

## **TENANT SELECTION PLAN HILLIARD HOMES PHASE I**

The screening criteria in this policy are based on the expectations of occupancy at the Hilliard Homes Phase I development. The requirements of this policy and lease agreement shall be executed between Hilliard Homes I Limited Partnership ("Owner") and Holsten Management Corporation ("HMC"), as the Owner's Agent.

This screening and selection procedure was developed based on minimum screening and selection criteria of HMC and the CHA and conforms to HUD's Fair Housing regulations. Occupancy criteria for the public housing units comply with all relevant CHA policies and procedures including the Admissions and Continued Occupancy Policy (ACOP) of September 20, 2005 and subsequent updates, except as otherwise provided herein, and the Relocation Rights Contract (RRC). If there is a direct conflict between the Occupancy criteria and the RRC for public housing units, the RRC will prevail.

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

- To pay rent and other charges in the manner set forth by the lease;
- To care for and avoid damaging their 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;
- To respect "the right to quiet enjoyment" of all residents;
- To refrain from any and all illegal activity, and to require the same of all occupants, and guests;
- To submit to drug screening, at the time of initial application and also at annual lease renewal; and
- To comply with the necessary and reasonable building rules and any recommendations from Holsten Human Capital Development, NFP, if applicable.

### **I. Application Process: Applicable to All Household Members Age 18 and Older**

1. Complete application form. Applicants must provide Social Security Numbers (SSN) for all household members (or certification that application has been made for SSN), proof of citizenship or eligible non-citizenship status.
2. Sign the Tenant Release and Consent Form, allowing the credit check and criminal background check.
3. Provide employment information covering current and most recent previous job. Provide required information for Tax Credit Compliance and public housing assisted units (where applicable).
4. Provide detailed landlord information including contact from verifiable independent landlords (cell phone numbers and family members cannot be used.) Landlord verification must be completed and returned via fax.
5. An individual or individuals from HMC staff will perform a home visit using the Home Visit Form. The purpose of the home visit is to determine whether the applicant is capable of caring for a unit in a way that creates a healthy and safe living environment. Applicants will be notified at least

two days prior to the scheduled visit. Staff will complete the home visit form, which will become a part of the applicant's file.

6. Holsten Human Capital Development, NFP will perform a Needs Assessment. Based on the results of this assessment, referral to counseling and/or social services will be made to families requiring special support or services. This service will be provided for public housing applicants only.

7. All household members who are age 18 and older will need to pass a drug test. If the initial screening is failed, HMC will place the applicant on a deferred status; the applicant will remain on the waiting list and will retain his/her original priority on such waiting list. The applicant must test negative in order to be approved for residency.

7. HMC will perform a pre-move in interview.

8. A lease will be signed and a move-in date determined. One month's rent will be paid along with the full one month's security deposit.

9. Keys will be distributed and the new tenant is able to move in.

## II. General Principles of Screening

In assessing an applicant's ability to meet these criteria, HMC will consider the factors listed below. Exceptions and exemptions are only applicable to public housing applicants. The "Working to Meet Criteria" are only applicable to public housing applicants covered by the CHA's Relocation Rights Contract (RRC) or the Post 10/1/99 RRC.

HMC will consider the applicant's ability to meet financial obligations, including a review of income and expected expenses; especially timely payment of rent, utilities, and other fair charges required by a lease or agreement for occupancy -the applicant must demonstrate the ability to meet financial obligations imposed by the lease by providing evidence of a source of funds to cover expenses.

For public housing residents, the following specifics apply: 1. The applicant must be current in rent and electric bills. All past due bills in these two areas must be paid prior to approval; 2. Rent is due on the 1st of the month and is considered late on the 5th of the month. Timely payment of rent shall mean no more than four rent payments made beyond the 10th of the month in a calendar year.

For non-public housing tenants, gross monthly household income must be at least two times the scheduled monthly rent for a unit. For example, a household must have income of at least \$800 to qualify for a unit with rent of \$400. For public housing tenants, the tenant portion of rent for the unit will be set at 30% of the household's monthly adjusted gross income, and there are no minimum income requirements.

All tenants will be responsible for paying the unit's electricity, and if a tenant receives a utility allowance, it will be taken into account when determining the tenant portion of rent. Public housing tenants will receive a utility allowance. Public housing tenants reporting zero income must provide an estimate of monthly expenses for food, beverages, transportation, childcare, etc.

- A. Documentation of income: Tenant shall demonstrate ability to pay rent, with the exception of eligible public housing tenants. The development of Hilliard Homes Phase I was financed in part through various federal and state housing programs. These include, during any applicable tax credit compliance period, federal low income housing tax credits under Section 42 of the Internal Revenue Code, a loan from the Illinois Housing Development Authority, a loan from the City of Chicago, loans from Chicago Housing Authority (CHA) and assistance from the CHA.

As a result of the requirements imposed by the various funding sources and programs, household income cannot exceed 40% of the Area Median Income (AMI) for 153 of the units, household income must be between 41-60% of AMI for 120 of the units and household income cannot exceed 60% of AMI for 54 of the units. However, HUD assisted households in Hilliard Homes Phase I will not have their lease terminated for failure to meet household income requirements and student eligibility rules. No cosigners will be accepted, however, there can be more than one head of household, co-leaseholder or leaseholder for a unit. All applicant households must submit documentation regarding the income and assets of all household members to meet tax-credit requirements. The documents include but are not limited to the following: pay stubs, bank statements, SSI award letters, and court-ordered child support agreements. All income must be documented with information that is less than 90 days old. Applications showing only cash income and no tax returns nor pay stubs will not be approved.

B. Employment: Unless the applicant presents sufficient proof of monthly income equal to or more than two times the scheduled rent for the unit, applicants must be engaged in work or activities that lead to work, unless they are disabled or elderly, meaning age sixty-two (62) or older. There must be verifiable work history for those applicants whose primary source of income is employment. Exemption: Households with social security or disability income (or other forms of verifiable income from sources other than employment) and public housing tenants who are under a self-sufficiency program (a "working family"), as described on Addendum D. The work history does not necessarily have to be with the same employer. The average income derived from employment must meet or exceed the required income at the time of application.

This employment requirement is subject to all federal, state and local Fair Housing laws, especially with regard to source of income and disability.

C. Minimum Rent: A minimum rent of \$50.00 will be applied to all rental units at Hilliard Homes Phase I. Residents who have inadequate source of income to pay minimum rent will not be evicted for failure to pay the minimum rent under the following hardship exemption:

Exemption: A hardship exemption shall be granted to public housing residents who can document that they are unable to pay the minimum rent because of a verifiable long-term hardship (over 90 days). Exemption from minimum rent does not mean that the family does not pay rent. The family is required to pay the greatest of 30% of adjusted monthly income or 10% of monthly income. HMC will advise in writing any applicant/resident who pays the minimum rent what are the specific hardship exemptions that s/he has the right to request. Hardship exemptions will be granted pursuant to the CHA's Procedure on Hardship Exemptions.

D. Minimum Age: An applicant must be a minimum of 18 years old to be head of household.

E. Landlord verification: Two years verification of residency, rent payment, and compliance with all lease obligations and site and building rules, except that public housing families shall show one year of prior compliance or one year engaged in activities toward compliance. In no cases will relatives qualify as landlord references. If an applicant has just come from college, a verifiable dorm history will be considered. Any outstanding rent owed to the CHA or outstanding utilities must be paid before occupancy. Included in the landlord verification is information about activity of guests, amount of traffic, and unauthorized occupants. Applicants will be rejected based on a negative history as reported by the landlord.

Landlord judgments entered due to no fault of the applicant, e.g. eviction pursuant to a no-cause 30-day notice or Landlord's suit for full contract rent because of CHA's abatement of Section 8 voucher payments due to Landlord's failure to comply with HQS standards will not be considered.

Applicants should not have judgments in favor of a current or past landlord within the past two years. If an applicant has a landlord judgment in the past two years, the applicant must demonstrate one year without a landlord judgment. The first year of residency at Hilliard Homes Phase I will be evaluated to satisfy the second year of the requirement.

Working to Meet: A public housing applicant under the RRC will be considered as "working to meet" this criteria if he/she has a documented history of paying rent and of paying any repayment agreement, if applicable, for one year.

Exception: A public housing applicant covered by the RRC is excepted from these criteria if he/she entered into a repayment agreement and has been current with payments for the past three months.

F. Credit history: Applicants must show a history of performance in meeting financial obligations. For specifics, refer to Section III under the heading of "Review and Checking of Credit History".

G. Drug testing: All adult household members (age 18 or older) must pass a drug screening at the time of application, and agree to renewal testing, annually, at lease renewal. See Section III, "Application Process", for detailed information under the heading of "Drug Related Activity".

H. School Enrollment and Child Care: Applicant must provide documentation that family members over age 6 and through age 17 who live in the household attend school regularly. Adequate day care or supervision must be provided for children under 13 years old. If a child between the ages of 17 and 18 drops out of school, that child must be engaged in one or a combination of the following activities at least 30 hours per week: enrollment and regular attendance in an alternative program of education, including GED classes, secondary or post-secondary education, or English proficiency or literacy classes, employment, enrollment and regular attendance in an economic self-sufficiency program, verified job search and/or employment counseling, and/or basic skills training.

I. Home visit: All applicants will be subject to a home visit as part of the screening process.

J. 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 application cannot meet the requirement and will result in rejection.

K. Orientation: An applicant's attendance is required at an approved pre-occupancy orientation. The orientation will be designed by HMC or a third party under contract to HMC. Pre- occupancy orientation is not a condition of acceptance, but is a requirement prior to move-in. Pre-occupancy will be held at lease signing if applicant has been unable to attend a previously scheduled session.

L. Documentation: HMC will determine what constitutes adequate and credible documentation. 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. HMC will not make an offer of housing to an applicant who cannot document the abilities to comply with the essential obligations of the lease. For public housing residents, a determination of "insufficient or inadequate" documentation means a deferral to CHA. CHA must be notified by HMC as to what the applicant needs to do in order to provide proper documentation.

M. CHA Responsibility: HMC will review data provided by the Chicago Housing Authority for CHA applicants. The CHA will screen for standard and required information as prescribed by the U.S. Department of Housing and Urban Development.

### III. The Application Process

For public housing assisted units, applicants will be identified from a list provided by the CHA Relocation Department. HMC will contact applicants to schedule attendance at a pre-occupancy orientation. The list will contain eligible lease compliant public housing tenants according to the priorities under the Relocation Rights Contract and the housing choice identified by the CHA tenant on the Housing Choice survey. Non-public housing applicants will be identified through marketing efforts conducted by HMC according to its marketing plan and Affirmative Fair Housing Marketing Plans.

Each applicant must meet with HMC staff at a pre-occupancy orientation in order to provide initial information and authorization for information verification, and to complete the pre-application card. When completing application forms, applicants must provide Social Security Numbers (SSN) for all family members (or certification that application has been made for SSN), proof of citizenship or eligible non-citizenship status, and the name, address, and telephone numbers of current and former landlords. Failure to provide this information will result in a delay of application processing and possible rejection of the application. At the orientation session, the topics will include the application process, criminal background check and drug testing requirements, and community building opportunities. Applicants will also have the opportunity to view a model apartment. Applicants will then view their actual unit prior to lease signing.

#### A. Verification Standards for Checking Information Provided By the Applicant:

1. Verification by a third party: Verification by third parties must be in writing. After HMC completes the screening and the applicant signs a consent form, HMC 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. Lease Renewal/Re-certification: All information subject to change will be reviewed annually during lease renewal and/or recertification process.
3. Each applicant folder will include a File Completion Checklist, recording applicant information needed and verifications. Each applicant folder will be treated as confidential information and will be kept in a secure filing system.

#### B. Security and Background Check:

1. HMC will verify any involvement in criminal activity on the part of all applicants (age 18 years or older) who intend to reside at Hilliard Homes Phase I.
2. Applicants will be advised at the time of intake at the start of the screening interview that criminal behavior will jeopardize admission to Hilliard Homes Phase I and will receive additional weight in HMC's decision to reject an applicant family.
3. Involvement in criminal activity by an applicant that would adversely affect the health, safety or welfare of other tenants will be verified using information from the criminal histories provided by the county, State, or municipality. In addition, former landlords and housing providers will be asked to indicate problems during the applicant's tenancy.
4. HMC will use a credit or background check service (not another resident's testimony) to check

criminal history. The service will check for:

- Any and all information relative to criminal convictions or activity, both felonies and misdemeanors within the last ten years.
  - Any and all information relative to any criminal charges which are currently pending before any court (municipal, state, or federal).
5. The criminal records system shall be used to assess the applicants' past criminal behavior especially commission of violent crimes, drug related criminal activity of any kind, disturbance of neighbors, or destruction of property. Without substantial evidence of mitigating circumstances (including serving jail time and rehabilitation) HMC will not admit persons engaging in any criminal activity violating state and/or federal law.

Examples of criminal offenses that will be considered include, but are not limited to: 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.

6. All criminal activity will be weighed against the obligations of tenancy, including the likely impact on Hilliard Homes Phase I and the danger to the health and safety of residents and staff. HMC considers certain criminal acts or repeated criminal behavior as evidence that the applicant is not capable of meeting lease requirements.

7. Public housing applicants will be evaluated as detailed in Addendum C.

C. Review and Checking of Credit History:

On a credit report, the majority of the accounts reported should reflect pay history that is current and on time (RO or R1). Applicants (except for public housing applicants) will be charged \$35.00 which will cover the cost of up to two reports. Bankruptcy requires that the applicant should show one year on a current job and have a favorable, verifiable landlord history.

For public housing applicants, the credit history must reflect that the applicant has a history of being current in paying utilities, that the applicant can establish utilities in their name, and that the applicant is current in rent payments to the CHA.

D. Home Visits/Apartment Inspection (Where Practical):

1. HMC leasing staff will make a home visit to all applicants who have successfully completed all previous stages of this screening process. The purpose of the home visit is to determine whether the applicant is capable of caring for a unit in a way that creates a healthy and safe living environment. A maximum of two home visits may be conducted by HMC staff.
2. Home visits will be conducted by HMC staff and may be conducted by an individual or in teams using HMC's Home Visit Form. Applicants will be notified at least two days prior to the scheduled visit. All HMC staff performing home visits are trained to ensure that the home visit, including the form, is completed fully and properly.

If the unit inspected as part of the home visit indicates applicant-caused health or safety hazards, housekeeping that contributes to infestation, or applicant caused damage, the application may be rejected, or in the case of public housing applicants, the applicant will be referred for services and follow-up prior to occupancy. The public housing applicant must complete services and provide written documentation of satisfactory completion and will need to pass a subsequent home visit. If the applicant does not attend services, is not helped, or does not pass the subsequent home visit, they will be deferred to CHA.

3. If the home visit reveals that the applicant is currently permitting unauthorized occupants to share the unit, is engaged in criminal activity, or some other situation that was inconsistent with the information presented on the application, the applicant could be rejected, or in the case of public housing applicants, the applicant will be referred for services and follow-up prior to occupancy. HMC will document any cases where a home visit results in a rejection.
4. An applicant's behavior towards HMC staff conducting the home visit or performing other tasks under these procedures will be considered in assessing an applicant's possible behavior toward neighbors. Physical or verbal abuse or threats by an applicant towards HMC staff will be noted in the file and included in the screening evaluation.
5. Applicants that fail a home visit may be rejected, or in the case of public housing applicants, referred for services and follow-up prior to occupancy.

E. Drug related activity:

Hilliard Homes Phase I is a drug-free community. HMC will not admit or renew a current user of illegal drugs because of the potential for attracting drug-related crimes. However, mitigating circumstances, such as a willingness to engage in a drug rehabilitation program, may be considered. The Fair Housing Act explicitly states that current users of illegal drugs are not a protected class (persons with disabilities) and permits HMC to reject such applicants.

Applicants age 18 or older will be subject to drug screening at the time of initial application and annually as part of the lease renewal process (see Lease and attached Rider #3). Adults (age 18 or older) who pass the home visit will then be required to submit a urine sample to be tested by a qualified drug screening facility. Drugs tested for in the screening include cocaine, opiates, phencyclidine (PCP), cannabinoids (marijuana), and benzodiazepines. HMC will arrange travel to and from the drug testing facility, if necessary. If the initial screening is failed, HMC will place the applicant on a deferred status; the applicant will remain on the waiting list and will retain his/her original priority on such waiting list. The applicant must test negative in order to be approved for residency. At lease renewal, if a resident tests positive, s/he will have a twelve (12) month cure period and will be required to prove that s/he has entered a rehabilitation program or s/he will be subject to a lease violation. Public housing applicants who fail are subject to the conditions in Addendum C, Level Two. For public housing applicants, HMC will pay all costs associated with the drug testing unless the costs are otherwise reimbursed to HMC.

F. Needs Assessment:

As part of the screening process, all public housing applicants will undergo a needs assessment that will be conducted by Holsten Human Capital Development, NFP staff. Based on the results of this assessment, referral to counseling and/or social services will be made to families requiring special support or services.



G. Pre-Occupancy Orientation:

Completion of a pre-occupancy orientation designed by HMC or delivered by a third party under contract to HMC will be required by all applicants.

- a. Attendance and satisfactory completion of the pre-occupancy orientation are part of HMC's screening criteria. Failure to attend and satisfactorily complete the program will result in rejection of the application. In the case of public housing applicants who are unable to attend, the pre-occupancy orientation will be presented at lease signing.
- b. The pre-occupancy orientation will typically be offered when the applicant is within 90 days of being offered a unit.
- c. The pre-occupancy orientation, once implemented, may include the following topics:
  - Program purpose and relationship to HMC screening
  - How screening relates to lease compliance
  - Keeping the units clean
  - How to request maintenance
  - How to conserve utilities, read a utility bill and family budgeting
  - Review of HMC's lease requirements
  - Security procedures
  - Rights and responsibilities of residents
  - Procedures that will be followed should lease violations occur
  - HMC's obligation to make reasonable accommodations for persons with disabilities
  - Chicago Tenant/Landlord Ordinance
  - Community amenities
  - Available community building activities

H. Lease Requirements:

All applicants who are selected for housing under this tenant selection plan shall sign a Chicago Apartment Lease, Form 104 including attachments. By signing this document, the tenant agrees to comply with all the lease terms. The leases will be in the tenant's name. All public housing residents will also sign the Public Housing Rider to Chicago Apartment Lease. The owner shall receive a copy of the fully executed lease for all tenants.

**IV. Asset Management**

During the walk through of the unit, each head of household will receive a verbal explanation on the operation instructions. The resident assumes responsibility for any damage to assets in the unit and will sign the lease rider, detailing charges for such damage.

**V. 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. 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.

## **VI. Rejection of Applicants**

HMC may reject an applicant for the following reasons:

- A. Any collection/eviction/judgment from landlord
- B. Lack of employment or employment history with respect to affordable applicants
- C. Gross income less than 2 times the monthly rent with respect to affordable applications
- D. Failure to pass home visit, as described above in the Home Visit section
- E. Children not in school or insufficient child care, as described above in the School Enrollment and Childcare criterion
- F. Inability to verify income (or if income exceeds the income restrictions, if applicable)
- G. **Failure of drug screening and refusal to enter a drug rehabilitation program**
- H. Criminal history reported from an independent reporting agency:
  - 1. All drug arrests
  - 2. Felony arrests within 10 years**
  - 3. Any criminal activity that involved physical violence to person or property
  - 4. Any pattern of criminal activity in the last 10 years**
- I. Failure to cooperate with the application/screening process
- J. Providing intentionally falsified statements or information during the application process
- K. The following list of factors will not be considered in making a decision to reject an application:

- Race/Ethnicity
- Sex
- Familial Status
- Marital Status
- Parental Status
- Housing Status
- Sexual Orientation
- Gender Identity
- Political Ideology
- Color
- Religion
- Age
- Source of income
- Handicap or Disability including mental or physical
- Ancestry
- National Origin
- Military Status
- Unfavorable Military Discharge
- Order of Protection Status

- L. During the screening process, staff performing the review will consider the following prior to rejection of any application:

- 1. If negative screening information is received on an applicant, staff will contact the applicant and set up a second meeting to determine whether mitigating circumstances exist that make it possible to approve the application.

2. If rejected, an applicant may request an informal meeting to determine whether the rejection was in compliance with the aforesaid procedures.

M. If an applicant is rejected; a form letter indicating the cause for rejection will be completed and mailed via certified mail with return receipt requested to the applicant. If the rejection letter is sent to a public housing applicant, the letter will include a description of the applicant's grievance rights. With the aforesaid procedures if HMC determines that a public housing applicant is not an acceptable resident for the development, HMC will temporarily remove the application, with justification for denial, from its active file for housing at Hilliard Homes Phase I, and defer the public housing applicant to CHA.

A RRC applicant who is not satisfied with HMC's decision may appeal the decision formally through the CHA's Grievance Procedure. A formal grievance hearing, if granted, will be conducted before an independent hearing officer from the City of Chicago's Department of Administrative Hearings. If the independent hearing officer finds in favor of the applicant and against HMC's decision to reject the applicant, the applicant will be placed back onto the list for a unit.

## **VII. Screening Criteria and Relevant Procedures for Applicants with Disabilities**

The following steps will be taken to ensure that Section 504 access and communication requirements are met during the application process:

A. If an applicant has difficulty completing written forms, HMC will permit the applicant to bring someone to the interview to assist them or permit forms to be completed at home.

B. To ensure the opportunity for equal access to housing benefits and program related services, HMC will make reasonable accommodations for applicants with disabilities. HMC will also make certain that forms and other documents to be completed by applicants are available in accessible formats. If requested by the applicant with disabilities, HMC will provide sign language interpreters and other auxiliary aides.

C. HMC will confirm the presence of a disability, but will not make inquiries about its nature or extent, prior to making any accommodation or providing auxiliary aides.

D. At the time of initial application, HMC will provide a notice to all applicants that describes Section 504 Fair Housing requirements including the right to request reasonable accommodations.

E. Intake and screening interviewing and other meetings required during the application process will be conducted at accessible locations.

F. It is illegal to reject an applicant because he or she is a person with a disability, or for reasons that could be overcome by HMC's reasonable accommodation of the applicant's disability or handicap. If even with reasonable accommodation, applicants with disabilities or handicaps cannot meet essential application requirements, it is permissible to reject them.

## **VIII. Documentation of Screening Results for CHA Residents**

As requested, the Chicago Housing Authority will receive documentation of screening results and

the status of applicants on important criteria such as:

1. Application status
2. Home visits
3. Income
4. Employment
5. Drug testing
6. Move-in status

#### **IX. Priority for Applicants**

Applicants will be served on a first come, first serve basis. The date the completed application with all backup documentation is received will be the basis for priority in approving applications. All applications will be processed subject to available units. Waiting lists will be developed for any applicants for whom there are no available units. Separate waiting lists will be maintained for affordable and public housing units.

For public housing assisted units, CHA shall refer relocate families in accordance with the Relocation Management Tracking System ("RMTS"). CHA will also provide to the Owner, upon request, names according to the priorities listed below. Names on one priority will be exhausted before moving to the next priority. All offers of public housing units must be in conformance with governing public housing laws. For public housing applicants applying for tenancy, the CHA will prioritize and refer applicants as detailed in the **Relocation Rights Contract**. The following are the first four priorities that are a portion of the 14 priorities in the Relocation Rights Contract:

- First Priority shall be given to households who lived at the site on or before October 1, 1999, and chose that site as their permanent housing choice, are lease compliant and meet property specific requirements.
- Second Priority shall be given to households who lived at the site on or before October 1, 1999, chose that site, are lease compliant, and are engaged in activities to meet property specific requirements.
- Third Priority shall be given to households who did not live at the site on or before October 1, 1999, are lease compliant, chose the site as their permanent housing choice, and meet property specific requirements.
- Fourth Priority shall be given to households who did not live on the site on or before October 1, 1999, are lease compliant, chose the site as their permanent housing choice, and are engaged in activities to meet property specific requirements.

Exceptions to the order in which applicants are housed will be made in the event that HMC needs to match families to vacant ADA accessible or visual/hearing impaired ready units. With respect to the assignment of such public housing assisted units, families who show a verified need for the features provided in these units and have completed an application will be given priority over other applicants, in order of their priority and placement under the Relocation Rights Contract as set forth above. All approved applicants for ADA units who do not need the features of these units will be required to sign a waiver stating that they will move within 30 days if a family needing these features is approved for the unit. If such applicant is required to move, HMC will move them into the next available non-ADA unit. The same rules will apply for affordable applicants, except that the site based waiting list will be used to determine priority.

## **X. Waiting List**

If an applicant is eligible for tenancy, but no appropriately sized unit is available, HMC will place the applicant on a waiting list for the development. The waiting lists will be maintained electronically. The waiting lists will contain the following information for each applicant: applicant name, household unit size, date and time application received, qualifications for any preferences and ranking, annual income level, accessibility requirements, and number of persons in the household. Separate waiting lists will be maintained for affordable and public housing units.

The waiting list for public housing assisted units must be obtained from the Chicago Housing Authority, unless other procedures are approved and confirmed in writing by the CHA. Upon future unit turnover or availability, after initial lease-up of the public housing assisted units, HMC will contact the Chicago Housing Authority for a new, updated list of applicants. Prior to leasing any public housing assisted unit, HMC must receive approval from the Chicago Housing Authority.

The pre-application card will be a permanent file. All applications will be maintained in order of preference. Applications equal in preference will be maintained by date and time sequence. Public housing applications will be subject to the provisions of the Relocation Rights Contract.

When placed on the waiting list, applicants will be informed to notify HMC when the following changes occur: address and/or phone number, household composition, preference status, and income. If an affordable applicant's income changes to an amount which is no longer eligible, written notice will be given advising the applicant that they are not presently eligible for the unit type they selected, but the applicant could be eligible if the household income decreases, the number of household members changes, or the income limit changes, or that they may qualify for a different unit type at Hilliard Homes Phase I, and they may then choose to remain or not on the waiting list. If an applicant's household composition changes resulting in a need for a different apartment size, HMC will, upon notification by applicant, place the applicant on the appropriate waiting list. In this case the applicant will receive a new application date based upon the date of redetermination.

Individuals on the waiting list will be contacted via telephone and by U.S. mail when a unit becomes available. If after 7 days the applicant does not respond, HMC will contact the next applicant on the waiting list and the first applicant will be removed from the waiting list. If an applicant is contacted but rejects the first offered unit, they will be removed from the waiting list.

The waiting list will be updated every 12 months by sending all applicants a letter via certified mail and asking the applicant to respond if they wish to remain on the waiting list. If the applicants do not respond within 14 days, they will be removed from the waiting list.

The waiting list for the development will be closed when there are a number of applicants equal to 40% of the rental units at Hilliard Homes Phase I. It will be reopened when the number of names on the list drops below 25.

Potential public housing tenants will be contacted and, if necessary, removed from the waiting list according to CHA procedures that satisfy the requirements of the Relocation Rights Contract. These procedures are outlined in Addendum A.

## **ADDENDA TO HILLIARD HOMES PHASE I TENANT SELECTION PLAN**

### **Addendum A-CHA Outreach Procedures**

1. CHA will refer families for screening to HMC. HMC staff will contact these families in the order of

their position on the list.

2. HMC staff will make the first attempt at contacting eligible applicant households via regular mail. If no response is received within seven (7) business days, the second attempt at contact will be by placing three phone calls to the eligible applicant household. Each phone call will be made on a different day, and the dates and times of each phone call will be documented in the household's applicant file.

3. If, after 5 business days, the second attempt at contact is unsuccessful, management staff will make the third attempt at contact by registered mail to the address supplied by the CHA.

4. If, after 5 business days, no response to the third contact attempt is received, the family shall be referred back to CHA with an indication that the family has been unreachable.

5. If an applicant responds within the stipulated timeframe, the applicant will be scheduled to attend a pre-occupancy orientation.

6. At the pre-occupancy orientation applicants will provide initial information, authorization for information verification, and complete the pre-application card. The orientation will cover the application process, criminal background and drug testing requirements, and community building participation opportunities.

7. HMC must obtain approval from CHA prior to leasing a public housing assisted unit to a public housing resident. This allows HMC and the CHA to ensure that units are leased to eligible individuals and in the appropriate order under the Relocation Rights Contract.

#### **Addendum B-CHA Lease Compliance**

Public housing tenants are considered compliant if all of the following conditions are met in their current and/or last place of residency:

1. Current on all rent and utility payments or is current on a repayment agreement;
2. Compliant with the CHA's ACOP, which prohibits unauthorized occupants, as defined in subparagraphs 6(c) and (d) of the Public Housing Rider to the Chicago 104 Lease, or requires the household to add such occupants in accordance with the Lease;
3. Leaseholder has a good housekeeping record (Leaseholder has maintained a clean and safe unit) as indicated by the housekeeping inspection reports in the Leaseholder's file; and
4. Leaseholder has not destroyed, defaced, damaged or removed any part of a dwelling unit or development as indicated by the housekeeping inspection reports in the Leaseholder's file, or work orders reflecting a pattern of Leaseholder damage or abuse.

Lease compliance as defined above shall include the period during which the family lives in CHA housing and any period of Section 8 assistance. Noncompliance with respect to the Lease obligations must be demonstrated by notices of Lease violations and evidence of serious or repeated violations of material terms of the Lease.

#### **Addendum C-CHA Criminal Background Restrictions**

Prior to denying admission on the basis of a criminal record, management will notify the household of the information that provided the grounds for the proposed denial and must provide the subject of the record and the applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

1. Level One - Exclusions under Federal Regulations & CHA's ACOP

##### **a. Exclusions under Federal Regulations**

Pursuant to Federal Regulations, the following types of criminal history render an applicant or applicant family ineligible for public housing assistance. An applicant or applicant family will therefore, also be ineligible for a public housing assisted unit at Hilliard Homes Phase I if a three-year criminal background check of the applicant or any household member reveals any of the following:

- i. Drug-related criminal activity that resulted in eviction from federally assisted housing within a three year period prior to application for housing at Hilliard Homes Phase I (24 CFR 960 204 (a)(1)), however, the household may be admitted if it is determined that the evicted household

member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program (24 CFR 960 204(a)(1)(1)), or the circumstances leading to the eviction no longer exist (for example, the criminal household member has died or is imprisoned) (24 CFR 960 204(a)(1)(n));

ii. Conviction for drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing (24 CFR 960 204(a)(3));

iii. Sexual offenses that resulted in a lifetime registration under a state sex offender registration program (24 CFR 960 204 (a)(4));

iv. HMC determines that it has reasonable cause to believe that a household member's illegal use of a drug or pattern of illegal use of a drug may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents (24 CFR 960 204 (a)(2)(n)); or

v. HMC determines that it has reasonable cause to believe that household member's abuse or pattern of abuse of alcohol may threaten the health, safety or right to peaceful enjoyment of the premises by other residents (24 CFR 960 204 (b)).

However, pursuant to Federal Regulations (24 CFR 960 203 (c)(3)(1)), HMC may require an applicant to exclude a household member who has participated in or been culpable for the above actions in order for the remaining household members to be admitted to the Hilliard Homes Phase I development.

b. Exclusions under CHA's ACOP

In addition to the Federal Regulations, the CHA's Admissions and Continued Occupancy Policy (ACOP) (CHA Board Approved 9/20/2005) sets forth the types of criminal history that render an applicant ineligible for public housing with the Chicago Housing Authority. Therefore, pursuant to the CHA's ACOP, the following types of criminal history will also render an applicant or applicant family ineligible for a public housing assisted unit at Hilliard Homes Phase I if a criminal background check of the applicant or any household member reveals any of the following (See ACOP Section II F):

i. Any household member has been convicted of arson or child molestation;

ii. Any household member has been convicted of murder or homicide in the last ten years;

iii. Any household member has engaged in criminal activity in the past five years that involves crimes of violence to persons or property as documented by police arrest and/or conviction documentation. Crimes of violence to persons or property would include but not be limited to, homicide or murder, destruction of property or vandalism, burglary, robbery or theft, drug trafficking, manufacture, use or possession of drugs, threats or harassment, assault or fighting, domestic violence, weapons offenses, criminal sexual assault, and home invasion. Confidential juvenile court records and juvenile law enforcement records, protected under state and HUD regulations, will not be sought or used in reviewing the criminal history of an applicant family. With respect to the criminal activities listed above, consideration may be given to the time, nature, and extent of the applicant's conduct (including the seriousness of the offense). CHA and/or management may consider mitigating factors which may indicate a reasonable probability of favorable future conduct, such as

1) Evidence of rehabilitation, and

2) Evidence of the applicant family's participation in social service or other appropriate counseling services programs and the availability of such programs; or

iv. Any member of the household is subject to a lifetime or any registration requirement under a state sex offender registration program including the ten-year Illinois State Sex Offender Registration Act.

2. Level Two-Drug Screening

For public housing applicants only, if a household member does not pass the initial drug testing, HMC will require that the individual enroll into a drug rehabilitation program. If he or she still wishes to be considered for admission the individual must complete the program within a 12-month period ("12 month cure period") and provide satisfactory documentation of having participated and completed the program. After the individual completes the program and provides satisfactory documentation, the

applicant may submit to a second drug testing that must result in a pass (i.e. no detection of the presence of any illegal drugs) in order for the applicant to be admitted as a tenant at Hilliard Homes Phase I. If an individual refuses to participate in the rehabilitation program, or refuses to sign the lease, then that household member (or leaseholder) will not be admitted as a tenant at Hilliard Homes Phase I. In such a case, the remaining family members will be admitted if they are otherwise qualified. For public housing applicants, HMC will pay all costs associated with the drug testing, including travel to and from the drug testing facility.

**Addendum D-Public Housing Applicant Work Exemptions**

The following applicants and household members are exempt from the work requirement:

- a. Those enrolled and attending high school, college, trade school, or other institutions of higher learning as full time students;
- b. Those age 62 or older;
- c. Disabled with verification that disability precludes working as reviewed under the CHA's Disability Protocol;
- d. The primary caregiver of a disabled individual with verification of disability and the status as a caregiver;
- e. One adult household member on the lease who elects to stay home to care for pre-school children, provided there are at least two adults in the household and at least one of those adults meets the employment requirement; or
- f. Retired and receiving a pension.



## Holsten Tenant Selection Plan Addendum 2

### Preferences for Homeless Veterans at Selected Properties Managed by Holsten Management Company

The Hilliard Homes Phase I development is adding a preference to all of the HUD-assisted housing pursuant to HUD Notice 2013-21 to establish a preference for those who are homeless veterans. This preference will include the following:

1. It will become effective August 1, 2015, and/or when approved by HUD.
2. The current waiting list for each property will be maintained consistent with HUD 4350.3 guidelines and the property's Affirmative Fair Housing Marketing Plan (AFHMP).
3. Current persons on the waitlist for non-public housing assisted units will be notified of the additional preference and how they may apply for the preference and will be granted a first right to an available unit under the preference should they meet the definition of "homeless veteran". Notice to the waiting list will be done by mail thirty (30) days prior to adoption of the preference.
4. The next two (2) non-public housing assisted vacancies will be offered to a homeless/formerly homeless veteran that is either on the existing waiting list or who is referred to the respective property by an organization that refers people transitioning out of a shelter or temporary housing program of Holsten's choice.
5. Referrals for available units will be accepted from Volunteers of America or other agencies with successful experience with the preference population, pursuant to Paragraph V(d) of HUD Notice 2013-21. All applicants must comply with current requirements for applicants at the specific property, including income, age, and criminal/credit screening. Applicants who are denied will be provided with the basis of the denial in writing and offered the opportunity to establish if they are eligible for a reasonable accommodation under the Fair Housing Act.
6. If after two (2) referrals from the selected referral agencies for an available turnover unit, an appropriate candidate is not identified, the unit will revert back to the standing waiting list to fill the vacancy.
7. This preference can be amended as needed and/or removed with proper notification of such to all affected parties, including written notification to HUD.

### Holsten Tenant Selection Plan Addendum 3

#### Preferences for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking at Selected Properties Managed by Holsten.

##### *Priority of VAWA, Other Transfers, and Accessible Units*

In general, HMC will prioritize needs of existing tenants over external transfers, and opportunities to maximize use of accessible units.

The order for priority of VAWA Emergency Transfers will be as follows: *First priority* will go to Internal Emergency Transfers, including VAWA Emergency Transfers. Priority among VAWA Emergency Transfers and other non-VAWA Emergency Transfers will be evaluated on a case-by-case basis if such conflicts arise. *Second priority* will go to other Internal Transfers that are not emergencies. *Third priority* will go to External VAWA Emergency Transfers.

In order to meet the requirements of HUD Section 504 to maximize use of accessible units by those who need accessibility features, HMC will apply the following order of priority for Accessible Units only: *First priority* will go to a current occupant of the property who needs the accessibility features of the vacant unit. *Second priority* will be to an eligible qualified individual on the waiting list who needs accessible features. *Third priority* will go to individuals without disabilities who need an emergency transfer under VAWA.

##### *Emergency Transfer Timing and Availability*

HMC cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. HMC will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. HMC may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

If HMC has no safe and available units for which a tenant who needs an emergency is eligible, HMC will assist the tenant in identifying other Owner / Agents who may have safe and available units to which the tenant could move. At the tenant's request, HMC will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

##### *Emergency Transfers in Cases Where a Safe Unit Is Not Immediately Available*

If HMC does not have a safe unit immediately available for an internal emergency transfer, the victim will be placed on the Emergency Transfer Waitlist, if the HMC chooses to create/manage such a waitlist. Tenants on the Emergency Transfer Waitlist, if it exists, will take precedence over applicants on other property waitlists.

If HMC has no safe and available units for which an existing tenant who needs an emergency transfer is eligible, a tenant may also request an External Emergency Transfer. A tenant may choose to pursue both an Internal and an External Transfer at the same time.

HMC will take the following steps to assist the tenant with an external emergency transfer.

- HMC will provide the victim with a list of other HUD-assisted Owner/Agents under IHDA's jurisdiction including unit size, preferences and contact information.

- At the tenant's request, HMC will assist tenants in contacting one or more of those providers.
- HMC will assist in arrangements with the other provider to facilitate the move. In particular, IHDA or Owner / Agent will request the tenant's permission to share tenant files with the other provider. If the tenant provides written consent to do so, and any applicable confidentiality requirements are met, HMC will share documentation from the tenant's current file in order to expedite a tenant's new application process.

If HMC is contacted by another Owner / Agent, or tenant of another provider's housing seeking an Emergency Transfer, HMC will take the following steps:

- Give the transfer priority over other kinds of transfer, second only to the priority for internal transfers and accessible units described below.
- Expedite the application / screening process using any documentation from the tenant's existing file that the other provider is able to make available.

In all cases of both Internal and External Emergency Transfer, HMC will give the victim the names, addresses, and phone numbers of domestic advocacy organizations that stand ready to assist VAWA victims on an emergency basis to help them.

#### *Policies for Tenants with Tenant Based Assistance*

The measures and priorities covered under this Emergency Transfer Plan apply to households with tenant-based housing assistance in the same manner that they apply to other households covered by this plan. Under 24 CFR 982.353 and 354, PHAs must issue the victim a voucher allowing the victim to search for another unit in its jurisdiction, or begin the portability process if the victim wishes to move outside of the PHA's jurisdiction.

HMC will apply the same priorities for Emergency Transfer to place tenants with tenant-based vouchers as quickly as possible, and wherever possible, prior to the expiration of any deadlines for using the voucher that may be imposed by the PHA.