

**Draft dated 5/30/17**

**JOHN PENNYCUFF MEMORIAL APARTMENTS**

**TENANT SELECTION PLAN**

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## **1.0 PURPOSE**

This policy is established in order that the Landlord (2031 North Milwaukee LLC) and its Management Agent (Resident Management Services, Inc. or any successor) (the “Agent”) will meet its responsibilities pursuant to the United States Housing Act of 1937, as amended, Title VI of the Civil Rights Act of 1964, and all other civil rights requirements, regulations, promulgated by the U.S. Department of Housing and Urban Development (HUD), , HAP Contract and RAD Use Agreement, Section 42 of the Internal Revenue Code of 1986, Section 142 (d) of the Internal Revenue Code of 1986 as Amended, if applicable, the Federal HOME Investment Partnership Program, Illinois Low-Income Housing Trust Fund, the Federal Home Loan Bank, for its Affordable Housing Program, and state and local laws, and any other applicable affordable housing programs.

This Policy governs admission and occupancy of units at John Pennycuff Memorial Apartments, located at 2031 North Milwaukee Avenue, Chicago, Illinois. It is the intent of the Landlord and Agent to provide decent, safe, and affordable housing for qualified families in all units owned and/or operated by the Landlord or Agent.

John Pennycuff Memorial Apartments contains 47 RAD PBV units which are governed by the administrative policies and procedures of the Rental Assistance Demonstration Program.

For RAD PBV Units, in circumstances where there is specific conflict between lease terms, rules, policies or procedures (“Property Terms”) and Chapter 18 of the CHA’s HCV Administrative Plan, the Property Terms will control, unless superseded by HUD regulations, federal or state laws, and /or local ordinance. Where the Property Terms are silent, provisions of CHA’s Administrative Plan, Chapter 18, may apply.

The Landlord and Agent will not discriminate on the basis of race, color, creed, national origin, religion, age, sex, handicap, marital status, or any other protected status in any phase of the occupancy process. The occupancy process includes, but is not necessarily limited to, application processing, leasing, transfers, access to management and services, access to common facilities, treatment of residents and termination of occupancy.

## **2.0 DEFINITIONS**

NOTE: Definitions may be modified from time to time because of issuance of Federal, State or local regulations.

## **2.1 Adjusted Income**

Annual income less:

- A. \$480.00 for each dependent with the exception of Foster Child, Foster Adult or unborn children;
- B. \$400.00 for any family whose head of household or spouse is 62 years of age or older, handicapped or disabled;
- C. Medical expenses in an amount that exceeds three (3%) percent of annual income for any elderly family. NOTE: The amount allowable as a deduction for elderly families entitled to both medical and handicapped assistance expenses is the amount that the combined expenses exceed three (3%) percent of annual income;
- D. Handicapped assistance expenses in excess of three (3%) percent of annual income if such expenses enable a family member to work; and
- E. Child Care Expenses for the care of children 12 years of age and younger cannot exceed \$480 per child attributable to work or full-time student status (except for Head, Spouse, Co-Head). Child care payments for a child not living in the home cannot be deducted.

## **2.2 Annual Income**

- A. Annual income is the anticipated total income from all sources received by the family head and spouse (even if temporarily absent) and by each additional member of the family, including all net income derived from assets for the 12-month period following the effective date of initial determination or re-examination of income, exclusive of certain types of income specified in paragraph C in this section.
- B. Income includes, but is not limited to:
  - 1. The full amount, before any payroll deductions of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
  - 2. The net income from operation of business or profession (for this purpose, expenditures for business expansion or amortization of capital indebtedness shall not be deducted to determine the net income from a business, but straight-line depreciation of assets is allowable);
  - 3. Interest, dividends, and other net income of any kind from real or personal property (for this purpose, expenditures for amortization of capital indebtedness shall not be deducted to determine the net

income from real or personal property, but straight-line depreciation of assets is permissible). Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;

4. The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts;
5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (see paragraph C.3. of this section);
6. Welfare assistance, if the payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:
  - a. The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities plus;
  - b. The maximum amount that the welfare assistance could, in fact, allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage;
  - c. The Imputed Welfare Income is the amount of income not actually received by a family member, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income. Annual income is Imputed Welfare income plus the amount of other annual income. However, the amount of imputed annual income is offset by income from other sources received by the family that starts after the sanction is imposed;
7. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling;
8. All regular pay, special pay, and allowances of a member of the United States Armed Forces (see paragraph C.7 of this section); and
9. Relocation payments.

C. Annual income does not include the following:

1. Income from employment of children (including foster children) under the age of 18 years;
2. Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the tenant family, who are unable to live alone);
3. Lump-sum additions to family assets such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), lump-sum payments for the delayed start of periodic payments received from Social Security/Supplement Security Income (SSI), capital gains and settlement for personal or property losses (see paragraph B.5 of this section);
4. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
5. Income of a Live-In aide, as defined in Section 2.18;
6. The full amount of student financial assistance paid directly to the student or to the educational institution;
7. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
8. Amounts received under training programs funded by HUD;
9. Amounts received by a Person With a Disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
10. Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
10. A resident service stipend. A resident service stipend is a modest amount (not to exceed \$200.00 per month) received by a RAD PBV resident for performing a service for Agent, on a part-time basis, that enhances the quality of life in publicly subsidized housing. No resident may receive more than one such stipend during the same period of time;
11. Compensation from State or local employment training programs and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for a limited period as determined by Agent;
12. Temporary non-recurring or sporadic income (including gifts);
13. Reparation payments made by foreign governments in connection with the Holocaust (for all initial determinations and re-examinations carried out on or after April 13, 1993);



14. Amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937. A listing of those programs specifically excluded is attached hereto as **Appendix A**;
15. Earned income of Full-Time Students age 18 and older in excess of \$480.00 annually;
16. Adoption assistance payments in excess of \$480.00 per adopted child;
17. The earnings and benefits to any resident resulting from the participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988, Section 22 of the U.S. Housing Act of 1937, or any comparable Federal, State, or local law during the exclusion period;
18. Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment;
19. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit;
20. Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home;
21. Two-year Rent Phase-in or Savings Account Income Disallowance; The earned income of an eligible family member will be excluded from the rent determination and phased in over a two-year period. In lieu of the rent phase-in, at the resident's request, a savings account may be established for the resident. To be eligible, a (i) family must be a current resident of RAD PBV or Public Housing, whose income must have increased as a result of employment, and the leaseholder must have been previously unemployed for one or more years; or (ii) the family must have received earned income increases during the participation in any family self-sufficiency or other job training program; or (iii) the family is or was, within the last six months, receiving assistance from TANF and their earned income increases.

D. Treatment of income changes resulting from welfare program requirements.

In accordance with the Work Responsibility Act of 1999, the Agent will not reduce the monthly rental payment made by families whose welfare assistance is reduced specifically because of fraud or failure to participate in an economic self-sufficiency

program or comply with a work activities requirement. The family shall not have their rent reduced based on the benefit reduction.

### **2.3 Application for Admission**

A written form to be signed and dated by all adult members of the family that includes information the Agent needs to determine whether the family can be admitted in accordance with Section 4.0. The format for this basic information is developed by the Agent and approved by the Agent.

### **2.4 Child Care Expenses**

Amounts anticipated to be paid by the family for the care of children 12 years of age and younger during the period for which annual income is computed but only where such care is necessary to enable a family member to be gainfully employed or to further his/her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for childcare, and in the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment.

### **2.5 Dependent**

A member of the family household (including foster children) and other than family head or spouse, co-head, common law spouse, or boyfriend/girlfriend of head, who is a minor or is a Person With a Disability or is a Full-Time Student.

### **2.6 Intentionally Deleted**

### **2.7 Displaced Person**

A person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to federal disaster relief laws.

### **2.8 Elderly Family**

A family whose head or spouse (or sole member) is 62 years of age or older. It may include two or more elderly living together, or one or more of these persons living with one or more live-in aides.

### **2.9 Elderly Person**

A person who is at least 62 years of age.

### **2.10 Near-Elderly**

A person who is at least 50 years of age, but less than 62 years of age.

## **2.11 Family**

A family includes, but is not limited to:

- a. two or more persons living together who are related by blood, marriage or operation of law, or have evidence of a stable relationship which has existed over a period of time, whose income and/or resources meet the family's needs;
- b. an elderly, near-elderly family or single person as defined in this policy;
- c. the remaining member of a family;
- d. a displaced person; and
- e. a single, pregnant woman.

A person named on the lease living alone during the temporary absence of a family member who will later live regularly as a part of the family is included in this definition.

## **2.12 Intentionally Deleted**

## **2.13 Full-Time Student**

A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.

## **2.14 Handicapped Assistance Expense**

Reasonable costs that are anticipated, during the period for which annual income is computed, for live-in aides and auxiliary apparatus for a handicapped or disabled family member and that are necessary to enable a family member to work.

## **2.15 Head of Household**

The head of household is an adult member or an emancipated member of the family who is responsible for supplying the needs of the family.

**2.16 Intentionally Deleted**

**2.17 Intentionally Deleted**

**2.18 Live-In Aides**

A person who resides with an Elderly Person or a Person With a Disability who:

- A. is, as verified by a Doctor or other health professional, to be essential to the care or well being of the person;
- B. is not obligated for support of the person; and
- C. would not be living in the unit except to provide necessary supportive services.

**2.19 Community (or Site)**

A term used to identify units located in the John Pennycuff Memorial Apartments development.

**2.20 Lower Income Family**

A Project-based housing family whose annual income does not exceed 80 percent (80%) of the median income by family size for the area, as determined by HUD.

**2.21 Medical Expenses**

Those medical expenses, including medical insurance premiums, which are anticipated during the period for which annual income is computed, and that are not covered by insurance or reimbursed.

**2.22 Minor**

A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

**2.23 Monthly Adjusted Income**

One-twelfth (1/12) of adjusted income.

**2.24 Monthly Income**

One twelfth (1/12) of annual income.

**2.25 Net Family Assets**

Net cash value after deducting reasonable costs that would be incurred in disposing of real and personal property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and equity of personal property such as furniture and automobiles shall be excluded. (In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under Section 2.2.) In determining net family assets, the Agent shall include the value of any assets disposed of by an applicant or resident for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two (2) years preceding the date of application for the program or re-examination, as applicable, in excess of the consideration received therefore. In the case of a disposition as a part of the separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or resident receives important consideration not measurable in dollar terms.

#### **2.26 Person With a Disability**

Shall mean a person with a disability as defined in Section 233 of the Social Security Act (42 USC 423) or in Section 102 of the Development Disabilities Services Facilities Construction Amendments of 1970 (42 USC 2691 (1)); or a person having a physical or mental impairment that:

- A. is expected to be of a long-continued and indefinite duration;
- B. substantially impedes his/her ability to live independently; and
- C. is of such a nature that such ability could be improved by more suitable housing conditions.

#### **2.27 CHA Housing Requirements**

Shall mean the Act, HUD regulations thereunder (except to the extent that HUD has granted waivers of regulatory requirements), the Declaration of Restrictive Covenants, the HAP Contract and RAD Use Agreement, Gautreaux Court Orders, the Moving to Work Demonstration Agreement, and all other pertinent Federal statutory, executive orders, and regulatory requirements, as such requirements may be amended from time to time.

#### **2.28 Reasonable Accommodation**

Reasonable accommodation is making alterations or adaptations to provide access to otherwise qualified Persons With Disabilities in the use of the program and

facilities, without causing undue hardship or substantially altering the program or activity, in compliance with ADA Regulations.

**2.29 Single Person**

A single person is a person living alone or intending to live alone, and who does not qualify as an elderly family, near-elderly, or a Person With a Disability or a displaced person as defined in this Section, or as the remaining member of a resident family, or who is not a single, pregnant woman.

**2.30 Spouse**

The husband or wife of the head of household.

**2.31 Resident Rent**

The amount payable monthly by the family as rent to the Agent for occupancy of a unit. Some utilities and other essential housing services are not supplied by the Agent, and the cost thereof is not included in the amount paid as rent. Resident Rent for Project-Based Voucher housing residents equals total resident payment less the utility allowance. Resident Rent for LIHTC units will be determined by the Agent but shall not exceed the maximum rent allowed under Tax Credit and Other Requirements.

**2.32 Total Resident Payment**

The monthly amount calculated for a Project-Based Voucher unit under “A” below. Total resident payment does not include charges for excess utility consumption or miscellaneous charges.

A. Total Resident Payment for a family whose initial lease is effective on or after August 1, 1982, shall be the highest of the following, rounded to the nearest dollar:

1. 30 percent (30%) of monthly adjusted income,
2. 10 percent (10%) of monthly income, or
3. Minimum Rent.

**2.33 Minimum Rent**

In accordance with Section 507 of the Quality Housing and Work Responsibility Act of 1998, minimum rent requirements have been set at \$75 for RAD PBV residents. The act also requires the Agent to waive minimum rents for an indefinite period of time for RAD PBV families with a long-term financial

hardship. The resident must provide Agent with reasonable documentation to substantiate the financial hardship.

A financial hardship includes the following situations:

1. The family is awaiting an eligibility determination to receive federal, state or local assistance (includes legal aliens entitled to receive assistance under the INA).
2. The family's income decreases due to changed circumstances, loss of employment or a death in the family.
3. The family will be evicted as a result of non-payment of the minimum rent.

Financial hardship status will be granted immediately to RAD PBV families requesting a hardship exemption for a period of 90 days. When the family request a hardship exemption, the minimum rent requirement will be immediately suspended until a determination can be made by Property Management as to the validity of the hardship exemption and whether it is temporary or long term.

#### **2.34 Utilities**

Utilities are water, electricity, gas, telephone, cable TV, garbage and sewage services. Landlord shall be responsible for all utilities except resident telephone and cable TV charges.

#### **2.35 Utility Allowance**

If the cost of utilities (except telephone and cable TV) and other housing services for a RAD PBV housing unit is not included in the resident rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by the Agent or HUD, under 24 CFR Part 965, of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances should be consistent with the requirements of a safe, sanitary, and healthful living environment.

#### **2.35 Utility Reimbursement**

The amount, if any, by which the utility allowance for the unit, if applicable, exceeds the total resident payment for the family occupying the unit.

#### **2.36 Very Low-Income Family**

A family whose annual income does not exceed 50 percent (50%) of the median income by family size for the area, as determined by HUD.

### **2.37 Veteran**

Veteran is a person who served in the active military, naval, or air service, and who was discharged or released under honorable or general conditions.

### **2.38 Welfare Assistance**

Welfare or other payments to families, based on need, that are made under programs funded, separately or jointly, by federal, state or local governments.

### **2.39 Hate Crimes**

Actual or threatened physical violence or intimidation that is directed against a person or his or her property, and that is based on a person's race, color, religion, sex, national origin, handicap, or familial status.

### **2.40 Section 42**

Section 42 of the Internal Revenue Code of 1986, as amended, and any implementing regulations.

### **2.41 Tax Credit and Other Requirements**

Any and all matters required by Section 42 of the Internal Revenue Code of 1986 as Amended, the Federal HOME Investment Partnership Program, Illinois Low-Income Housing Trust Fund, the Federal Home Loan Bank's Affordable Housing Program, or any other agreement made as a condition of receipt of tax credits, whether or not such requirement is explicitly stated in Section 42 or regulations thereunder, and any other requirements under applicable affordable housing finance programs.

### **2.42 HAP Contract**

The contract entered into by the Landlord and the contract administrator that sets forth the rights and duties of the parties with respect to the project and the payments under the contract.

### **2.43 RAD Use Agreement**

The document specifying the affordability and use restrictions for John Pennycuff Memorial Apartments, which will be coterminous with the HAP Contract and will be recorded prior to the lien of the first mortgage.

### **2.44 Employment and Self-Sufficiency Requirements**

(i) All household members age 18 or over and any household member between the ages of 17 and 18 who drops out of school must be engaged in 30 hours of work or a



combination of activities that promote self-sufficiency including but not limited to:

- (a) Employment;
- (b) Enrollment and regular attendance in an economic self-sufficiency program, including a HOPE VI Community and Supportive Services 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.
- (f) Retired receiving a pension.

(ii) All household members age 6 to 17 must regularly attend school. All applicant households must sign the School Certification and document that children under the age of 13 are adequately supervised by a responsible household member or participate in daycare, an after school program or are otherwise adequately supervised.

(iii) The following family members are exempt from the employment and self-sufficiency requirements:

- (a) Individuals age 62 or older;
- (b) People with disabilities who are unable to work because of the disability;
- (c) The primary caretaker of a person with disabilities;
- (d) Single parent serving as primary, full-time caretaker for children age 12 months and under;
- (e) An individual who is retired and is receiving a retirement annuity or a pension.

### **3.0 DETERMINATION OF ELIGIBILITY AND SUITABILITY**

The Application for Admission and Record of Applications (hereinafter called "Waiting List") constitutes the basic records of each family applying for admission. Prior to the execution of any lease between the Agent and the applicant, the Agent will certify in writing that the family meets all conditions governing eligibility and suitability. The specific requirements for eligibility and suitability are critical to the success of the property and are outlined below.

If the Agent determines that an applicant is ineligible, the Agent shall promptly notify the applicant. When requested, and within a reasonable time after the determination is made, the applicant shall be provided an opportunity for an

informal hearing conducted by someone other than the person who made the initial decision.

If a determination has been made that the applicant is eligible and satisfies all requirements for admission, the applicant shall be notified of the approximate date of occupancy insofar as that date can be reasonably determined.

#### **4.0 ADMISSION AND SELECTION**

##### **4.1 PHA Assisted Units**

Agent will continuously set aside 47 units in the John Pennycuff Memorial Apartments development as RAD PBV Units during the term of this Agreement, which units will initially contain a total of 59 bedrooms. Provided that Agent continues operating the RAD PBV Units in accordance with the Act and in accordance with the terms of the HAP Contract and RAD Use Agreement, such units shall be eligible to receive the HAP Contract payments. The RAD PBV Units shall initially comprise the following mixture of unit sizes and descriptions:

<u>Unit Size</u>	<u>Number of Units</u>
1 Bedroom	35
2 Bedroom	12

The RAD PBV Units shall be scattered evenly throughout the Development, and within structures within the Development. RAD PBV Units and Non-RAD PBV Units shall be maintained and operated without distinction, excepting such differences in admissions procedures, lease terms and other conditions as are mandated by CHA Housing Requirements or intended by Agent and Authority to effectuate CHA Housing Requirements and/or benefit the RAD PBV Units.

##### **4.2 Target Mix of Incomes**

The following unit mix will be maintained among the 88 Tax Credit Units (which includes 47 RAD PBV Units in the John Pennycuff Memorial Apartments development).

- a. 47 of the 47 RAD Project-Based Voucher Units shall be rented to project-based housing applicants whose income at the time of admission is between 0 – 60% of Area Median Income (AMI). Families must maintain lease compliance as outlined in this Tenant Selection Plan).

- b. 41 of the Tax Credit Units shall be rented to non-project-based housing applicants whose income at the time of admission is between 0–60% of AMI. Families must maintain lease compliance as outlined in this Tenant Selection Plan.
- c. In no event shall any applicant be admitted to a Project-Based Housing Unit whose income exceeds the maximum income allowable under Tax Credit and Other Requirements.

The Management Agent will take all reasonable steps to maintain qualified applicants on the Waiting List within the income levels described above, and will diligently attempt to satisfy the income requirements described above and will keep records of its efforts to meet such requirements. Sufficient marketing efforts shall consist of the following outreach: (i) a direct mailing to eligible families in the order of their priority; (ii) simultaneously, no less than two (2) phone calls to the eligible family over a 48-hour period. In the event the prospective eligible family does not respond to the letter or phone calls within ten (10) days of the date of the mailing of such letter, the Agent will cause to be delivered a certified letter to such prospective eligible family advising them of their failure to participate and affording them one last opportunity to contact the Agent, within 48 hours of the date of the certified letter, by phone or in-person before being deemed non-responsive and ineligible for housing. Further, CHA shall assist Agent and Landlord in attempting to satisfy these income requirements by sorting CHA's Housing Offer Process List ("HOP List") and CHA's general public housing waiting list by income.

### **4.3 Eligibility for Admission**

#### **Eligible applicants for admission to RAD PBV Units are those:**

- A. Who qualify as a Family as defined in Section 2.11; and
- B. Whose annual income meets the definitions as outlined in section 4.2 above. Prior to admission each applicant must submit to a certification of all sources of income; provided that at conversion current households are not subject to this provision. The Agent utilizing a "third party" certification procedure will complete this certification. An applicant whose income meets the criteria outlined in Section 4.2 shall be income-eligible.
- C. Who are suitable for housing by meeting the screening criteria listed in section 4.6 below.
- D. All RAD PBV Units are LIHTC Units and are subject to the eligibility requirements for LIHTC Units set forth below.

#### **Eligibility for LIHTC Units:**

A. Income. Applicants must meet the income limits of Tax Credit and Other Requirements. Prior to admission each applicant must submit to a certification of all sources of income. The Agent utilizing a “third party” certification procedure will complete this certification. No applicants will be admitted whose family income exceeds 60% of the area median income as published annually by HUD. Applicant must have enough income to satisfy Agent of an ability to pay the tax credit rental amount, unless they have a Housing Choice Voucher or the applicant is applying for a RAD PBV Unit.

B. Students. Applicants whose household, in its entirety, consists of Full-Time Students and meets one of the exemptions below shall meet this eligibility requirement. For the purposes of Tax Credit and Other Requirements, a Full-Time Student is one who attends, or plans to attend during the next twelve months, an educational organization which normally maintains a regular facility and curriculum for a minimum of five months per calendar year and is considered a full-time student by the institution.

Exemptions for units regulated under Section 42 of the Internal Revenue Code are as follows:

- 1) Any one of the students filing a joint federal income tax return. A copy of the joint federal tax return must be included in the applicant’s file;
- 2) A household consisting of a single parent (with custody) and a school age child or children, both of whom are not dependents of a third party;
- 3) A household receiving assistance under Title IV of the Social Security Act;
- 4) A household receiving Temporary Assistance for Needy Families (TANF); or
- 5) A member of the household enrolled in and receiving assistance under the Job Training Partnership Act or similar governmental job training program.

C. Suitability. Who are suitable for housing by meeting the screening criteria listed in section 4.6 below.

**Eligibility for Market Units (if applicable):**

A. Income. Applicant must have enough income to satisfy Agent of an ability to pay the unrestricted rental amount.

B. Suitability. Who are suitable for housing by meeting the screening criteria listed in section 4.6 below.

#### **4.4 Applications**

- A. An Application for Admission, as defined in Section 2.3, is required for a person to be considered for admission. Applications for Admission will be accepted between the hours of 9:00 a.m. and 5:00 p.m. on Monday through Friday, except designated holidays, at an address to be designated at the time of the commencement of construction of the project.
- B. The location, facilities and circumstances for accepting applications will afford persons the greatest opportunity to apply.
- C. Every six months the Agent will attempt contact with each person on the waiting list to determine if they are still in need of housing.
- D. The date and time the application is received will be noted on the application form when received by the Agent. All information submitted in the application is subject to verification. Each adult member of the family must sign the completed application.
- E. The Agent will keep a copy of each resident's application for admission in the resident's file. Any other occupancy information the Agent collects must be retained for at least three (3) years or in accordance with Federal Regulations. This will include data on current applicants and residents, and applications from families who were never admitted.

#### **4.5 Record of Applications / Waiting List**

For the RAD PBV units, the Agent will first obtain applicants from the CHA HOP list. Once the HOP list is exhausted, applicants will be drawn from the CHA general housing or site-based waiting list made available to Agent. The Agent will maintain a separate site-based waiting list for applicants for LIHTC (non-RAD) Units and, with CHA approval, the Agent will maintain a separate site-based waiting list for applicants for RAD PBV Units, in each case subject to the following requirements:

- A. The applicant's name will be placed on the waiting list in order of the date and time the application is received by the Agent. The Agent will indicate on the waiting list the following about each applicant's family:
  - 1. Name, address, and phone number of head of household.
  - 2. Required number of bedrooms.

3. Race / ethnicity;
  4. Determination of eligibility or ineligibility for selection and screening;
  5. Preference determination;
  6. Date assigned to dwelling unit and identification of unit to which assigned, or date and unit offered and rejected with reason for the rejection noted; and
  7. Reason for removing applicant from consideration for housing; i.e., upon applicant's request, failure to communicate continued interest, or applicant no longer qualifies.
- B. Consistent with the objectives of Title VI of the Civil Rights Act of 1964, the HAP Contract and RAD Use Agreement, HUD regulations and policies, offers to the applicants on the waiting list for appropriate sized units will be made after preferences are applied.

#### **4.6 Screening, Verification, Selection of Applicants and Resident Assignment**

A. Screening

1. Eligible applicants for RAD PBV units shall be screened by the Agent utilizing the screening criteria listed below. Those who meet the screening criteria and are not targeted for deferral will be considered suitable for housing.
2. Eligible applicants for LIHTC units shall be screened by the Agent utilizing the screening criteria listed below. Those who meet the screening criteria will be considered suitable for housing. Those applicants failing to meet the screening criteria will be rejected.
3. Eligible applicants for Market Units (if applicable) shall be screened by the Agent utilizing items d-h of the screening criteria listed below. Those who meet the screening criteria will be considered suitable for housing. Those applicants failing to meet the screening criteria will be rejected.
4. Screening Criteria: The screening and rejection criteria applies to all individuals listed as head of household, spouse and all adult members of the applicants household (i.e. 18 years of age or older) who are expected or proposed to reside in the unit.

An applicant household and/or any additional household member who is proposed to reside in the unit will be refused occupancy for one or more of the following reasons:

- a) The household annual income exceeds the applicable Tax Credit and Other Requirements Income Limits.
- b) All members of the household are Full-Time Students and no one qualifies for an eligibility exemption.
- c) The household's monthly income is less than 2.5 times the monthly rent unless the applicant has a Housing Choice Voucher or receives Public Housing assistance.
- d) Poor credit history, which is indicated by:
  - 1) Any credit rating reflecting a payment history, during the previous five (5) years of four (4) instances of over ninety (90) days or more past due. Accounts that have been charged off during the previous five (5) years will be considered over ninety (90) days past due. Medical bills, student loans, telephone bills, cable bills, and any retail credit card accounts for one thousand dollars (\$1000.00) or less will NOT be considered in this determination.
  - 2) Any applicant, spouse or co-head of household who has filed for bankruptcy within the last three (3) years.
- e) Poor landlord reference, which would be, indicated when a previous landlord shows the applicant to be:
  - 1) Continually late in payment of rent.  
or
  - 2) A source of conflict with management and/or other residents documented by written notices from the landlord to the applicant.  
or
  - 3) Destructive to the apartment and/or public areas.  
or
  - 4) In violation of lease agreements.

- f) Poor housekeeping which would be indicated when one or more of the following observations are made during a housekeeping visit:
  - 1) Habits that are detrimental to the property or other residents, such as poor care of appliances, plumbing fixtures, etc.
  - 2) Poor housekeeping habits that could lead to an unhealthy environment for the applicant and other residents including: food left open or out; dirty dishes left unattended; dirty floors and/or fixtures; excessive dirt and/or grease on stove; mold and/or mildew build up in kitchen or bathroom; excessive dirt on floors, walls, ceilings, cabinets or doors; excessive clothing or belongings strewn about in an unorganized fashion.
  - 3) Evidence of negligent dependent care.
  - 4) Physical abuse of facilities.
  - 5) Any evidence of conduct that can be detrimental to the property including the creation of any type of fire hazard or any conduct that could lead to insect or rodent infestation.
- g) Adverse police record, which would be indicated by the following occurring within the past three (3) years:
  - 1) Any drug-related conviction.
  - 2) Any arrest for assault and/or battery pending resolution or any conviction for assault and/or battery.
  - 3) Any felony arrest pending resolution or any felony conviction involving physical violence to persons or crimes against property that adversely affects the health, safety or welfare of other persons or the misdemeanors of aggravated assault, unlawful use of a weapon, battery or criminal damage to property.
- h) Any indication that the applicant:



- 1) cannot adequately control their dependents, including review of school attendance records of minors in the household, so as to adversely affect the property and/or other residents;
  - 2) or any household member would be a threat to the safety and well being of the property and/or other residents;
  - 3) will be unable to comply with the terms of the lease agreement.
  - 4) cannot adequately sustain decent levels of habitability.
- i) Each applicant for RAD PBV units will qualify for occupancy only if all household members meet the property specific Employment and Self-Sufficiency requirements described in Section 2.44.

Each rejected applicant will be notified in writing of the reason(s) for rejection. This notice will advise the applicant that he/she may within fourteen (14) calendar days of the receipt of the notice, request in writing a meeting to discuss the reason for rejection and any mitigating circumstances for their rejection.

The Agent shall meet with all rejected applicants for non-RAD PBV units, who request a meeting, and shall make a final decision on the suitability of the applicant based on the facts of the meeting.

6. The Agent shall not deny admissions to any applicant on the basis that the applicant is or has been a victim of domestic violence, dating violence or stalking, if the applicant otherwise qualifies for assistance or admissions, and nothing in this section shall be construed to supercede any provisions of Federal, state or local law that provide greater protection for victims of domestic violence, dating violence or stalking.

#### B. Verification

In conjunction with the application process, the Agent shall require whatever documentation is needed to verify information the applicant has provided. The applicant (and other family members as the Agent designates) are required to execute a release and consent form(s) authorizing any person, firm, or association, including any federal, state or local agency to furnish or release to the Agent such information as the Agent determines to be necessary. Verification of eligibility, suitability

and preferences, along with any other information, is to be accomplished by thorough evaluation from information submitted by the applicant or received from third parties, including:

1. Verification of age of family members when the sole factor determining eligibility is age, or to support exemptions claimed for minors;
2. Pregnancy when it is the sole basis for determining eligibility;
3. Full-time student status;
4. Social Security numbers for all members of the household six (6) years of age and older if they have been issued a number. Verification of Social Security numbers will be done through a Social Security Card issued by the Social Security Administration. If a family member cannot produce a Social Security Card, only the documents listed below showing his or her Social Security number may be used for verification:

A driver's license, identification card issued by a Federal, State or local agency, identification card issued by a medical insurance company or provider (including Medicare and Medicaid), earnings statements or payroll stubs, bank statements, IRS Form 1099, benefit award letters from government agencies, retirement benefit letter, life insurance policies, and verification of benefits or Social Security Number from Social Security Administration;

5. Disability, handicap, veteran, or serviceman status when they are a factor in determining eligibility. For persons who claim disability but are not recipients of benefits under Section 223 of the Social Security Act or Section 102(b)5 of the Developmental Disabilities Services and Facilities Construction Amendment of 1970, a doctor's or other appropriate professional healthcare person's certification as to the degree and possible length of such disability shall be required. The receipt of veteran's benefits for disability, either service incurred or otherwise, does not automatically establish eligibility for disability;
6. Eligible immigration status.

C. Selection; Preferences

In selecting residents from among eligible applicants who meet the screening criteria, first consideration shall be given to matching the size and type unit offered to the family's need. Second consideration shall be given to ensure the applicant's income falls within the target mix of income for the vacant unit as outlined in section 4.2 of this Plan. Applicants who are determined to be eligible and suitable for housing shall be selected by order of the time and date their application was received by the Agent, subject to the following preference.

#### **4.7 Transfers**

The Agent shall maintain a centralized list of families (by number of bedrooms) that request to be or need to be transferred. The family name shall be placed on this list on the day the Agent becomes aware of a family composition change or receipt of an approved transfer request from the family Head of Household or other adult family member. Transfers will be made without regard to race, color, creed, national origin, religion, age, sex, handicap, or familial status.

Transfers may be approved at the discretion of the Agent, or his/her designee, for the following reasons:

**A. Under Housed**

If, upon re-examination, it is found that the size or composition of a family or household has changed so that the unit occupied by the family contains a number of rooms less than necessary to provide decent, safe and sanitary accommodations, and allow separate sleeping accommodations for children and parents, in accordance with federal regulations and Chicago Housing Authority ("CHA") policies, management shall, if possible, reassign or transfer residents to another appropriately-sized unit within the Development or another appropriately-sized RAD PBV unit in another housing project (if available).

**B. Over Housed**

If, upon re-examination, it is found that the size or composition of a family or household has changed so that the unit occupied by the family contains a number of rooms greater than necessary to provide decent, safe, and sanitary accommodations, in accordance with federal guidance and CHA policies, management shall, if possible, reassign or transfer residents to other dwelling units within the Development.

**C. Medical**

A resident may be transferred upon request for medical reasons when a transfer to another unit would eliminate or decrease the advancement of a medical condition or is required in order to be closer to available and necessary medical treatment. A doctor's statement verifying the need for such transfer shall be required, in accordance with Section 504 regulations.

D. Emergency

An adult family member may be transferred upon request if an abusive situation exists within the household (i.e. battered spouse) that required a resident to need emergency housing elsewhere. Transfer may be made only after proper verification and/or investigation. Children may accompany the custodial parent.

E. Natural Disaster

A resident family may be transferred because of a natural disaster (i.e. tornado, fire, flood), which makes the existing unit uninhabitable.

F. Section 504 Compliance

Any resident who has special needs requiring a handicapped accessible unit may be transferred upon request.

G. Safety / Security

When the safety and well being of a resident is in immediate jeopardy of physical and/or emotional harm, a resident member or family may be transferred upon request after proper verification and/or investigation.

H. Other - For Good Cause

Situations may arise which are not included in items A-G whereby in the judgment of the Agent and/or designee determine that it is in the best interest of a resident and/or the development or other residents of the community that a transfer be approved. For example: Continual resident conflict that undermines peaceful community living. The transfer may be to a RAD PBV unit in another housing project, or the tenant may be offered a voucher.

## **PRIORITY**

Families under housed shall be given preference over families over housed in the transfer process. Families needing special consideration because of handicap, disability, medical conditions or emergency cases shall be accommodated before

over housed families whenever possible. Normally, transfers for hardship reasons, or to correct over/under housing, shall have priority over new applicants.

#### **GENERAL TRANSFER REQUIREMENTS**

- A. Families, who are requesting permission to transfer shall be in “Good Standing” under the terms of their lease and leave the premises in a condition satisfactory to management.
- B. Resident initiated requests during the first twelve (12) months of tenancy will be for emergency situations only and will require the approval of the Agent and/or designee.
- C. The number of units offered to a family transferring will be one.

#### **TRANSFER PROCEDURE:**

- A. Each person who desires to transfer shall submit an Application for Transfer to the Site Manager. It will be the responsibility of the Site Manager to verify the reason for and initially approve such transfer. The Application of each person shall be dated and time stamped when submitted, and if approved, shall be placed on a Transfer Waiting List within each category of each unit size for which the Family is eligible.
- B. Persons who apply for transfer under this plan shall not be required to re-establish their eligibility for housing, but shall be required to provide information on their Transfer Application to include name, address, number of persons in family, the sex and age of each family member and reasons for the transfer request along with any supporting documentation deemed necessary by Agent.

#### **4.8 Income Limits**

The income limits used by this Agent for admission to its sites are established by HUD and usually change on an annual basis. In no case will an applicant be admitted to a LIHTC unit if the applicant family’s income exceeds the LIHTC income limits. The Agent will establish minimum income limits for LIHTC and Market units (if applicable) as the market may dictate.

#### **4.9 Resident Rent Charges**

Residents of the Project-Based Voucher Housing Units are to be charged Resident Rent in accordance with the HAP Contract and RAD Use Agreement. Residents of LIHTC units will be charged a rent established by the Agent but in no case

shall the LIHTC rent exceed the maximum rent allowable under Tax Credit and Other Requirements. If applicable, market rents will be established by the Agent at any level the market may bear.

#### **4.10 Other Charges**

The resident will be charged for special goods and services and for the cost of all repairs and damages caused by carelessness, misuse, or neglect on the part of the resident or guest. Such charges will be for the actual cost of the materials and labor required. A list of standard charges shall be posted in the rental office.

#### **4.11 Occupancy Standards**

To avoid overcrowding and prevent wasted space, units are to be leased in accordance with the occupancy standards set forth below. However, in the event that there are units which cannot be filled with families of appropriate size and type after all possible efforts have been made to stimulate applications, eligible families of the most nearly appropriate size will be housed and will be moved to units of the proper size at the earliest possible date.

A. Dwelling units shall generally be assigned as follows:

1. Other than husband and wife, co-heads of household, two adults living in a consensual relationship or where there is a child under five, persons of the opposite sex will not occupy the same bedroom.
2. For reasons of health (old age, physical disability, etc.) separate bedrooms may be provided for such individual family members as verified.
3. Living rooms will not regularly be used as a bedroom.
4. Children five and under will share a bedroom with other children five and under regardless of sex.
4. A female household member five and older will share a bedroom with another female of any age.
5. A male household member five and older will share a bedroom with another male of any age.
6. A single head of household shall not be required to share a bedroom.
7. Unborn children will be counted in determining unit size.

8. The CHA will count a child who is temporarily away from the home attending school, so long as the family can document that child will be living with the family during the summer and vacation months.
  9. A live-in aide may be assigned a bedroom.
- B. Housing units shall be so assigned by taking into consideration every family member, regardless of age, who is to be counted as a person. An unborn child is not counted as a family member; however, Agent will consider size of household with unborn child included.

<u>No. of Bedrooms</u>	<u>Number of Persons Maximum</u>
0	1
1	2
2	4

These standards regarding the maximum number of persons who will occupy a unit will be applied within the restraints of financial solvency and program stability. Assignments of families within the unit ranges indicated above will be determined by the Agent based on individual family needs. When it is found that the size of the dwelling is no longer suitable for the family in accordance with these standards, the family will be required to transfer when the appropriate size unit becomes available within the Development. For a RAD PBV Unit, when it is found that the size of the dwelling is no longer suitable for the family in accordance with these standards, the family will be required to transfer to a RAD PBV Unit in the Development or another housing project or be offered a Housing Choice Voucher.

#### **4.12 Dwelling Lease**

The Agent shall prepare a lease for the Tax Credit and RAD PBV Units, and a lease for the Market Units (if applicable).

#### **4.13 Misrepresentation on Application for Admission**

If misrepresentations on Application for Admission result in housing an ineligible or unsuitable family, the family may be required to vacate, even though currently eligible. If misrepresentation or failure to provide facts have resulted in payment of a lower total resident payment than should have been paid, the family will be required to pay the difference between the total resident payment paid and the amount that should have been paid. In justifiable cases, the Agent may take such other action as deemed reasonable.

## **5.0 CONTINUED OCCUPANCY**

### **5.1 Re-Examination of Resident Eligibility and Rental Adjustments**

- A. As required by law, the Agent will annually re-examine the status of each RAD PBV and LIHTC resident family relating to eligibility for continued occupancy, the rent charged, and the size of the apartment required. Residents will be contacted for re-examination approximately 90 days before the anniversary date established by the occupancy date of their lease to begin the re-examination process. Re-examination should be completed before the anniversary date of their lease. As a condition to continued occupancy, each resident must continue to meet the Employment and Self Sufficiency requirements described in Section 2.44.
- B. The Agent will annually notify residents:
  - 1. whether the family meets the requirements of eligibility for continued occupancy;
  - 2. the rent to be charged; and
  - 3. the size of the unit required.
- C. Residents, who, at the time of application for continued occupancy, are deemed ineligible by failure to meet the continued occupancy requirements shall be notified in writing of such ineligibility, the reason therefore. RAD PBV Housing residents shall be advised of their rights, if any, to a grievance procedure.
- D. Rents will be reviewed at the time of the annual re-examination and, if appropriate, be changed to conform to the approved rent.
- E. The family must report changes in income within ten (10) days of such change. The family must also report changes in the household composition. Once total resident payment is established, such payment rate shall remain in effect until the next annual re-examination, special re-examination, or an interim rent adjustment for a change in family income or family composition. Decreases in family income should be reported so that rent may be adjusted accordingly.

Increases in family income must be reported which would raise the total resident payment.
- F. Increases in rent resulting from rent reviews are effective the first of the second month following the notice of the change.



- G. Decreases in rent are effective the first of the month following the reported change.
- H. If, upon re-examination, it is found that the size or composition of a family or household has changed so that the apartment occupied by the family contains a number of rooms less or greater than necessary to provide decent, safe, and sanitary accommodations as described in the occupancy standards in Part V, management shall give notice of at least thirty (30) days to the resident that the resident may be required to move to another unit.

## **5.2 Misrepresentation at Annual Re-Examination**

If the re-examination discloses that the family at time of admission, or at any previous re-examination, made misrepresentations that resulted in the family's being classified as eligible, when in fact ineligible, the family may be required to vacate even though currently eligible. Furthermore, if at the time of re-examination it is found that the misrepresentations or failure to provide facts resulted in a lower rent being charged, the family will be required to pay the difference between the rent paid and the amount that should have been paid. In justifiable cases, the Agent may take such other action as deemed reasonable. If the Agent is unable to complete the annual re-examination because of the fault of the family, the effective date of any change will be the re-examination anniversary date.

If, by no fault of the family, the Agent is unable to complete its annual re-examination, the effective date of any increase in total resident payment will be the first of the second month following completion of re-examination; the effective date of any decrease in total resident payment will remain the re-examination anniversary date, and the family will be given the appropriate total resident payment credits for overpayment.

## **5.3 Collections**

### **A. Resident Rent Charges**

Rent is due and payable in advance without notice, at the office of the Agent on the first day of each month. If not received by close of business on the 5th day of the month, and the resident has not contacted the Agent, the Agent will mail or deliver a notice of delinquent rent to the resident's address. Such notice will remind the resident of the lease obligation and will designate a deadline, not to exceed fourteen (14) days from the date of the notice, by which the resident is to contact the Agent office and make arrangements for payment. All terminations shall be processed in accordance with the requirements of the lease, state law, and federal regulations.

B. Other Charges

Charges other than rent, such as utility charge and resident-caused damages, shall become due and collectible the first day of the month following the month during which the charge is incurred.

**5.4 Inspections**

- A. The dwelling unit and premises shall be inspected jointly (when possible) by the applicant or resident and Agent upon move-in. Both parties will agree on the condition of the unit by signing an inspection check sheet. The original check sheet will be kept by the Agent, and a copy will be given to the resident.
- B. The inspection will serve as a guide in the determination of needed maintenance or repairs and to assess damage over and above normal wear and tear. Failure to maintain a safe, decent, and sanitary dwelling unit and premises may result in lease termination.
- C. Inspections shall be made:
  - 1. At move-in, prior to occupancy;
  - 2. Twice per year (which shall include an inspection for purposes of obtaining a real estate tax abatement (if available) for all or a portion of the RAD PBV Units);
  - 3. As required to comply with CHA Housing Requirements.
  - 4. Follow-up inspections will be scheduled within fifteen (15) days if housekeeping practices or other circumstances require. Appropriate notice to the resident shall be given prior to any inspection which shall be in accordance with the lease; and
  - 5. At move out. Inspections should be done with resident, unless the resident has previously vacated the unit and is unavailable. In the latter case, the Agent will conduct an independent inspection.

**5.5 No Smoking**

The project has been designated a smoke-free living environment. Resident and members of resident's household shall not smoke anywhere in the unit rented by resident, or in the common areas of the building where the resident's dwelling is located, including but not limited to the lobby, reception areas, vestibule, hallways, elevators, stairwells, community rooms, bathrooms, laundry rooms, and offices. Additionally, no smoking is permitted within 25 feet of the building's entry ways, porches and patios. This policy applies to all residents, guests, visitors, service personnel and employees. Residents are responsible for the actions of their household, their guests and visitors. Any violation of this **No Smoking Policy** will constitute both non-compliance of a material provision of

the lease agreement and a serious violation of the lease agreement. In addition, the resident will be responsible for all costs to remove smoke odor or residue upon any violation of this **No Smoking Policy**.

## **6.0 SECURITY DEPOSITS**

Each family is required to pay a security deposit in an amount determined by the Agent. RAD PBV Residents shall be required to pay an amount equal to total tenant payment with a minimum of \$75 and a maximum of the amount determined applicable to RAD PBV Residents. LIHTC and Market (if any) Residents are required to pay an amount equal to one-month rent. Payments must be made prior to occupancy. The security deposit will be returned to the resident within thirty (30) days after move-out in accordance with Section 5-12-080 (d) of the Residential Landlord and Tenant Ordinance where:

- A. there is no unpaid rent and charges for which the resident is liable under the lease or as a result of breaching the lease; and
- B. there is no breakage or damage beyond that expected from normal wear and tear.

The security deposit may not be used to pay charges during occupancy.

The amount of security deposit required is specified in the approved dwelling lease.

## **7.0 COMPLAINTS OF DISCRIMINATION**

A Fair Housing and Equal Opportunity poster, containing information on filing complaints with HUD by those persons believing themselves to be subjects of discrimination, will be posted conspicuously in complex offices for public information and inspection.

## **8.0 EVICTIONS**

A family's serious or repeated violations of the material provisions of the tenant's lease shall cause the Agent to begin eviction proceedings in accordance with state law. Violations of the Lease may include, but are not limited to, criminal activity, non-payment of rent, failure to provide Agent with required information for recertification, fraud regarding income and family composition, failure to maintain unit and surrounding area in a safe and sanitary condition, destruction of Agent property, violation of pet policy, or any serious or repeated violations of the terms of the Lease.

A family may be evicted if:

- A. any tenant or member of the tenant's household engages in any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents; or for any drug-related criminal activity on or off the premises; or
- B. any guest engages in any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents; or for any drug related criminal activity on or near the premises; and "guest" shall mean (i) a relative or friend of the tenant or any household member who is in the unit with the consent of the tenant or household member, or attending a social event held by the tenant or household member in the unit; (ii) any person accompanying the relative or friend described in clause (i); or (iii) anyone staying overnight in the unit with the permission or knowledge of the tenant or any household member.
- C. any person under the tenant's control engages in any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents; or for any drug related criminal activity on the premises; or
- D. any member of the tenant's household engages in an abuse or pattern of abuse of alcohol that affects the health, safety, or right to peaceful enjoyment of the premises by other residents.

Residents of RAD PBV Units are entitled to utilize provisions of the Agent's Grievance Procedure to attempt settlement of disputes with the Agent. Upon notice of termination, a resident has ten (10) days to request an informal discussion of the grievance in accordance with the Grievance Procedures, which, if requested, stays the filing of the eviction until the grievance process is completed. If the resident is not satisfied with the response, the resident may, within 7 days, request a formal hearing. Failure to follow this process will result in the resident waiving their rights to a grievance hearing.

In the event an applicant is rejected for admission because of security or safety concerns, or because of criminal history, the Agent 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 the project 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 lifetime 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 incident occurred 15 years (or more) prior to date of application, (ii) evidence of the applicants participation in social service or other appropriate counseling services programs

and the availability of such programs, (iii) 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, Narcotic Anonymous, successful completion of treatment, compliance with or successful completion of conditions of parole or probation, or (iv) the circumstances leading to the eviction no longer exist (e.g., the criminal household member has died or is imprisoned.

## **9.0 CONFLICT WITH FEDERAL STATUTE, REGULATION, OR HUD POLICY**

This policy is to be interpreted in accordance with federal statutes and regulations and in compliance with HUD policy; and any conflict between this Policy and federal statutes, the CHA Housing Requirements, Tax Credit and Other Requirements, regulations, or HUD Handbook provisions will be resolved in favor of federal law, orders, and policy, or in accordance with existing law regarding the modification of consent decrees, as applicable.

## APPENDIX “A”

The following is a list of types of benefits that qualify for exclusion according to Section 2.2.C.12:

1. Relocation payments made pursuant to Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. / 4636);
2. The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977 (U.S.C. 2017 [b]);
3. Payment to volunteers under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5044 [g], 5058);
4. Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626 [a]);
5. Income derived from certain sub-marginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459 [e]);
6. Payments or allowances made under the Department of Health and Human Services Low-Income Home Energy Assistance Program (42 U.S.C. 6624 [f]);
7. Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 U.S.C. 1552 [b]);
8. Income derived from deposition of funds of the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-250);
9. The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims (25 U.S.C. 1407-1408) or from funds held in trust for an Indian tribe by the Secretary of the Interior (25 U.S.C. 117);
10. Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal Work-Study Program, or scholarships funded under the Bureau of Indian Affairs student assistance programs, that are made available to cover the cost of tuition, fees, books, equipment, material, supplies, transportation, and miscellaneous personal expenses of a student at an educational institution (20 U.S.C. 1087uu);
11. Payments received from programs funded under Title V of the Older Americans Act of 1965 (42 U.S.C. 3056 [f]);
12. Payments received after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the IN RE Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.); and
13. Lump-sum payments received from Social Security or Supplemental Security Income (SSI) for delay of benefits.
14. Reparation payments made by foreign governments in connection with the Holocaust (for initial determinations and re-examinations carried out on or after April 23, 1993).

15. Payments received under the Maine Indian Claim Settlement Act of 1980. (Pub. L. 96-420, 94 Stat. 1785).
16. The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990.
17. Earned Income Tax Credit Refunds received on or after January 1, 1991 (HUD Notice PIH 91-10).

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