



## **Tenant Selection Plan**

**Stevenson House is a senior apartment community with a minimum age restriction of 62 years old.** It is located at 455 E. Charleston Road, Palo Alto, CA 94306. The property has 120 units consisting of 92 studios and 28 one-bedroom apartments. The property is administered under HUD Section 8 Program, Project-Based Section 8 Vouchers (PBV) with additional restrictions imposed by the City of Palo Alto and County of Santa Clara. There are 24 HUD Section 8 units and 25 PBV units. Tenant based vouchers are accepted in all units except for the units with an existing HUD or Project-Based subsidy.

To ensure that all prospective residents are provided an equal opportunity to reside at Stevenson House; all applicants undergo an evaluation process that includes credit and eviction screening, a criminal background check, and verification of five (5) years acceptable landlord references. Applicants must also meet established occupancy standards; have income that does not exceed the applicable maximum area income limits. Households who do not meet these criteria will not be eligible for housing at Stevenson House. Minimum income requirements are not applicable for HUD Section 8 or PBV holders.

### **Policy on Non-Discrimination**

With respect to the treatment of applicants, the Management Agent will not discriminate against any individual or family because of race, color, creed, national or ethnic origin or ancestry, religion, sex, sexual preference, gender identity, age, disability, military status, source of income, marital status or familial status, acquired immune deficiency syndrome (AIDS) or AIDS-related conditions (ARC), or any other arbitrary basis. No criteria will be applied or information considered pertaining to attributes of behavior that may be imputed by some to a particular group or category. All criteria shall be applied equitably and all information considered on an applicant shall be related solely to the attributes and behavior of individual members of the household as they may affect residency.

### **Policy on Privacy**

It is our policy to guard the privacy of applicants as conferred by the Federal Privacy Act of 1974, and to ensure the protection of such applicants' records maintained by The John Stewart Company.

Therefore, neither The John Stewart Company nor its agents or employees, shall disclose any personal information contained in its records to any person or agency unless the individual about whom information is requested shall give written consent to such disclosure. This Privacy policy in no way limits our ability to collect such information as it may need to determine eligibility, compute rent or determine an applicant's suitability for tenancy.

### **Section 8 Preference**

Existing tenants that qualify will be given preference when filling a vacant Section 8 unit. Priority will be based on original move-in date. If no existing tenants qualify for section 8 assistance, the waiting list will be used to qualify the next wait list applicant for section 8 assistance.

### **Income Targeting Requirements**

Stevenson House must rent 40% of all vacant Section 8 units to households whose annual income is at or below 30% of area median income (AMI), as determined and published annually by HUD, thereby qualifying it by definition as an "extremely low income: household. In order to ensure that income targeting requirements are fulfilled Stevenson House will alternate between the first ELI applicants and the top waiting list applicants until income targeting is reached. As a result, households earning above 30% of AMI may be "skipped" over. Once income targeting has been reached, applicants are admitted in the order in which they appear on the waitlist.

### **Applying For an Apartment**

- **Outreach** – Applications will be accepted from all eligible applicants seeking admission to Stevenson House when the waiting list is open. Stevenson House will maintain one waiting list for all programs. For the PBV units, the property must first attempt to fill any vacancies using referrals from the Housing Authority of Santa Clara County. If the referral list from the Housing Authority is exhausted or they fail to provide one within 33 days of request, Stevenson House will use their internal waitlist to fill the PBV units as well.
- **Rental Application** – A rental application, including a copy of a government issued photo identification for each applicant and a copy of the Social Security card or ITIN for each applicant, and any other documents that may be required by the program. One rental application can be completed for all household members.
- **Waiting List** – Applicants will be processed in order of the waiting list.
  - In instances where the vacant unit is an accessible wheelchair modified unit, disabled tenants requiring the modified unit features will be given preference, following the same selection criteria described herein.
  - Stevenson House will process the first three (3) applicants for every one vacancy. Upon offer of a unit applicants will be given seven (7) calendar days to respond

from the date the Property Manager contacts the applicant. If the applicant declines the unit or fails to respond within the seven (7) calendar days, the applicant will be “skipped.” The applicant will be offered a second unit when one becomes available. If the applicant declines a second unit, they will be removed from the waiting list.

- Units will be offered in the order in which completed applications are received.
- If there is a delay of 120 days or more between the determination of a household’s eligibility and the time the unit becomes available, the household will be required to update their Rental Application and have any changes verified to determine if they are still eligible.
- Acceptance onto the waiting list does not automatically guarantee eligibility for an apartment. Verification of eligibility will be conducted as described in the selection criteria herein at the time a unit becomes available.
- **Unit Transfers** – A current tenant will be allowed or required to transfer and have priority to transfer to a vacant unit when it becomes available for the following reasons:
  - Reasonable accommodation certified by a qualified professional
  - Need for an accessible unit
  - Over/under housing

### **Tenant Selection Criteria**

- Credit and Unlawful Detainer Action Reports:
  - A credit and an Unlawful Detainer Action report will be requested on all adults listed on the application.
  - A hard copy of the report will be kept with the application on file.
  - The lack of credit history will not be a basis for denial.
  - The Credit report will be obtained through National Tenant Network, tenant screening. An unsatisfactory credit history will disqualify an applicant from renting an apartment at Stevenson House. An unsatisfactory credit history is one that reflects past or current bad debts, late payments, unpaid bills, liens, judgments or bankruptcies (within the last 7 years).

Applicants may be admitted if there are mitigating circumstances regarding the poor credit history and approval to accept an applicant with this rating is given by the Director or Regional Manager.

- **Criminal Background Check:**
  - A criminal background check will be conducted on all adults in the household through National Tenant Network (NTN). NTN looks at criminal activity for the last 7 years.

- Anyone who has a felony conviction, or other criminal activity, to include drug related activity, if the applicant has completed drug rehabilitation and can provide verification of completion of rehabilitation from a professional agency.
- NTN also performs a National Sex Offender, Terrorist, and Most Wanted search with every criminal state processed. Applicants will be disqualified if they have any of these categories on their record.

The following standards have been established for prohibiting tenancy at Stevenson House due to drug and/or criminal activity as follows:

- Any Household member who has been evicted from federally assisted housing for drug-related criminal activity, unless that person has successfully completed an approved, supervised drug rehabilitation program or the circumstances leading to the eviction no longer exist (household member has moved out). Any Household in which any member is currently engaged in illegal use of drugs or for which the owner has reasonable cause to believe that a member's illegal use of pattern of illegal use of a drug may interfere with the health, safety, and right to peaceful enjoyment of the property by other tenants
- Any Household member's conduct that from abuse or pattern of abuse of alcohol, interferes with the health, safety, and right to peaceful enjoyment by other tenants
- Registered sex offenders will be denied tenancy (even if more than 7 years ago)
- Any violent activity or other criminal activity that threatens the health, safety, and right to peaceful enjoyment of the property by other tenants or the health and safety of the owner, employee, contractors, subcontractors, or agents of the owner.
- **Landlord References:**
  - All references provided by the applicant will be verified in writing. If attempt to collect it in writing is unsuccessful, telephone verifications may be substituted, but only after a thorough attempt to collect it in writing has been completed.
  - 5 years of residential history is required and all residential history will be verified.
  - Unfavorable landlord references will be basis for denial of tenancy.
- **Initial and Continued Income Certification:** Eligibility to reside at Stevenson House is based on information that applicant has provided to Management regarding household income and assets. Employment and/or other sources of income, including non-earned income must be verified by a third party to ensure the applicant meets income requirement. Once a household is accepted for tenancy the household will be required to recertify their income and assets at least once each year prior to their anniversary date of move-in. If tenant fails to comply with program requirements a notice of termination of tenancy will be issued to the tenant.

## **Occupancy and Income Requirements**

- **Occupancy Standards:**

- Studio: Minimum 1 person; Maximum 2 persons
  - One-Bedroom: Minimum 1 person, Maximum 3 persons. Preference will be given to households consisting of 2 or more
- **Income/Program/Rent & Security Deposit**
    - **Income Limits** - Income eligibility is determined using the HUD published low income limits for the County of Santa Clara.
    - **Maximum Income** - To be an eligible to live at Stevenson House the applicant's annual income cannot exceed 80% of area median income. In order to qualify for a unit with Sec 8 subsidy or a Project Based Voucher your income cannot exceed 50% of area median.
    - **Minimum Income Requirement** - Rent shall not exceed 50% of the applicant's income (except for persons who will receive Section 8 assistance).

### **HUD Section 8 Applicants**

- **Citizenship/Immigration Status Requirements:**

Section 214 of the Housing and Community Development Act of 1980, as amended prohibits the Secretary of HUD from making financial assistance available to individuals other than United States Citizens, Nationals, or certain categories of eligible non-citizens in the HUD Section 8 Program at Stevenson House.

When applying for assistance under the program listed above, applicants are required to declare U.S. citizenship or submit evidence of eligible immigration status for each of the household's family member regardless of the family member's age. The Section 214 Review will be completed in conjunction with the verification of other aspects of eligibility for assistance.

At the time of application, applicants will be given notification of the requirement either to submit evidence of citizenship or eligible immigration status or to choose not to claim eligible status through Owner's Notice #1, Family Summary Sheet and Tenant Declaration Format sheet. Households that were receiving assistance on June 19, 1995 under one of the programs covered by the non-citizen rules are eligible for temporary deferral of termination of assistance only if the following applies:

- Household has no eligible members
- Mixed household qualifies for prorated assistance (and does not qualify for continued assistance) and chooses not to accept the partial assistance

During the deferral period, the household will continue to receive its current level of assistance and will allow the household time to find other suitable housing before HUD

terminates assistance. The initial deferral period is for six (6) months and may be extended for an additional six month period, not to exceed 18 months.

Temporary deferral shall be granted to the household if one of the following conditions is met:

- 1) The household demonstrates that reasonable efforts to find other affordable housing of appropriate size have been unsuccessful;
- 2) The vacancy rate for affordable housing of appropriate size is below 5% in the housing market area, or;
- 3) The consolidated plan (if applicable) indicates that the local jurisdiction's housing market lacks sufficient affordable housing opportunities for households having a size and income similar to the family seeking the deferral.

- **Social Security Number (SSN) Requirements**

Effective January 31, 2010, all household members receiving assistance or applying to receive assistance will be required to provide a Social Security Number and adequate documentation necessary to verify that number. This rule applies to live-in aides, foster children and foster adults. Adequate documentation means a Social Security card issued by the Social Security Administration (SSA) or other acceptable evidence of the SSN such as:

- Original Social Security card
- Driver's license with SSN
- Identification card issued by a federal, State, or local agency, a medical insurance provider, or an employer or trade union.
- Earnings statements on payroll stubs
- Bank statement
- Form 1099
- Benefit award letter
- Retirement benefit letter
- Life insurance policy
- Court records

For eligibility purposes, applicants do not need to disclose or provide verification of a Social Security Number for household members to be placed on the waiting list. However, applicants must disclose a Social Security Number and provide adequate documentation to verify each Social Security Number for all non-exempt household members before they can be housed. **Applicants will be required to provide a Social Security Number so that the owner/agent can 1) perform applicable screening, 2) complete certain verification and 3) make a final determination of eligibility.**

If all non-exempt household members have not disclosed and/or provided verification of their Social Security Numbers at the time a unit becomes available, the next eligible applicant must be offered the available unit.

- The applicant who has not provided required Social Security Number information for all non-exempt household members has 90 days from the date they are first offered an available unit to disclose/verify the Social Security Numbers.
- During this 90-day period, the applicant may retain its place on the waiting list.

After 90 days, if the applicant is unable to disclose/verify the Social Security Numbers of all non-exempt household members, the applicant should be determined ineligible and removed from the waiting list.

- **Exceptions to Disclosure of Social Security Number**

The Social Security Number requirements do not apply to:

1. Individuals who do not contend eligible immigration status.
  - When applicants and tenants are required to declare their citizenship status, the existing regulations pertaining to proration of assistance or screening for mixed families must continue to be followed. In these instances, the owner will have each tenant's Citizenship Declaration on file - whereby the individual did not contend eligible immigration status - to support exception to the requirements to disclose and provide verification of a Social Security Number.
  
2. Individuals age 62 or older as of January 31, 2010, whose initial determination of eligibility was begun before January 31, 2010.
  - The eligibility date is based on the initial effective date of the form HUD-50059 or form HUD-50058, whichever is applicable.
  - Documentation that verifies the applicant's exemption status must be obtained from the owner of the property where the initial determination of eligibility was determined prior to January 31, 2010. This documentation must be retained in the tenant file. An owner/agent must not accept a certification from the applicant stating they qualify for the exemption.
  - The exception status for these individuals is retained if the individual moves to a new assisted unit under any HUD assisted program or if there is a break in his or her participation in a HUD assisted program.

- **Implementation of HUD's Enterprise Income Verification System:**

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. 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.

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 and including eviction and pursuit of fraud charges.

### **Determining Eligibility of Students for Students for Section 8 Assistance:**

HUD requires that property owners determine a student's eligibility for Section 8 assistance at move-in, annual recertification, initial certification (when a current household is already living at the property and begins receiving Section 8), and at the time of an interim recertification if any of the household member are enrolled as a student. Section 8 assistance shall not be provided to any individual who:

- Is enrolled as either a part-time or full-time student at an institution of higher education for the purpose of obtaining a degree, certificate, or other program leading to a recognized educational credential
- The individual is under the age of 24
- The individual is not married
- The individual is not a veteran of the United States Military
- The individual does not have a dependent child
- The individual 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. 1437a(b)(3)(E)) and was not receiving section 8 assistance as of November 30, 2006).
- The individual is not living with his or her parents who are receiving Section 8 assistance
- The individual is not individually eligible to receive Section 8 assistance **and** has parents (the parents individually or jointly) who are not income eligible to receive Section 8 assistance.

Students considered 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. HUD requires property owners to verify and ensure that the student meet, at a minimum all of the following criteria to be eligible for Section 8 assistance:

- The student be of legal contract age under state law
- The student 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.
- The student is not claimed as a dependent by parents or legal guardians pursuant to IRS regulations, and the student must have the parent or guardian sign and certify the amount of financial assistance that will be provided by parents. A signed certification by parents or guardians is required even if no assistance will be provided.
- Any financial assistance a student receives from any source such as:
  - (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 parents who are receiving Section 8 assistance.

Termination of Section 8 Assistance for ineligible student households: If an ineligible student is a member of a household receiving Section 8 assistance, the assistance for the household will not be prorated, but will be terminated in accordance with program regulations.

NOTE: The termination of the Section 8 Assistance for ineligible student households will not be cause for termination of tenancy. Property owners will not require the ineligible student household to vacate the property as long as the household is in compliance with the provisions of the rental agreement.

### **Application/Interview Process**

- **Taking Applications:** For every one vacancy available, three applications will be processed. Applicants will be contacted in order from the waiting list, and processed as described in Section IV.
- **Procedures Governing Receipt of Application:** The rental application constitutes the basic record of each household applying for admission to Stevenson House. Each applicant will be required to sign and date the rental application attesting to the accuracy of the data provided, and provide documentation as needed to verify the information supplied on the rental application. The Rental Application should be completed in ink, indelible pencil, or typed. Corrections and/or changes are to be made by lining through the original entry and entering correct information. No white out allowed on any application paperwork. Any corrections and/or changes must be initialed and dated by the applicant.
- **Application Interview:** All household members over 18 must attend. Applicants will be interviewed in person at Stevenson House. During the interview the Property Manager and/or other designee will do the following:
  - Review, confirm and update all information provided on the Rental Application.
  - Collect the required signatures on third party verification forms, authorization to release information forms, and collect all other necessary documents to determine income eligibility.
  - Explain to the applicant the program requirements, verification process, and the consequences for submitting false information, to include denial of tenancy, fines, and possible imprisonment.
  - If the applicant declines the unit any time after the interview, the applicant will be skipped. If the applicant denies a second unit, the applicant will be removed from the waiting list.
- **Rental Application Determination Notice:** Applicants who are disqualified for

renting a unit at Stevenson House will be mailed a letter identifying the reason(s) for disqualification.

- Applicants may appeal, in writing, within fourteen (14) calendar days from the date on the notice mailed to the applicant. (See Grievance Procedure section below)
  - The written appeal request must be mailed to Stevenson House, 455 E. Charleston Road, Palo Alto, CA 94306, Attention: Regional Property Manager.
  - Appeal Process: The Regional Property Manager will respond in writing within seven (7) calendar days of receiving the written appeal or meeting with the applicant.
  - In the interest of minimizing vacancies, no unit will be held for an applicant once the “Rental Application Determination Notice” has been mailed. However, should the Regional Property Manager determine that the applicant is qualified for tenancy, or if another applicant has already been accepted for tenancy for the available unit before the review process has been completed, the applicant’s name will be replaced in its original position on the Waiting List, without prejudice.
- **Additional Factors that may disqualify an applicant:**
    - Management reserves the right of disqualification to ensure agreeable and pleasant surroundings for all tenants. An applicant can be disqualified if they display, or have displayed behaviors that contravene or would contravene the rules and regulations of the property.
    - An applicant must complete/provide and return all the paperwork requested within the stated deadlines or will automatically be passed over for the next applicant in chronological order, unless the Regional Property Manager gives the applicant an authorization, in writing, for an extension. Three (3) full business days, from the time the information is requested, will be given to the applicant to submit the information. If the applicant is passed over they will remain the next household in chronological order until they provide the information. After 10 calendar days from the initial request the applicant will be considered denied unless a written extension has been given by the Regional Property Manager.

- **Grievance and Appeals Procedure**

Management has adopted a procedure in accordance with applicable state or federal Program Regulations for the resolution of disputes arising out of this Rental Agreement or Tenant's occupancy of the premises. The procedure establishes Tenant's right to a hearing on grievances related to Tenant's occupancy and appeal of Management's decisions regarding Tenant's occupancy, including notices of termination and eviction.

Management has elected to determine that this grievance procedure shall not be

applicable to any termination of tenancy or eviction that involves criminal or drug related activities.

A copy of the Grievance and Appeals Procedure is available upon request.

### **Policy for Closing and Opening the Waiting List**

Stevenson House will monitor the vacancies and the Waiting List to ensure that there are enough applicants to fill the vacancies and to also ensure that the Waiting List does not become so long that the wait for a unit becomes excessive (e.g., one year wait or longer).

- **Closing the List:**

- The Waiting List may be closed for one or more unit sizes when the average wait is excessive.
- When Stevenson House decides to no longer accept names, we will also publish a notice to that effect in a publication likely to be read by potential applicants. Additionally, our website will be updated and a notice will be sent to all local social service agencies.
- When Stevenson House closes the list, we must advise potential applicants that the Waiting List is closed and refuse to take additional names.

- **Opening the List:**

- When the need to open the Waiting List is established, the notice of this action will be announced in a publication likely to be read by potential applicants in the same manner as the notification that the Waiting List was closed. The notifications will be extensive, and the rules for applying and order in which applications will be processed shall be stated.
- Advertisements shall include where and when to apply and shall conform to the advertising and outreach activities described in the Affirmative Fair Housing Marketing Plan.
- Upon opening the Waiting List a two week time window to apply for the lottery will be provided. If the number of interest applications received is sufficient, the waiting list will close and all entries will be lotterized and added to the waiting list in the order of lottery assignment. If the number of received interest applications is deemed too many and constitutes an administrative burden, the received waiting list applications will be processed through a lottery, in which the Owner designates the lottery number cap. If the number of applications isn't sufficient, a lottery will be conducted after two weeks and the list will remain open on a first come first serve basis. Those included in the lottery will be placed on the waitlist according to lottery assignment. Those applications received after the designated closing of the lottery window will be placed at the bottom of the waitlist in the order in which their application was received.

**I have read and received a copy of the Stevenson House Drive Apartments Tenant Selection Criteria.**

\_\_\_\_\_  
Applicant Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Applicant Signature

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Date

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Applicant Signature

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Date