 5 apartments at Fountain View are unrestricted market units. Fountain View is owned by Fountain View Apartments Limited Partnership ("the Owner"). Lawndale Christian Development Corporation, an Illinois not-for-profit corporation (LCDC) is the Owner's management agent.

Fountain View is part of the Chicago Housing Authority's Plan for Transformation. In this Tenant Selection Plan, the terms "CHA applicant" and "CHA leaseholder" refer to applicants covered by the Relocation Rights Contract(s).

The Relocation Rights Contracts recognize that the Owner may adopt property specific requirements governing eligibility for admission to and continued occupancy in Fountain View. In addition, the CHA adopted a Minimum Tenant Selection Plan for Mixed-Income/Mixed-Finance Communities (the "MTSP") establishing minimum standards for owner adopted property specific criteria. The Tenant Selection Plan includes property specific eligibility, admission and occupancy criteria that are consistent with the Relocation Rights Contracts and the MTSP.

All applicants for Fountain View are expected to meet the property specific requirements regardless of whether they are applying for public housing, other assisted housing, or market-rate rental units in the building. However, CHA applicants who do not meet the selection criteria may be admitted if LCDC determines that the applicant is engaged in activities by which the household will meet the property specific requirements within one year of admission. The property specific requirements of this Tenant Selection Plan are summarized in Exhibit A of this document. The CHA will notify CHA applicants of the property specific requirements at least one year before the first public housing units are leased at Fountain View.

## **II. Equal Opportunity Policy**

### **A. Non-Discrimination**

It is the policy of the Owner and LCDC to comply fully with all federal, state and local non-discrimination laws, including Title VI of the Civil Rights Act of 1964 and the implementing regulations at 24 CFR Part I; Section 3 of the Housing and Community Development

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SCREENING AND SELECTION POLICY**

**1. General**

- ❖ Pay rent in the manner set forth by the lease;
- ❖ Do not damage the unit and common areas.
- ❖ Respect the right to quiet enjoyment of others.
- ❖ No illegal activity, including the illegal use of drugs, for all household occupants, guests, and individuals under the tenant's control.
- ❖ Comply with the rules of the property.

**2. Employment and Self-Sufficiency Requirements:**

- ❖ Head or Co-Head applicants are employed 30 hours per week with a minimum of a two year history of continuous employment, and
- ❖ All other family members, ages 18 and older and any household member between the ages of 17 and 18 that drops out of school must work be engaged in one or in a combination of the following activities at least 30 hours a week:

1. Current employment of less than 30 hours per week; 2. Enrollment in an economic self-sufficiency program; 3. Job search and/or employment counseling; 4. Employment skills training; 5. Enrollment GED classes, or other education; English proficiency; or literacy classes. If enrolled in a full time, multi-year degree or vocational certification program the tenant will be required to work 30-hours per week within ninety days of program completion.

- ❖ Applicants will be considered "Working to Meet" if:
- ❖ Head or Co-Head applicants are working 30 hours per week with less than a two year continuous history, or
- ❖ They are engaged in activities that will lead to 30 hours per week employment within one year of moving in; including:  
1. Current employment of less than 30 hours per week; 2. Enrollment in an economic self-sufficiency program; 3. Job search and/or employment counseling; 4. Employment skills training; 5. Enrollment GED classes, or other education; English proficiency; or literacy classes. If enrolled in a full time, multi-year degree or vocational certification program the tenant will be required to work 30-hours per week within ninety days of program completion, and

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**People who do not have to meet the Employment Criteria**

- ❖ Individuals age 62 or older;
- ❖ People with disabilities who are unable to work because of the disability and provide third party verification;
- ❖ The primary caretaker of a person with disabilities;
- ❖ No more than one adult household member who elects to stay home to care for young children, provided that there are at least two adults in the household, and at least one of the adults is working at least 30 hours each week;
- ❖ An individual who is retired and is receiving a pension.

**3. House Hold Members age 6-17:** All household members age 6 to 17 must regularly attend school.

**4. Supervision of Children Under 13:** All children must be adequately supervised by a responsible household member, or participate in day care, an after school program.

**5. Credit Checks and Credit Reports**

- ❖ A credit report will be run for household members over the age of 18.
- ❖ Applicants who owe rent to the CHA or a utility company, must pay the outstanding charges, or must be current on a payment plan.
- ❖ All income must be documented with information that is less than 90 days old including:
  - Pay stubs,
  - Bank statements,
  - SSI Award letters,
  - Court-ordered child support agreements

**6. Criminal History**

- ❖ A criminal history and verification report will be obtained for all adult household members (age 18 years or older).

**7. Home Visit**

- ❖ Applicants may be subject to a home visit with a 2-day notice as part of the screening process.

**8. Pre-Occupancy Orientation**

- ❖ All adult household members must attend a pre-occupancy orientation.

**9. Landlord Verification**

- ❖ All applicant households will be required to submit five years of landlord verification.

**10. Community Service Obligations**

- ❖ Each non-exempt household members must: contribute 8 hours each month of community services or,
- ❖ Participate in an economic self-sufficiency program; or
- ❖ Perform 8 hours of combined community service and self-sufficiency activities each month.

**11. Family Orientation/Case Management**

- ❖ All tenants will be required to attend a pre-occupancy orientation as a condition of the lease.

**Rejection of Applicants:**

- ❖ **General Procedures.** Any applicant whose application for admission is rejected may request an informal meeting with an on-site LCDC employee within ten days of the date of the rejection letter.
- ❖ **Public Housing Applicants and Residents.** Former residents of CHA developments referred by the CHA from the HOP system who are rejected and who are not satisfied with the outcome of an informal meeting may seek a grievance hearing before an independent hearing officer, provided by the CHA grievance policy.

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family must continue to meet public housing eligibility and LIHTC criteria during occupancy. If household income exceeds 140% of 60% of area median income ("AMI"), the family must choose to (a) become a market rate resident of the development by assuming the responsibility to pay the associated market rate rent for its unit (or transfer to another market rate unit of appropriate size if one is available); (b) request a transfer to a public housing unit in another CHA property in accordance procedures of the CHA, if a unit is available; (c) accept an offer of a Section 8 Housing Choice Voucher from the CHA in accordance with the procedures of the CHA, if a voucher is available; or (d) vacate the unit.

3. Eligibility for occupancy in LIHTC Units. During the LIHTC compliance period, for admission to the LIHTC units, including all public housing units, an applicant household must:

(i) Meet the income standards required by IHDA and DOH under which (a) 19 of the 40 LIHTC units must be rented to families whose incomes are equal to or less than 50% of AMI at initial occupancy and (b) 21 of the 40 LIHTC units must be rented to families whose incomes are equal to or less than 60% of AMI at initial occupancy.

(ii) Not consist entirely of full-time students, unless (a) a member of the household receives assistance under a federal state or local job training program; (b) a member of the household receives Transitional Assistance to Needy Families; (c) the household consists of a single parent and his or her children, and the parent and children are not tax dependents of another person; or (d) the household consists solely of a married couple that files a joint tax return.

(iii) Use the unit only as a private dwelling for the household, and not for business or other purposes; except that, with the prior permission of the Owner, a family may use the unit for incidental purposes related to his or her trade or business, as long as the incidental use complies with local zoning laws, building codes, applicable health and safety laws, and applicable laws for the regulation of business.

A family residing in a LIHTC unit that is not a public housing unit must continue to meet LIHTC eligibility criteria during occupancy. If household income exceeds 140% of 60% of AMI, after the Owner complies with the next available unit rule pursuant to Section 42 (g)(2)(D)(ii) of the Internal Revenue Code of 1986, as amended, and after proper notice under the lease, the family may be required to (a) become a market rate resident of the development by assuming the responsibility to pay market rent for the unit or (b) vacate the unit if the family chooses to not pay the market rate rent.

4. Employment and Self-Sufficiency Requirements for LIHTC and Market Applicants. Applicants for LIHTC units that are not public housing units will qualify for occupancy only if all household members meet the property specific employment and self-sufficiency requirements of this Section III(A)(4). Applicants for market units that are not public housing units must meet the specific employment and school attendance requirements of this Section III(A)(4)(i) and (iii) and all market unit household members age 18 or over and any market household member between the ages of 17 and 18 that drops out of school must be engaged in employment at least 30 hours each week.

(i) The head of household and co-head of household will meet the property specific employment requirements if the household documents at the time of admission that the head or co-head of household is employed at least 30 hours per week and has at minimum a two year history of verifiable continuous employment.

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(ii) All household members age 18 or over and any household member between the ages of 17 and 18 that drops out of school must be engaged in one or in a combination of the following activities at least 30 hours each week:

- (a) Employment;
- (b) Enrollment and regular attendance in an economic self-sufficiency program;
- (c) Verified job search and/or regular attendance at employment counseling;
- (d) Basic employment skills training;
- (e) Enrollment and consistent attendance in a regular program of education, including general equivalency diploma classes, secondary or post-secondary education, or English proficiency or literacy classes.

(iii) All household members age 6 to 17 must regularly attend school.

(iv) The following family members are exempt from the employment and self-sufficiency requirements applicable to applicants for market units and LIHTC units that are not public housing units:

- (a) Individuals age 62 or older;
- (b) People with disabilities who are unable to work because of the disability and provide third party verification;
- (c) The primary caretaker of a person with disabilities;
- (d) No more than one adult household member who elects to stay home to care for young children, provided that there are at least two adults in the household, and at least one of the adults is working at least 30 hours each week;
- (e) An individual who is retired and is receiving a pension.

5. Employment and Self-Sufficiency Requirements for Public Housing Applicants. Applicants for public housing units will qualify for occupancy only if all household members meet the property specific employment and self-sufficiency requirements of this Section III (A)(5).

(i) Priorities for Occupancy:

- (a) Public housing applicants will have first priority for occupancy of the public housing units if the household documents at the time of admission indicate that the head or co-head of household is employed at least 30 hours per week and has at minimum a two year history of verifiable continuous employment. Public housing applicant households in which the head or co-head of household is exempt from the employment and self-sufficiency requirements for the reasons described in Section III(A)(5)(vi) also qualify for first priority for occupancy of the public housing units.
- (b) Public housing applicants will have second priority for occupancy if the household documents at the time of admission indicate that the head or co-head of household is either (i) currently employed a minimum of 30 hours per week but, with

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less than a two year continuous history, or (ii) currently engaged in activities that will lead to no less than 30 hours per week of employment within one year after the date admission. To meet the requirements under (ii), the head or co-head of household must be engaged in any combination of the following activities in the aggregate amount of at least 30 hours per week:

- 1) Current employment of less than 30 hours per week;
- 2) Enrollment and regular attendance in an economic self-sufficiency program, including a HOPE VI Community and Supportive Services program;
- 3) Verified job search and/or regular attendance at employment counseling;
- 4) Basic employment skills training;
- 5) Enrollment and consistent attendance in a regular program of education, including general equivalency diploma classes, secondary or post-secondary education, or English proficiency or literacy classes.

(ii) Public housing applicants that are admitted because the head or co-head of household is engaged in activities that will lead to no less than 30 hours per week of employment must achieve at least 30 hours per week of employment within 12 months after the date of admission. Leases for households that fail to achieve 30 hours per week of employment by the end of the twelfth month of occupancy will not be renewed, as permitted by the Relocation Rights Contracts.

(iii) Public housing applicants enrolled in and actively participating in a full time, multi-year degree or vocational certification program at the time of admission will be considered to be actively engaged in activities leading to working family status. Public housing applicants who remain enrolled in and participating in such programs on a full time basis will be required to achieve working family status within ninety days of the date the enrollee completes the program, by the anticipated date of program completion, based on regular, full time attendance, or when the applicant is terminated from or withdraws from the program, whichever comes first. Public housing applicants will be required to verify participation in the educational or vocational program.

(iv) All household members age 18 or over and any household member between the ages of 17 and 18 that drops out of school must be engaged in one or in a combination of the following activities at least 30 hours each week:

- (a) Employment;
- (b) Enrollment and regular attendance in an economic self sufficiency program;
- (c) Verified job search and/or regular attendance at employment counseling;
- (d) Basic employment skills training;
- (e) Enrollment and consistent attendance in a regular program of education, including general equivalency diploma classes, secondary or post-secondary education, or English proficiency or literacy classes.

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(v) All household members age 6 to 17 must regularly attend school.

(vi) The following family members are exempt from the employment and self-sufficiency requirements applicable to CHA applicants:

- (a) Individuals age 62 or older;
- (b) People with disabilities who are unable to work because of the disability and provide third party verification;
- (c) The primary caretaker of a person with disabilities;
- (d) No more than one adult household member who elects to stay home to care for young children, provided that there are at least two adults in the household, and at least one of the adults is working at least 30 hours each week;
- (e) An individual who is retired and is receiving a pension.

6. Ability to meet financial obligations. LCDC will review the applicant household's past credit history, current income and expected expenses in order to determine the applicant's ability to meet the financial obligations of a tenant, especially timely payment of rent, utilities, and other fair charges required by the Fountain View lease. In order to demonstrate the ability to meet financial obligations imposed by the lease, the applicant must provide evidence of a source of funds to cover expenses. No co-signers will be accepted. However, there can be more than one head of household or leaseholder for a unit. All tenants will be responsible for paying the unit's gas and electricity. In addition:

(i) For non-CHA applicants, gross monthly household income must be at least 2.5 times the monthly rent for a unit. For example, a household must have income of at least \$1,000 to qualify for a unit with rent of \$400.

(ii) For public housing applicants, the household may elect to pay an income based rent or a flat rent, as described in Section V. However, a public housing applicant must demonstrate the ability to pay the utilities for the unit, plus a minimum rent of \$50 per month. Payment of minimum rent is subject to the hardship exemptions also described in Section V (B).

7. Age. In order to enter into a lease, the head of household of all applicant families must be age 18 or older.

8. Supervision of Children. All applicant households must document that children under the age of 13 are adequately supervised by a responsible household member, or participate in day care, an after school program or are otherwise adequately supervised.

#### B. Documentation of Income

1. General: The applicant shall demonstrate the ability to pay rent. For applicants to the public housing and LIHTC units, household income may not exceed the limits described in Section III(A) at initial occupancy. No co-signors will be accepted. However, there can be more than one head of household or leaseholder for a unit. All applicant households must submit documentation regarding the income and assets of all household members. The documents include but are not limited to the following: pay stubs, bank statements, SSI award letters, third party verification, and court-ordered child support agreements. All income must be documented with information that is less than 90 days old. Applicants claiming only cash income will not be approved without providing tax returns



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or pay stubs. All applicants must complete consent forms to allow LCDC to obtain third party verification of income.

**2. Verification of Employment:** Two years of verifiable work history is required for those applicants whose primary source of income is employment. The work history does not have to be with the same employer. In addition, the average income derived from employment must meet or exceed the applicable minimum income requirements at the time of application. These requirements do not apply to the head or co-head of household with social security or disability income, applicants with other forms of verifiable non-employment income, or CHA applicants who are not working, but are admitted because they are engaged in activities that will lead to achievement of working family status. See Section III (A) above for working family requirements and for minimum income standards.

#### C. Landlord verification

All applicant households will be required to submit five years of landlord verification by an authorized management representative, documenting residency, rent payment, and compliance with all lease obligations and site and building rules. If an applicant has just come from college, a verifiable dormitory history will be considered. In cases where an applicant household can provide proof of residency for the required five-year period, but landlord verification of rent payment and lease compliance cannot be obtained for the entire five-year period, LCDC shall have the sole discretion to make an exception to the landlord verification requirement, if the applicant household can provide landlord verifications for some period of time and the applicant household meets all other requirements of this Tenant Selection Plan.

#### D. Credit History

Applicants must show a history of performance in meeting financial obligations. If the applicant owes outstanding rent to the CHA or to a utility company, the applicant must pay the outstanding charges before occupancy, or must be current on a payment plan. Additional screening and verification standards regarding credit history are described in Section IV(E).

#### E. Home Visit

Applicants may be subject to a home visit as part of the screening process, based on the procedures outlined in Section IV(F) of this policy.

#### F. Misrepresentation

An applicant's intentional misrepresentation of any information related to eligibility, housing history, income, employment, background checks, or rent will be grounds for rejection. Misrepresentation during the intake and screening will be considered as evidence that the applicant cannot meet the requirement and will result in rejection or termination of the lease.

#### G. Pre-Occupancy Orientation

All adult household members must attend a pre-occupancy orientation designed by the Owner, the Management Agent, or a third party.

#### H. Standards for Verification

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- ❖ Respect the right to quiet enjoyment of others.
- ❖ No illegal activity, including the illegal use of drugs, for all household occupants, guests, and individuals under the tenant's control.
- ❖ Comply with the rules of the property.

**2. Employment and Self-Sufficiency Requirements:**

- ❖ Head or Co-Head applicants are employed 30 hours per week with a minimum of a two year history of continuous employment, and
- ❖ All other family members, ages 18 and older and any household member between the ages of 17 and 18 that drops out of school must work be engaged in one or in a combination of the following activities at least 30 hours a week:

1. Current employment of less than 30 hours per week; 2. Enrollment in an economic self-sufficiency program; 3. Job search and/or employment counseling; 4. Employment skills training; 5. Enrollment GED classes, or other education; English proficiency; or literacy classes. If enrolled in a full time, multi-year degree or vocational certification program the tenant will be required to work 30-hours per week within ninety days of program completion.

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- ❖ No more than one adult household member who elects to stay home to care for young children, provided that there are at least two adults in the household, and at least one of the adults is working at least 30 hours each week;
- ❖ An individual who is retired and is receiving a pension.

2. The frequency with which such people will come into contact with the Management, Agents, and service providers at Fountain View.
3. The importance of the particular activity, service or interaction with an applicant or resident.
4. The resources available and the costs of taking the steps.

### III. General Principles of Screening

The standards outlined in this policy are based on the expectations of occupancy at Fountain View. The property specific admissions criteria for the public housing units at Fountain View, described in Exhibit B, will comply with the Relocation Rights Contracts. The requirements of the policy will be incorporated into a lease agreement which shall be executed between the Owner, LCDC, and each resident. In assessing an applicant's ability to meet these criteria, LCDC will consider the following:

#### A. Eligibility and Suitability as a Tenant

1. General. Each applicant is expected to abide by the obligations of the tenancy summarized as follows:

- (i) To pay rent and other charges under the lease in the manner set forth by the lease;
- (ii) To care for and avoid damaging the unit and common areas, to use facilities and equipment in a reasonable way, and to maintain their unit at reasonable standards of care and cleanliness.
- (iii) To respect the right to quiet enjoyment of others.
- (iv) To refrain from any and all illegal activity, including the illegal use of drugs, and to require all household occupants, guests, and individuals under the tenant's control to refrain from any and all illegal activity.
- (v) To comply with the necessary and reasonable rules of the property.

2. Eligibility for Public Housing. For admission in a public housing unit, an applicant must:

- (i) During the LIHTC compliance period, meet the income eligibility requirements for admission to the LIHTC units as described in Section III(A)(3).
- (ii) Qualify for admission as citizens or eligible immigrants under the rules of the U.S. Department of Housing and Urban Development ("HUD").
- (iii) Provide a Social Security Number ("SSN") for each household member over the age of six, or, for any household member without a SSN, certify that no SSN is assigned.

Admission will also be based on the selection priorities in Section IV (A). A public housing

LCDC completes the screening and the applicant signs a Tenant Release and Consent form, leasing staff will send a first mailing to the third party verification sources identified by the applicant. After 15 calendar days, if no response has been received to the first mailing, staff will contact the third party by phone, fax or a second mailing.

2. School Verification. School enrollment and attendance records will be verified for household members under the age of 18, unless evidence is provided as to attainment of high school graduation or G.E.D. This information will be used to develop the Service Plan for Self-Sufficiency described in Section XI(A)(ii).

3. Applicant Files. Each applicant folder will include a File Completion Checklist, which records all applicant information and verifications that are needed. The file completion checklist will also include a recommendation for rejection or acceptance of the applicant, and the signature of the staff person responsible for this decision. Each applicant folder will be treated as confidential information and will be kept in a secure filing system.

#### **D. Application and Screening Procedures for Security, Safety and Criminal History**

##### **1. Screening Procedures Applicable to All Applicants**

(i) All applicant households will be subject to a criminal background check from third party sources including but not limited to criminal record systems and background check services, and landlord references. This verification shall be used to assess the applicants' and families' past criminal behavior, especially commission of violent crimes, drug related criminal activity of any kind, disturbance of neighbors, or destruction of property. A criminal history and verification report will be obtained for all adult household members (age 18 years or older) who intend to reside at Fountain View. The head of household will be required to certify that all household members under the age of 18 have not engaged in conduct that would result in rejection because of security, safety and criminal history screening criteria of this tenant selection plan.

(ii) Verifiable information obtained about the involvement of any household member (including minors) in criminal behavior, or behavior that may adversely affect the health, safety, or welfare of other residents, the owner or manager's employees, or immediate community may also be taken into consideration when making admissions decisions.

2. Denial of Occupancy. Applicant households will be denied occupancy in the following circumstances:

(i) The household includes a member who has been evicted from federally-assisted housing by reason of drug-related criminal activity within the past five years;

(ii) The household includes a member who is currently engaged in the illegal use of drugs;

(iii) The household includes a member who illegally uses or shows a pattern of illegal use of a drug that may threaten the health, safety, or right to peaceful enjoyment of other residents;

(iv) The household includes a member who abuses or shows a pattern of abuse of alcohol that may threaten the health, safety, or right to peaceful enjoyment of other residents;

(v) The household includes a member who is subject to the 10 year registration requirements under the Illinois Sex Offender Statute, or includes a member who is subject to a

lifetime or any registration requirements under any other State sex offender registration program.

(vi) The household includes a member who, within five years of the final screening for admission, engaged in any violent criminal activity, drug-related criminal activity, or any other criminal activity that would adversely affect the health, safety, or right to peaceful enjoyment of Fountain View by other residents, the Owner's employees, LDC's employees, or persons residing in the immediate vicinity of Fountain View. Examples of criminal offenses that will be considered include, but are not limited to: commission of any felony offense, disturbing the peace, drunk and disorderly conduct, threats or harassment, domestic violence, including actual or threatened violence toward members of an applicant household, assaults, destruction of property, vandalism, citations for health and sanitary code violation, possession of an unlawful weapon, criminal damage, arson, home invasion, and all other activities that may adversely affect the health, safety or welfare of other tenants.

(vii) The household includes a member who has ever been convicted of drug-related criminal activity for the manufacture or production of methamphetamine on the premises of federally assisted housing.

**3. Consideration of Mitigating Circumstances.** In the event an applicant is rejected for admission because of security or safety concerns, or because of criminal history, LDC may consider admitting the applicant based on mitigating factors which indicate a reasonable probability of future favorable conduct, compliance with the obligations of tenancy, the likely impact on Fountain View and the danger to the health and safety of residents and staff. No consideration will be given to households if any member of the household is subject to registration as a sex offender, or was convicted for the manufacture or production of methamphetamine on the premises of federally assisted housing. Examples of mitigating factors include:

- (i) The culpable household member no longer resides in the household and is not expected to reside in the household in the future.
- (ii) The incident occurred at a relatively distant time in the past.
- (iii) The offense was an isolated incident, and is not part of a pattern of excludable behavior.
- (iv) The seriousness or nature of the offense was minor.
- (v) The conduct was caused by a disability, and it is verified that the applicant is not likely to engage in excludable behavior in the future.
- (vi) The applicant can provide evidence of rehabilitation, such as current involvement in counseling or the HOPE VI Community and Supportive Services Program, if available, Alcoholics Anonymous, Narcotics Anonymous, successful completion of treatment, compliance with or successful completion of conditions of parole or probation.

#### **E. Application and Screening Procedures for Credit History**

**1. General Procedures.** LDC will utilize a credit scoring worksheet to assess an applicant's ability to meet the financial obligations of a lease. The credit scoring worksheet is attached to this policy. In general, greater emphasis will be placed on the applicant's history of paying rent, utilities and other housing related costs, than on the applicant's consumer credit history.

## G. Increased Income for Public Housing Residents of LIHTC Units

If after initial occupancy a public housing resident is determined to be no longer eligible under Section 42 because such public housing resident's income exceeds the prescribed limits, as determined under federal regulations, the family must choose to: (i) become a market rate resident of the development by assuming the responsibility to pay the associated market rate rent for its unit (or transfer to another market rate unit of appropriate size if one is available); (ii) request a transfer to a public housing unit in another CHA property in accordance procedures of the CHA, if a unit is available; (iii) accept an offer of a Section 8 Housing Choice Voucher from the CHA in accordance with the procedures of the CHA, if a voucher is available; or (iv) vacate the unit.

## IX. Family Orientation/Case Management

Family orientation and case management are critical factors for successful transition into a mixed income environment. This will serve to make the resident aware that management will provide ongoing assistance and support for a smooth transition. All tenants will be required to attend a pre-occupancy orientation as a condition of the lease. Any community service providers affiliated with the development will be present at this meeting to introduce residents to the services available to them. Tenants will also be encouraged to participate in neighborhood and community building activities. The purpose of the community building events is to aid all tenants in the assimilation into a socially diverse community while fostering a healthy interaction between residents.

## X. Rejection of Applicants

### A. Reasons for Rejection

LCDC may reject an applicant for the following reasons:

1. **Inability to Meet Financial Obligations.** Any information showing that an applicant will be unable to pay rent and other charges under the lease will be grounds for rejection, including any collection/eviction judgments from landlord.

2. **Income.** If an applicant is unable to verify income, or if household income exceeds the applicable income restrictions, the application will be denied.

3. **Inadequate Verification.** If staff has any doubts about the truthfulness or reliability of information received, they may request alternative methods of verification from the applicant or third parties. LCDC will not make an offer of housing to an applicant who cannot document the ability to comply with the essential obligations of the lease. A determination of "insufficient or inadequate" documentation means denial of an application for admission. Public housing applicants who do not provide adequate, sufficient documentation of eligibility will be denied admission. The CHA will be notified by LCDC as to what the applicant needs to do in order to provide proper documentation.

4. **Substance Abuse.** Evidence of illegal use of drugs, or substance abuse that would constitute a threat to the health, safety or welfare of other residents, the Owner or the Owner's employees, LCDC or LCDC employees, or neighbors in the vicinity of Fountain View.

5. **Criminal History.** Criminal history reported from an independent reporting agency, and other evidence of criminal behavior, as described in Section II, including without limit:

- (i) A history of drug-related criminal activity;

are not satisfied with the outcome of an informal meeting may seek a de novo grievance hearing before an independent hearing officer, if provided for and in the manner provided by the CHA grievance policy. Any resident of a public housing unit at Fountain View who is not satisfied with the outcome of an informal meeting may also seek a grievance hearing. The procedure for the grievance hearing shall be the procedure as established from time to time by the CHA.

D 3. Termination of Tenancy Related to Violent or Criminal Activity. The procedures for informal meetings and grievance hearings shall not apply to any termination of a tenancy based on any violent or drug-related criminal activity on or off the premises of Fountain View; any other criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents of Fountain View, neighbors of Fountain View, the Owner, LCDC or the employees of the Owner or LCDC; or any activity resulting in a felony conviction.

#### E. Non-Discrimination

The following list of factors will not be considered in making a decision to reject an application:

- |                   |                     |                              |
|-------------------|---------------------|------------------------------|
| -Race             | -Sex                | -Handicap or Disability      |
| -Color            | -Marital Status     | including mental or physical |
| -Religion         | -Parental Status    | -Ancestry                    |
| -Age              | -Sexual Preference  | -National Origin             |
| -Source of income | -Political Ideology |                              |