

KNICKERBOCKER APARTMENTS TENANT SELECTION PROCEDURE

POSITION

Knickerbocker Apartments, sponsored by Bay Inter-Faith Housing, Inc. was approved by the U. S. Department of Housing and Urban Development (HUD) for construction and subsidy of 169 apartments, Section 202 program, for adults fifty-five and older.

The purpose of the Knickerbocker Apartments as approved by the Department of Housing and Urban Development is to provide housing and appropriate support services to person's age fifty-five and older, as defined by the Department of Housing and Urban Development consistent with independent living.

The Knickerbocker Apartments has a policy of non-discrimination. All services and accommodations of the facility are available to persons without regard to race, color, creed, national origin, religion, or sex.

The Department of Housing and Urban Development (HUD) has established new Income Targeting requirements. It is the intent of management to put forth a reasonable effort into marketing to households earning 30% or less of the median income. These requirements apply to HUD projects receiving Section 8 funding through the Housing Assistance Payments (HAP) Contract.

The Knickerbocker Apartments specifically follows policies and regulations set forth by the U. S. Department of Housing and Urban Development (HUD) and does not deviate from the purpose for which it was approved by HUD.

Section 504 of the Rehabilitation Act of 1973 prohibits discrimination on the basis of disability in any program or activity receiving federal financial assistance from HUD.

The Fair Housing Act prohibits discrimination in housing and housing related transactions based on race, color, religion, national origin, disability and familial status. It applies to housing regardless of federal financial assistance.

Title VI of the Civil Rights Act of 1964 prohibits discrimination on basis of race, color or national origin in any program or activity receiving federal financial assistance from HUD.

PROCEDURE

Those persons interested in residency at the Knickerbocker Apartments must complete a preliminary application in order to be placed on the Wait List. It is noted on the application that it is preliminary only and involves no obligation of the Knickerbocker Apartments to deliver occupancy of an apartment. Applications will be reviewed to determine preliminary eligibility. Applications are categorized on the Wait List as follows:

1. One - bedroom suite
2. Studio suite

Applicants will be notified of an available apartment in chronological order. Income Targeting requirements stipulate 40% of the units that become available each year must be rented to the Extremely Low-Income (ELI) households earning 30% or less of the median income. Once the requirement is met and in chronological order, management is permitted to go to the other applicants on the Wait List. Due to this requirement, management is permitted and required by HUD to skip over higher-income applicants. After a reasonable marketing period, management is unable to fill all of the units with families meeting the Extremely Low-Income requirements, management is permitted to rent to other eligible families.

Applications submitted indicating that their household is earning 30% or less of the median income will be placed on the Wait List in chronological order based on the date the application was received by management. To comply with Income Targeting, management will place the symbol ELI (Extremely Low-Income) next to the applicant's name as a code which is to be used to distinguish the Extremely Low-Income applicants from the other applicants on the Wait List.

When an apartment is available, several applicants will be contacted by phone or mail. The applicants will be advised of their current position chronologically. The possibility of an apartment will depend on the response from those that are first on the list, and those that qualify based on Income Targeting requirements.

The initial notification to several applicants lessens the time involved in the turnover process. Applicants near the top of the list will be able to update our information as to their desire to move in the future. Applicants that are not ready to act on availability will be asked reasons for their present decline of the available apartment. These reasons will be noted on their applications for future reference. Applicants will be offered an apartment two times; on the third decline their application will become inactive. Lease constraint or health confinement will be taken into consideration.

Applicants that are nearer the top of the list and could not be contacted by telephone will be sent a letter. Applicants must respond within ten days. Applicants who do not respond will have their application noted and removed from the list. Applications are stored inactive for three years.

Applicants requesting to reactivate their application within three years because their needs have changed, may notify the Knickerbocker and have their application put back on the active list in chronological order from date of the request.

Applicants are responsible for notifying management of a change of address and/or telephone number.

DECLARATION OF CITIZENSHIP

Section 214 of the Housing and Community Development Act of 1980, as amended, prohibits the Secretary of HUD from making financial assistance available to person other than United States citizens, nationals, or certain categories of eligible non-citizens.

Anyone receiving assistance is required to declare U.S. Citizenship or submit evidence of eligible immigration status for each family member living in the household. Management will provide “Declaration” forms for the household members to complete. Failure to complete the required forms or providing false information may result in the rejection of the application or termination of the HUD subsidy.

RESIDENT SELECTION PLAN AND SCREENING CRITERIA

Throughout the tenant selection procedures (detailed on the following pages), a handicapped applicant is entitled to reasonable accommodations in

rules, policies, practices or services and/or reasonable modifications of existing premises to afford equal opportunity to use and enjoy a dwelling. This entitlement continues once a handicapped applicant becomes a resident. Requested accommodations and modifications to premises are not reasonable if they would result in an undue administrative and financial burden or result in the fundamental alteration in the nature of a program.

The fact that an application is submitted to management or an applicant is on a Waiting List in no way means that the applicant qualifies for housing. This can only be confirmed after the screening and verification process has been completed.

SCREENING OF APPLICANTS

All applicants for tenancy who satisfy the federal statutory requirements for eligibility and who meet the facility's legitimate and uniformly applied requirements of tenancy are admissible into the housing community. The facility's legitimate requirements of tenancy include an ability to pay rent on time, meet Rural Development/HUD requirements and other legitimate terms and conditions of the facility's lease.

WAITING LIST CLOSURE

While closure of the waiting list has not occurred at Knickerbocker Apartments, should the time come that the expected wait for a one-bedroom or studio suite exceeds 18 months, the public will be notified by display advertising in the print venues that regularly publish our ads, including but not limited to those on the Affirmative Fair Housing Marketing Plan. Reopening will be published similarly.

ELIGIBILITY REQUIREMENTS AND FORMS

Documentation to verify eligibility must be provided at an interview appointment. Applicants must meet the eligibility requirements listed as follows:

Head of household must be fifty-five years or older;

Eligibility income must not exceed HUD established income limits in effect at the time of interview;

Eligibility for housing at Knickerbocker Apartments is based upon regulations from the Department of Housing & Urban Development (HUD) and the Department of Homeland Security (DHS), known as the Immigration and Naturalization Service (INS). Questions of Citizenship and student status with regard to eligibility for housing and/or subsidy will be referred to HUD and/or DHS.

Pursuant to HUD & DHS regulations, all applicants and each member of the household are required to provide his or her Social Security number when requested for the purpose of processing an application.

Pet regulations have been established in accordance with HUD guidelines. Applicants intending to bring a pet must meet all requirements of the pet regulations.

All applicants for tenancy must satisfy federal requirements through the process of eligibility forms. The eligibility forms, referred to as “paperwork”, must be signed by the applicant. There will be several forms requiring the applicant’s signature and completion by a third-party provider. Management will send the “paperwork” to the appropriate third parties for verification of the applicant’s income, assets, allowable expenses, etc.

All eligibility forms must be returned in a reasonable time, which is usually considered to be a time period of two weeks or less. Special circumstances may exist which prevent the return of all necessary forms in the anticipated two week time frame. When this happens, communication between the applicant and management is of the utmost importance. If the required “paperwork” is not returned in a “reasonable time” and the applicant fails to communicate continued interest, management may offer the apartment to the next person on the waiting list.

DISCLOSURE OF SOCIAL SECURITY NUMBERS

Applicants and each member of the household must disclose social security numbers (SSNs) in order for the owner to make an eligibility determination. This paragraph explains the requirements and responsibilities of applicants or residents to supply owners with this information, the responsibility of owners to obtain this information, and the consequences for failure by either party.

Key Requirements: The head of household/spouse/co-head must disclose SSN's for all family members. If all non-exempt household members have not disclosed and/or provided verification of their SSNs at the time a unit becomes available, the next eligible applicant must be offered the available unit.

The applicant who has not disclosed and/or provided verification of SSNs for all non-exempt household members has 90 days from the date they are first offered an available unit to disclose and/or verify the SSNs. During this 90 day period, the applicant may, at their discretion, retain their place on the waiting list. After 90 days, if the applicant is unable to disclose and/or verify the SSNs of all non-exempt household members, the applicant should be determined ineligible and removed from the waiting list.

Note: "non-exempt household members" are all members who do not qualify for the following exemptions: individuals who do not contend eligible immigration status; individuals age 62 or older as of January 31, 2010 whose initial determination of eligibility was begun before January 31, 2010.

Required Documentation: Applicants must provide documentation of SSNs. Adequate documentation means a social security card issued by the Social Security Administration (SSA) or an original Federal or State document containing the SSN along with other identifying information such as name, address, and date of birth.

PROVISIONS FOR ACCEPTING APPLICANTS WITHOUT DOCUMENTATION OF SOCIAL SECURITY NUMBERS

When an applicant has a SSN but does not have the required documentation, the applicant may submit the SSN and certify that the number is accurate but that acceptable documents could not be provided.

Owners must accept the certification and continue to process.

However, an applicant may not become a participant in the program unless the applicant submits the required SSN documentation to the owner. The applicant must provide SSN documentation to the owner within 90 days from the date on which the applicant certified that the documentation was not available.

If the owner has determined that the applicant is otherwise eligible for admission into the property, and the only outstanding verification is that of the SSN, the applicant may retain his or her place on the waiting list for the 90-day period during which the applicant is trying to obtain documentation.

After 90 days, if the applicant has been unable to supply the required SSN documentation, the applicant should be determined ineligible and removed from the waiting list. An extension of an additional 90 days may be authorized if unforeseen circumstances beyond the head of household's control prevent him/her from obtaining the documentation.

An owner may extend the time period for an additional 60 days if the applicant is at least 62 years old and unable to submit the required documentation within the first 90-day period.

ENTERPRISE INCOME VERIFICATION SYSTEM

The Existing Tenant Search will be used when a tenant is placed on Section 8 in the building.

All applicants **MUST** disclose if they are currently receiving HUD housing assistance. The owner/agent will not knowingly assist applicants who will maintain a residence in addition to the HUD-assisted unit or who attempt to receive HUD assistance in two separate residences.

HUD provides the owner/agent with information about an applicant's current status as a HUD housing assistance recipient. The owner/agent will use the Enterprise Income Verification System (EIV) to determine if the applicant or any member of the applicant household is currently receiving HUD assistance.

Nothing prohibits a HUD housing assistance recipient from applying to this property. However, the applicant must move out of the current property and/or forfeit any voucher before HUD assistance on this property will begin. Special consideration applies to:

Minor children where both parents share 50% custody;

Recipients of HUD assistance in another unit who are moving to establish a new household when other family/household members will remain in the original unit.

If the applicant or any member of the applicant household fails to fully and accurately disclose rental history, the application may be denied based on the applicant's "misrepresentation" of information.

This information will be reviewed on an annual basis at each annual certification. If any household member receives or attempts to receive assistance in another HUD assisted unit while receiving assistance on this property, the household member will be required to reimburse HUD for assistance paid in error. This is considered a material lease violation and may result in penalties up to an including eviction and pursuit of fraud charges.

Eligible student household member(s) must meet all of the following criteria:

Enrolled full or part-time at an institution of higher education for the purpose of obtaining a degree, or other program leading to a recognized educational credential;

Must be under the age of 24 years. Student must be unmarried and not have a child. Student may not be a veteran, be disabled, or be living with parents. Students may not be eligible to receive Section 8 assistance or have parents who are eligible to receive Section 8 assistance;

For a student to be eligible independent of his or her parents (where the income of the parents is not relevant), the student must demonstrate the absence of, or his or her independence from, parents;

While owners may use additional criteria for the student's independence from parents, owners must use, and the student must meet, at a minimum all of the following criteria to be eligible for Section 8 assistance. The student must:

- a) Be of legal contract age under state law;
- b) Have established a household separate from parents or legal guardians for at least one year prior to application for occupancy, or meet the U.S. Department of Education's definition of an independent student.
- c) Not be claimed as a dependent by parents or legal guardian pursuant to IRS regulations.

- d) Obtain a certification of the amount of financial assistance that will be provided by parents, signed by the individual providing the support. This certification is required even if no assistance will be provided.
- e) Not have a dependent child.
- f) Is not a person with disabilities, as such term is defined in 3(b)(3)(E) of the United States Housing Act of 1937 (42 U.S.C. 1437AB)(3)(E) and was not receiving Section 8 assistance as of November 30, 2006.
- g) Is not living with his or her parents who are receiving Section 8 assistance.
- h) Is not individually eligible to receive Section 8 assistance and has parents (parents individually or jointly) who are not income eligible to receive Section 8 assistance.

Any financial assistance a student receives (1) under the Higher Education Act of 1965, (2) from private sources, or (3) from an institution of higher education that is in excess of amounts received for tuition is included in annual income, except if the student is over the age of 23 with dependent children or if the student is living with his or her parent who are receiving Section 8 assistance.

If an ineligible student is a member of an applicant household or an existing household receiving Section 8 assistance, that assistance for the household will not be prorated but will be terminated in accordance with the HUD guidelines.

SECTION 8 SUBSIDIES

Section 8 subsidies are reassigned to existing residents of the proper suite size when made available by the departure or transfer of a resident that had been a recipient of a Section 8 subsidy. There are 51 subsidies for studio suites and 16 for one-bedroom suites, for a total of 67 Section 8 subsidies. Subsidies are reassigned according to length of tenancy and eligibility.

PROCEDURES FOR APPLYING FOR HOUSING

All persons/families interested in applying for housing at Knickerbocker Apartments must comply with the following requirements to be considered for housing:

Complete the application, sign and return it to the Knickerbocker Apartment office;

Meet HUD/Rural Development requirements of age and income;

Applicant must list all family members who will reside in the unit;

Show ability to meet financial obligations in a satisfactory manner and on time;

Show that the applicant has the ability to fulfill all the lease requirements (with or without care assistance) where applicable;

Satisfactory housekeeping habits that will not jeopardize the health, security or welfare of other residents; “home visits” are valuable if applicant has no prior landlord;

Provide good/acceptable references from all landlords, both current and previous, listed on the application and in credit bureau files.

UNIT TRANSFER POLICY

Residents occasionally request transfers to different suites for various reasons. While no suites are specifically designed with features to assist the mobility impaired, some residents find that a particular design or location makes their access easier and such requests will be considered as reasonable accommodations when verified by a medical professional. Similarly, requests to change units are common when there has been a change in the size or composition of the household and will be considered subject to the rules below.

Residents of studio suites that are paying Section 236 or Market rent may request a transfer to a one-bedroom suite and these requests will be honored on an alternating basis with applicants from the outside. Residents of one-bedroom suites paying Section 236 or Market rent may request a studio suite and may be willing to wait for a specifically designed or located suite so that alternation with the waiting list is not always practical.

Residents of studio suites that are receiving Section 8 subsidy may request a one-bedroom suite, but the Section 8 subsidy **does not transfer with the**

resident as this would skew the studio/one-bedroom allotment described in the section above.

Residents of one-bedroom suites that are receiving Section 8 subsidy who request a transfer to a studio unit will **lose their subsidy** as well. Restoration of the subsidy is possible according to the Section 8 assignment policy.

When a transfer is requested due to health issues, proof is needed from a health care professional.

CRITERIA FOR REJECTION OF AN APPLICATION

The applicant screening process includes investigation of criminal history and rental history as verified by current and/or former landlords. Knickerbocker Apartments reserves the right to reject an application based on any of the following criteria:

Applicant's or household member's current use of illegally obtained drugs/substances;

Prior criminal conviction of applicant or household member for any reason, including the use, manufacture, sale, or distribution of illegal substances;

Any member of the household is subject to a lifetime registration requirement under a state sex offender registration program. In accordance with Federal law, Owners shall establish standards that prohibit admission to any Federally-assisted property to sex offenders subject to a lifetime registration requirement under a state sex offender registration program. During the admissions screening process, the Owner must perform the necessary criminal history background checks in the state where the housing is located and in other states where the household members are known to have resided;

Substandard housekeeping habits and/or inconsistent rental payment history and/or unsatisfactory lease compliance history.

Landlord Checks: Unacceptable information received from current and former landlords regarding an applicant's ability to meet legitimate requirements of tenancy, i.e. nonpayment of rent, violations of house rules,

violations of lease, history of disruptive behavior, housekeeping habits, termination of assistance for fraud, evictions and judgments, convictions involving the illegal manufacture or distributions of a controlled substance, convictions for the illegal use of a controlled substance.

PROJECT MANAGEMENT MAY REJECT AN APPLICANT WHO FAILS TO:

Meet federal eligibility standards such as Income Requirements and Age Requirements (where applicable);

Provide Social Security numbers for all family members or execute a certification when Social Security numbers have not been assigned;

Sign the required HUD “Notice and Consent for the Release of Information” and “Applicant’s/Tenant’s Consent to the Release of Information”;

Sign “Eligibility Forms” for verification of household income, assets, medical and any other required verification for eligibility;

Provide current address and/or telephone number.

NOTIFICATION OF REJECTION

An applicant who is denied admission will be notified in writing of the reason(s) for the rejection. If the applicant wants to request a meeting to discuss the rejection notice, the applicant has fourteen (14) days to submit a request in writing to Knickerbocker Apartments, 27100 Knickerbocker Road, Bay Village, Ohio 44140. The requested meeting will be held by a “disinterested” third party (someone who was not a party to the decision to reject). If an applicant has disabilities, they may inform Management of this fact and request “reasonable accommodations” (changes in the site’s nonessential policies and practices), which would give the applicant(s) an equal opportunity to pursue the application process. After the meeting the applicant must be notified, in writing, within 5 calendar days whether or not the original decision has been changed. Project management will follow the guidelines as directed in the U.S. Department of Agriculture, Rural Development Handbook and the U.S. Department of Housing and Urban Development (HUD) Handbook 4350.3 for the rejection appeal process.

HOUSEHOLD PETS

Pets are permitted at our complex. Pets are defined as domesticated small animals traditionally kept in the home for pleasure. A pet deposit of \$300 is required along with required documentation as described in the “Pet Policy”. Should an applicant be moving a pet with them to the Knickerbocker Apartment, they should request from management a copy of the complete Pet Policy for their review prior to moving.

SERVICE ANIMALS

Applicants with disabilities may use a service animal. No deposit will be required for a service animal. However, management may require the applicant(s) to provide justification that the animal is necessary for the individual to have equal opportunity to use and enjoy the housing. This information must be in writing and verified through a professional person and/or institution. Also, additional documents relating to the service animal will be required.

IMPLEMENTATION OF THE VIOLENCE AGAINST WOMEN AND JUSTICE DEPARTMENT REAUTHORIZATION ACT OF 2005 FOR MULTIFAMILY PROJECT-BASED SECTION 8 HOUSING ASSISTANCE PAYMENTS PROGRAM

The purpose of this Notice is to provide guidance to owners and management agents (O/As) administering one of Multifamily Housing’s project-based Section 8 programs on the implementation of the Violence Against Women Act and Department of Justice Reauthorization Act of 2005, Public Law 109-162, here after referred to as VAWA. In summary, the VAWA provides legal protections to victims of domestic violence, dating violence or stalking. These protections prohibit O/As from evicting or terminating assistance from individuals being assisted under a project-based Section 8 program if the asserted grounds for such action is an instance of domestic violence, dating violence or stalking.

On January 5, 2006, President Bush signed into law the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109-162) and on August 12, 2006, signed into law technical corrections to the VAWA (Public Law 109-271). The VAWA protections apply to families applying for or receiving rental assistance payments under the project-based Section 8 program. The law protects victims of domestic

violence, dating violence or stalking, as well as their immediate family members generally, from being evicted or being denied housing assistance if an incident of violence that is reported and confirmed. The VAWA also provides that an incident of actual or threatened domestic violence, dating violence or stalking does not qualify as a serious or repeated violation of the lease nor does it constitute good cause for terminating the assistance, tenancy, or occupancy rights of the victim. Furthermore, criminal activity directly relating to domestic violence or stalking is not grounds for terminating the victim's tenancy. O/As may bifurcate a lease in order to evict, remove, or terminate the assistance of the offender while allowing the victim, who is a tenant or lawful occupant, to remain in the unit.

The law offers the following protections against eviction or denial of housing based on domestic violence, dating violence or stalking:

1. An applicant's or program participant's status as a victim of domestic violence, dating violence or stalking is not a basis for denial of rental assistance or for denial of admission, if the applicant otherwise qualifies for assistance or admission.
2. An incident or incidents of actual or threatened domestic violence, dating violence or stalking will not be construed as serious or repeated violations of the lease or other "good cause" for terminating the assistance, tenancy, or occupancy rights of a victim of abuse.
3. Criminal activity directly related to domestic violence, dating violence or stalking, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, shall not be cause for termination of assistance, tenancy, or occupancy rights of the victim of the criminal acts.
4. Assistance may be terminated or a lease "bifurcated" in order to remove and offending household member from the home. Whether or not the individual is a signatory to the lease and lawful tenant, if he/she engages in a criminal act of physical violence against family members or others, he/she stands to be evicted, removed, or have his/her occupancy rights terminated. This action is taken while allowing the victim, who is a tenant or a lawful occupant, to remain.
5. The provisions protecting victims of domestic violence, dating violence or stalking engaged in by a member of the household, may not be construed to limit the O/A, when notified, from honoring various court orders issued

to either protect the victim or address the distribution of property in case a family breaks up.

6. The authority to evict or terminate assistance is not limited with respect to a victim that commits unrelated criminal activity. Furthermore, if an O/A can show an actual and imminent threat to other tenants or those employed at or providing service to the property if an unlawful tenant's residency is not terminated, then evicting a victim is an option, the VAWA notwithstanding. Ultimately, O/As may not subject victims to more demanding standards than other tenants.

7. The VAWA protections shall not supersede any provision of any federal, state, or local law that provides greater protection for victims of domestic violence, dating violence or stalking. The laws offering greater protection are applied in instances of domestic violence, dating violence or stalking.

DOCUMENTING THE OCCURRENCE OF DOMESTIC VIOLENCE, DATING VIOLENCE OR STALKING

A PHA, owner or management agent presented with a claim for continued or initial tenancy or assistance based on status as a victim of domestic violence, dating violence, stalking or criminal activity related to domestic violence or stalking may request that the individual making the claim document the abuse. The request for documentation must be in writing. The PHA, owner or management agent may require submission of documentation with fourteen business days after the date that the individual received the request for documentation. However, the PHA, owner or management agent may extend this time period at its discretion.

OCCUPANCY LIMITS

Studio Apartment - one person

One Bedroom Apartment - two persons

Household composition will be considered when applying this general rule.