B and H Housing, LP

Tenant Selection Plan

Hawthorne Place
5244 E 32nd St
Indianapolis, IN 46218
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PART I. INTRODUCTION

I.A. OVERVIEW AND HISTORY OF THE PROGRAM

The Section 8 project-based rental assistance program (PBRA) falls under HUD’s Office of Multifamily Housing. It was authorized by Congress in 1974 to provide rental subsidies for eligible resident families living in newly constructed (“New Construction”), rehabilitated (“Substantial Rehabilitation”), and existing rental and cooperative properties. HUD provides Section 8 rental assistance to certain mortgaged properties through the execution of a Housing Assistance Payment (HAP) contract. All rental assistance at these properties is project-based. This means subsidy is committed by HUD to specific assisted units for a fixed period of time based on the HAP contract and mortgage signed between the owner and HUD. In 1983 Congress repealed the statutory authority for the New Construction and Substantial Rehabilitation Programs. As a result, no new projects may be completed or contracted under the program, with one exception. New HAP contracts are being signed under HUD’s Rental Assistance Demonstration (RAD) program which was launched in 2012. Under the first component of the RAD program, projects funded under the public housing program may convert assistance to long-term project-based Section 8 rental assistance contracts under either the PBRA or project-based voucher (PBV) programs.

Under RAD PBRA, rental assistance is provided to PHAs through a HAP contract. The initial terms of the contracts are 20 years with mandatory renewals thereafter. RAD PBRA projects are treated as Pre-1981 Act Projects. While future PBRA rulemaking is applicable to these projects, any future changes in HUD requirements that are inconsistent with a RAD PBRA HAP contract are not applicable to the RAD PBRA project.

While RAD PBRA projects generally follow program requirements for the standard PBRA program, some rules are different or do not apply to RAD PBRA. In particular, existing in-place tenants at the time of conversion from public housing to PBRA are often subject to different requirements. For public housing conversion to PBRA under RAD, regulations governing the program are found at 24 CFR Part 880, as amended for RAD requirements in PIH Notice 2012-32 (HA), REV-2. Future changes to Part 880 apply to RAD PBRA as long as they are not provisions that have been stricken by HUD in PIH 2012-32, REV-2.

The Low-Income Housing Tax Credit (LIHTC) program was enacted by Congress as part of the Tax Reform Act of 1986 to provide the private market with incentives through a reduction in tax liability for the construction, rehabilitation, or acquisition of low-income affordable rental housing. These federal tax credits are allocated by the Internal Revenue Service (IRS) to state allocating agencies based, in part, on the state’s population. In the state of Indiana, the Indiana Housing and Community Development Authority (IHCDA) allocates tax credits and monitors for compliance.

The applicable regulations for the LIHTC program are found at Section 42 of the Internal Revenue Code of 1986, as amended (“Section 42”).

The Indiana LIHTC compliance manual outlines state policies and procedures as well as timelines and required forms for the program. The Indiana Rental Housing Tax Credit Compliance Manual may be accessed at: http://www.in.gov/myihcda/2490.htm
I.B. PURPOSE OF THE TENANT SELECTION PLAN

The tenant selection plan (TSP) is TH&B, LP’s written statement of policies used to carry out the Section 8 Project-Based Rental Assistance (PBRA) program under the Rental Assistance Demonstration (RAD) program in accordance with federal law and regulations and HUD requirements. The TSP is required by HUD which requires that owners of PBRA projects develop and make public written tenant selection policies and procedures.

All issues related to PBRA not addressed in this TSP are governed by federal regulations, HUD handbooks and guidebooks, notices and applicable state and local laws. TH&B, LP is responsible for complying with all changes in HUD regulations pertaining to PBRA. If such changes conflict with this plan, HUD regulations will have precedence.

Since TH&B, LP’s RAD PBRA projects are also blended with the IRS Section 42 Low Income Housing Tax Credit Program (LIHTC), where applicable, both federal and state-specific requirements for both programs will be listed.

For the PBRA program, when federal guidance is inconsistent, statute shall take highest priority, regulations second priority, handbooks third priority and other HUD guidance last priority.

This TSP applies to the following developments which include both LIHTC and RAD PBRA combined and LIHTC units:

**Hawthorne Place**

I.C. AVAILABILITY OF THE PLAN

TH&B, LP will make every effort to keep residents informed of program rules and regulations, and to advise participants of how the program rules affect them. This TSP is available to the public upon request. It will be posted in a common area of each rental office and the Indianapolis Housing Agency (IHA) website [www.indyhousing.org](http://www.indyhousing.org). IHA is the Property Management Agency for TH&B, LP. The TSP may also be reviewed during normal office hours.

I.D. MODIFICATION OF THE PLAN

TH&B, LP will review and update the TSP as needed to reflect changes in HUD regulations, Public Housing Authority (PHA) operations, or when needed to ensure staff consistency in operation. TH&B, LP will also revise the TSP if required to do so by HUD as the result of a Management and Occupancy Review (MOR) for the PBRA program.

If the plan is modified in any way, a notice of such modification will be posted on the TH&B, LP web site [www.indyhousing.org](http://www.indyhousing.org) and a notice will be placed on the Applicant Portal. For this reason, the current TSP will always be dated.
PART II. FAIR HOUSING AND EQUAL OPPORTUNITY REQUIREMENTS

II.A. OVERVIEW

Federal laws require landlords to treat all applicants and tenant families equally, providing the same quality of service, regardless of family characteristics and background. Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, and disability. In addition, HUD regulations provide for additional protections regarding sexual orientation, gender identity, and marital status.

TH&B, LP will not use any of these factors to:

- Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to participate in the program
- Provide housing that is different from that provided to others
- Subject anyone to segregation or disparate treatment
- Restrict anyone's access to any benefit enjoyed by others in connection with the housing program
- Treat a person differently in determining eligibility or other requirements for admission
- Steer an applicant or tenant toward or away from a particular area based on any of these factors
- Deny anyone access to the same level of services
- Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program
- Discriminate in the provision of residential real estate transactions
- Discriminate against someone because they are related to or associated with a member of a protected class
- Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class

TH&B, LP will comply fully with all federal, state, and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including:

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)
- The Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity

- The Violence against Women Act of 2013 (VAWA)
- Any applicable state laws or local ordinances and any legislation protecting individual rights of tenants, applicants, or staff that may subsequently be enacted

When more than one civil rights law applies to a situation, the laws will be read and applied together.

TH&B, LP takes steps to ensure that families are fully aware of all applicable civil rights laws. As part of the lease orientation process, TH&B, LP will provide information to families about civil rights requirements.

For the LIHTC program:

Federal fair housing law imposes on the Department of Treasury and state housing finance agencies (HFAs), including the Indiana Housing and Community Development Authority (IHCDA), an obligation to affirmatively further fair housing. Although the LIHTC program is an IRS program, in 2000 the IRS entered into a Memorandum of Understanding (MOU) with the HUD and the Department of Justice (DOJ) to enforce fair housing laws. HUD is generally charged with enforcing the Fair Housing Act, and may refer cases to the DOJ.

All units in the building must be for use by the general public (as defined in Regulation at section 1.42-9 and further clarified in section 42(g)(9)), including the requirement that no finding of discrimination under the Fair Housing Act occurred for the building. LIHTC properties are also subject to Title VIII of the Civil Rights Act of 1968, which makes it unlawful to discriminate in any aspect relating to the sale, rental, or financing of dwellings because of race, color, religion, sex, or national origin. The Fair Housing Act of 1988 expanded coverage of Title VIII to include familial status and disabilities. Since 2013, the Violence Against Women Act has also applied to the LIHTC program.

II.B. DISCRIMINATION COMPLAINTS

TH&B, LP will have HUD Fair Housing posters visible to all applicants posted in the leasing offices. As well as will provide all applicants with information on fair housing by providing applicants during the eligibility interview with a brochure called “Are you a Victim of Fair Housing” that provides information on how to file a complaint with the HUD Fair Housing and Equal Opportunity Office.

For the LIHTC program:

If the Indiana Housing Community Development Authority (IHCDA) receives Fair Housing complaints regarding TH&B, LP, that compliant will be forwarded to the Fair Housing and Equal Opportunity Office at HUD and the Indiana Civil Rights Commission for investigation. IHCDA will notify TH&B, LP of such complaints. If at any time during the compliance period it is found that a violation of the Fair Housing Act has occurred at any LIHTC development, the property is out of compliance and IHCDA will report such noncompliance to the IRS via IRS Form 8823.
II.C. POLICIES RELATED TO PERSONS WITH DISABILITIES [24 CFR part 8]

One type of disability discrimination prohibited by the Fair Housing Act is the refusal to make reasonable accommodation in rules, policies, practices, or services when such accommodation may be necessary to afford a person with a disability the equal opportunity to use and enjoy a program or dwelling under the program.

TH&B, LP must ensure that persons with disabilities have full access to all programs and services. This responsibility begins with the first inquiry of an interested family and continues through every programmatic area. TH&B, LP will provide a notice to each tenant that the tenant may, at any time during the tenancy, request reasonable accommodation of a disabled household member so that the tenant can meet lease requirements or other requirements of tenancy.

TH&B, LP will ask all applicants and resident families if they require any type of accommodations, in writing, on the intake application, reexamination documents, and notices of adverse action by TH&B, LP, by including the following language:

“If you or anyone in your family is a person with disabilities, and you require a specific accommodation in order to fully utilize our programs and services, please contact the management agent”

A specific position and phone number will be provided as the contact person for requests for accommodation for persons with disabilities.

Definition of Reasonable Accommodation [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act]

A “reasonable accommodation” is a change, exception, or adjustment to a policy, practice or service that may be necessary for a person with a disability to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces. A unit modification is some adaptation or change TH&B, LP can make to its apartments, buildings, or sites. A reasonable accommodation is a modification TH&B, LP can make to its methods and procedures or TH&B, LP policies. Since policies and services may have a different effect on persons with disabilities than on other persons, treating persons with disabilities exactly the same as others will sometimes deny them an equal opportunity to use and enjoy a dwelling.

Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for the owner or result in a “fundamental alteration” in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of a provider’s operations.

Types of Reasonable Accommodation

Subject to the undue burdens and fundamental alterations tests, TH&B, LP will correct physical situations or procedures that create a barrier to equal housing opportunity for all. To permit people with disabilities to take full advantage of TH&B, LP’s housing program and non-housing programs, in accordance with Section 504 and the Fair Housing Amendments Act of 1988, TH&B, LP shall comply with all requirements and prohibitions in applicable law.
Facilities and programs used by applicants shall be accessible to persons using wheelchairs, persons with sensory impairments and other persons with disabilities. Application and management offices, hearing rooms, community centers, day care centers, laundry facilities, craft and game rooms, etc. (to the extent that the Hawthorne Place have such facilities) will be usable by residents with a full range of disabilities. If TH&B, LP offers such facilities, and accessible equivalents are not on site, TH&B, LP will make efforts to provide accessible features, subject to the undue financial and administrative burden test.

Documents and procedures used by applicants will be accessible for those with vision, hearing or other sensory impairments. Also, all documents will be written simply and clearly to enable applicants with learning or cognitive disabilities to understand as much as possible.

Examples of reasonable accommodations include, but are not limited to:

- Making alterations to an apartment to make it fully accessible so it could be used by a person in a wheelchair;
- Transferring a resident who needs a fully accessible unit from an apartment that cannot be made accessible to an apartment that is accessible which may require moving the resident from one property to another;
- Widening the door of a community room or public restroom so a person in a wheelchair may use the facility;
- Adding or altering apartment or building features so they may be used by a family member with a disability, including but not limited to;
- Installing strobe-type flashing light smoke detectors and flashing light/doorbell for a family with a hearing impaired member;
- Adding structural grab bars in the bathroom;
- Changing the doorknobs to lever-type door handles;
- Installing a magnifier over the thermostat;
- Switching the bathtub to a shower;
- Lowering the peephole on the door;
- Permitting a family to have a type of pet that would otherwise be restricted by the Pet Policy
- Making sure that TH&B, LP processes are understandable to applicants with sensory or cognitive impairments, including but not limited to:
  - Making large type documents, Braille documents, cassettes or a reader available to an applicant or resident with a vision impairment during interviews or meetings with TH&B, LP staff;
  - Using personal visits, interviews or telephone calls to convey information to an applicant or resident who cannot read;
  - Making a sign language interpreter available to an applicant with a hearing impairment during interviews or meetings with management;
  - Permitting an applicant to be accompanied or represented by a family member, friend or advocate at all meetings and interviews with TH&B, LP if the individual desires such representation;
  - Permitting an outside agency or individual to assist an applicant with a disability to meet TH&B, LP’s applicant screening criteria.
Live-In Aides

Applicants must report during the application process their need to have a live-in aide.

*Live-in aide* means a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:
1. Is determined to be essential to the care and well-being of the person(s);
2. Is not obligated for the support of the person(s); and
3. Would not be living in the unit except to provide the necessary supportive services [24 CFR 5.403].

The income of the live-in aide is not counted in determining the annual income of the family [24 CFR 5.609(c)(5)].

Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide. However, a relative who serves as a live-in aide is not considered a family member and would not be considered a remaining member of a tenant family.

TH&B, LP will verify the need for a live-in aide with a reliable, knowledgeable professional as provided by the family, such as a doctor, social worker, or case worker. For continued approval, the family must submit a new, written request—subject to verification—at each annual reexamination. In addition, the family and live-in aide will be required to submit a certification stating that the live-in aide is (1) not obligated for the support of the person(s) needing the care, and (2) would not be living in the unit except to provide the necessary supportive services.

The live-in aide must disclose and provide documentation of the SSN and must meet all screening criteria outlined in this TSP, with the exception that live-in aides will not be screened for their ability to pay rent.

At move in a live-in aide agreement must be executed between the applicant, live-in aide and the owner. TH&B, LP will approve a live-in aide if needed as a reasonable accommodation for a person with disabilities in accordance with 24 CFR 8.

**Requests for an Accommodation**

If an applicant indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed because of a disability, HUD requires this information be treated as a request for a reasonable accommodation, even if no formal request is made.

When requesting a reasonable accommodation, the family must explain what type of accommodation is needed to provide the person with the disability full access to programs and services.

If the need for the accommodation is not readily apparent or known to management the family must explain the relationship between the requested accommodation and the disability.

Applicants will be encouraged to contact property management agent for The Hawthorne Place if aid is needed to complete the application process.

TH&B, LP must approve a request for an accommodation if the following three conditions are met:
• The request was made by or on behalf of a person with a disability.
• There is a disability-related need for the accommodation.
• The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden on the TH&B, LP, or fundamentally alter the nature of operations.

Verification of Disability [24 CFR Parts 8.3 and 100.21 and Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act]

For purposes of reasonable accommodation, a person with a disability, as defined under federal civil rights laws, is any person who:

• Has a physical or mental impairment that substantially limits one or more of the major life activities of an individual, or
• Has a record of such impairment, or
• Is regarded as having such impairment

The phrase “physical or mental impairment” includes:

• Any physiological disorder or condition, cosmetic or disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or
• Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term “physical or mental impairment” includes, but is not limited to: such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

“Major life activities” includes, but is not limited to, caring for oneself, performing manual tasks, walking, seeing, hearing, breathing, learning, and/or working.

“Has a record of such impairment” means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

“Is regarded as having an impairment” is defined as having a physical or mental impairment that does not substantially limit one or more major life activities but is treated by a public entity (such as the PHA) as constituting such a limitation; has none of the impairments defined in this section but is treated by a public entity as having such an impairment; or has a physical or mental impairment that substantially limits one or more major life activities, only as a result of the attitudes of others toward that impairment.

The definition of a person with disabilities does not include:

• Current illegal drug users
• People whose alcohol use interferes with the rights of others
• Persons who objectively pose a direct threat or substantial risk of harm to others that cannot be controlled with a reasonable accommodation under the public housing program
The above definition of disability determines whether an applicant or participant is entitled to any of the protections of federal disability civil rights laws. Thus, a person who does not meet this definition of disability is not entitled to a reasonable accommodation under federal civil rights and fair housing laws and regulations.

Before providing an accommodation, TH&B, LP must determine that the person meets the definition of a person with a disability, and that the accommodation will enhance the family’s access to the TH&B, LP’s programs and services.

If a person’s disability is obvious or otherwise known to TH&B, LP, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required.

If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to TH&B, LP, TH&B, LP must verify that the person meets the definition of a person with a disability, and that the limitations imposed by the disability require the requested accommodation.

When verifying a disability, the PHA will follow the verification policies in this TSP. All information related to a person’s disability will be treated in accordance with the confidentiality policies provided in this TSP.

In addition to the general requirements that govern all verification efforts, the following requirements apply when verifying a disability:

- Third-party verification must be obtained from an individual identified by the family who is competent to make the determination. A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual’s disability may provide verification of a disability.

- TH&B, LP must request only information that is necessary to evaluate the disability-related need for the accommodation. TH&B, LP may not inquire about the nature or extent of any disability.

- Medical records will not be accepted or retained in the participant file.

To meet the standard of HUD’s definition of “Qualified Individual with a Disability” a family member with a disability must still be able to meet essential obligations of tenancy, including:

- Paying rent and other charges (e.g. utility bills) as required by the lease in a timely manner;
- Caring for and avoiding damaging the apartment and common areas;
- Using facilities and equipment in a reasonable way;
- Not creating any health, or safety hazards
- Reporting maintenance needs
- Not interfering with the rights and peaceful enjoyment of others
- Avoiding damaging the property of others;
- Not engaging in prohibited criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents or staff;
- Not engaging in drug-related criminal activity; and
- Complying with necessary and reasonable rules and program requirements of HUD.
There is no requirement that they be able to do these things without assistance.

II.D. LIMITED ENGLISH PROFICIENCY (LEP)

For persons with Limited English Proficiency (LEP), language can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally-assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin.

The TH&B, LP will take affirmative steps to communicate with people who need services or information in a language other than English. These persons will be referred to as Persons with Limited English Proficiency (LEP).

All TH&B, LP forms, written materials and recorded voice-mail messages used to communicate with prospective applicants, applicants and residents shall be available in languages identified in the City of Indianapolis’ Consolidated Plan. This includes documents related to intake, marketing, outreach, certification, reexamination and inspections.

Applicants with low English comprehension may furnish an interpreter to assist in communication with TH&B, LP. When an applicant needs interpretation services and a staff member of the agency speaks the language needed, the staff member will provide translation services.

TH&B, LP will offer, or ensure that the family is offered through other sources, competent services free of charge to the LEP person.

TH&B, LP will provide written translations of other vital documents for LEP language groups that request the documents. Translation of other documents, if needed, can be provided orally. The LEP groups for which TH&B, LP will provide translated materials are those who need materials in Spanish.

PART III. APPLICATIONS

Anyone who wishes to be placed on a waiting list must complete a pre-application that provides TH&B, LP with the information needed to determine the family’s eligibility for residence at Hawthorne Place. The pre- application must be completed online via the Indianapolis Housing Agency’s website [www.indyhousing.org/ihacommunities .org](http://www.indyhousing.org/ihacommunities .org). Being placed on the wait list does not mean that an application has been deemed qualified, the qualification process comes later during the eligibility interview process. TH&B, LP will accept and process applications (including transfer applications) in accordance with applicable HUD and Section 42 LIHTC requirements. HUD regulations require that TH&B, LP comply with all equal opportunity requirements and it must affirmatively further fair housing goals in the administration of the program. Adherence to the selection policies described in this chapter ensures that TH&B, LP will be in compliance with all relevant fair housing requirements.

Except for qualification for preferences, TH&B, LP will make its initial determination of eligibility assuming that the facts certified to by the applicant in the preliminary application are correct, although all those facts will be verified later in the application process. HUD permits TH&B, LP to determine the format and content of its applications, as well how such applications will be made available to interested
families and how applications will be accepted by TH&B, LP. However, TH&B, LP must include Form HUD-92006, Supplement to Application for Federally Assisted Housing, as part of the application.

TH&B, LP will use a pre-application at the time a family applies for placement on the waiting list. The family will be required to submit a full application at the time of the eligibility determination interview. TH&B, LP initially will require families to provide only the information needed to make an initial assessment of the family’s eligibility, and to determine the family’s placement on the waiting list. The family will be required to provide all of the information necessary to establish family eligibility and the amount of rent the family will pay when selected from the waiting list for a formal eligibility interview.

Individuals applying for admission must submit a pre-application in the manner stipulated in the announcement of the opening of the waiting list, or, if they are a person with a disability, they may contact TH&B, LP over the phone or via email (assistwithapp@indyhousing.org) for assistance with the online application.

Every application file approved for admission will include:

- The date and time of application, or lottery/application number (if applicable);
- Applicant’s race and ethnicity;
- Eligibility determination;
- Apartment size(s) for which eligible;
- Preference, if any;
- Date, location, identification, and circumstances of each vacancy offered and accepted or refused

Every application will include form HUD-92006, Supplement to the Application for Federally Assisted Housing to give applicants the option to identify an individual or organization that TH&B, LP may contact. Applicants are not required to provide information via this form. Applicants will have the opportunity at the time of admission to update the form. After admission, tenants will also have the opportunity to update this form.

If an applicant needs assistance in completing any aspect of the application process because of a disability, TH&B, LP will assist the applicant as needed to ensure equal access to TH&B, LP’s programs. TH&B, LP will provide reasonable accommodation as needed for persons with disabilities to make the application process fully accessible. The facility where applications are accepted and the application process will be fully accessible or TH&B, LP will provide an alternate approach that provides equal access to the program.

Applicants providing false information regarding family income, composition, preferences or other circumstances affecting their eligibility or rent level will be rejected. If the applicant has been assigned a unit, the lease will be terminated and TH&B, LP will pursue any and all lawful civil claims and criminal actions, including the recoupment of back rent.
For the LIHTC program:
The following documents are required during the eligibility determination process and or move in process

- Full application IHA form # 1017
- Tenant Income Questionnaire (TICQ) completed by each adult applicant IHA form # 1024
- IRS Student Status certification IHA form #1029
- Tenant Income Certification (TIC) signed by all adult applicants – Signed with the Lease
- Release of information for ascertaining income information IHA form #1039

**PART IV. WAITING LIST MANAGEMENT**

**IV.A. OVERVIEW**

The RAD program rules prohibit the permanent, involuntary relocation of residents as a result of conversion. Residents that are temporarily relocated retain the right to return to the project once it has been completed. As part of the conversion process, landlords must consider the best way to transition families who are already on the existing public housing waiting list to the new PBRA waiting list. While special consideration must be given when initially establishing the RAD PBRA waiting list, once the waiting list is established, requirements are the same for RAD PBRA as in the regular PBRA program.

TH&B, LP is required to adopt a clear approach to accepting applications, placing families on the waiting list, and selecting families from the waiting list, and must follow this approach consistently. The actual order in which families are selected from the waiting list can be affected if a family has certain characteristics designated by HUD or TH&B, LP to receive preferential treatment.

For the LIHTC program:

IRS Code does not require owner/agents to maintain a written waiting list or adopt a written tenant selection plan. IHCDA recommends adopting policies related to tenant selection and waiting list management including an explanation of the application and waiting list process, including a process through which an applicant is notified in writing of rejection and can then choose to appeal the rejection decision.

**IV.B. PLACEMENT ON THE WAITING LIST**

Applicants shall submit a pre application online through the TH&B, LP on line application web app via the Indianapolis Housing Agency (IHA) websitehttp://www.indyhousing.org/iha-communities/. Applicants completing a pre application online will be placed on the wait list and will be contacted for eligibility interviews as vacancies occur. No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list. If the applicant is placed on the waiting list, the list will be noted with the name of the applicant, the date and time of application, the amount of income, the size of unit desired, whether an accessible unit is required and any other pertinent information.
IHA is the managing agent for TH&B, LP and has established site-based waiting lists for all IHA owned and managed properties. An applicant may apply at two properties that have open waiting lists as they feel they are qualified for through the IHA online application system. The preferences described earlier in this policy will be used to establish the order of each site-based waiting list. For properties converting to PBRA under RAD, all applicants will retain their original date and time of application and application number at the conversion. Under RAD, TH&B, LP is required to maintain any site-based waiting list in accordance with all applicable civil rights and fair housing laws and regulations.

IV.C. CHANGES IN STATUS WHILE ON WAITING LIST

If an applicant family’s size changes while on the waiting list, the family is required to update their information on the Applicant Portal by requesting a change to their initial application via the email process. TH&B, LP will review the requested change and will approve or deny the change. If approved the change will occur online the following day, the approval was granted. If TH&B, LP discovers that a change in family size means that a family cannot be processed for a certain vacant unit, the family will be transferred to a list for the correct size of unit. Some sites may not have units of the size needed by the family and the family will be permitted to select a different site.

Applicants whose family size or composition changes while on the waiting list will be able to change their applications in accordance with the following policy:

- Children who have been added to the family through birth, adoption or court awarded custody to people already listed on the application will be added;
- Individuals who can document that they need a live-in aide (even though not included on the original application) will be permitted to add the live-in aide;
- Other adults will not be added to an application unless their addition would not change the unit size for which the family qualifies, although the family may file a different application with a different family composition when the waiting list is open.

If the head of an applicant household dies while the family is on the waiting list, and the family includes another adult, TH&B, LP will change the application to make the other adult the new applicant so long as the family reports the death within 30 days and requests that another adult family member be named the head.

IV.D. AFFIRMATIVE FAIR HOUSING MARKETING AND OUTREACH

When the waiting list is open, TH&B, LP will conduct affirmative marketing as set forth in the HUD approved Affirmative Fair Housing Marketing Plan to ensure that the waiting list includes a mix of applicants with races, ethnic backgrounds, ages and disabilities proportionate to the mix of those groups in the eligible population of its area of operation. TH&B, LP will review the factors regularly to determine the need for and scope of marketing efforts.
All marketing efforts will include outreach to those least likely to apply. TH&B, LP will engage in outreach efforts directed toward potential applicants who might fulfill the need.

IV.E. OPENING AND CLOSING THE WAITING LIST

TH&B, LP may elect to close wait lists by type (elderly/disabled or family) or by bedroom size or any combination of these factors. TH&B, LP is permitted to close all or a part of their site-based waiting lists, depending on factors such as turnover rate, existing vacancy patterns, and preferences structure. It is unlikely that TH&B, LP will close the waiting list for the highest priority applicants or at certain properties.

If there is a need to reopen the waiting list, TH&B, LP will advertise in the same newspaper, explaining the rules for applying, when and where to apply, and the order in which applications will be processed. The notice will conform to the Affirmative Fair Housing Marketing Plan.

IV.F. UPDATING THE WAITING LIST

TH&B, LP will periodically update each waiting list either by contacting all applicants in writing (or by the method designated at initial application by applicants with disabilities) or by requiring applicants to update their applicant portal account on line. The applicant is responsible to update the application with any changes that may occur to remain active on the current waiting list.

IV.G. REMOVAL OF APPLICANTS FROM THE WAITING LIST

If TH&B, LP removes any names from the waiting list, this will be documented with the date and time of the removal. TH&B, LP will periodically print out electronic copies of the waiting lists to preserve backup copies showing how the waiting list appeared before and after the removal of names.

TH&B, LP will remove an applicant from the waiting list under the following circumstances:

- Upon request by the applicant family;
- TH&B, LP determines that the family is not eligible for admission at any time while the family is on the waiting list (including failure to disclose/document SSNs);
- The applicant fails to respond to written notice for an eligibility interview;
- Mail sent to the applicant’s address is returned as undeliverable;
- The unit size needed changes and no appropriately sized unit is available at the property

If the applicant is removed from the waiting list in error, the applicant will be reinstated with their original date and time.

IV. H. PREFERENCES [24 CFR 5.655(c)]

TH&B, LP’s preference system is used to establish the order of placement on the waiting list, not to guarantee admission. Applicants must still meet The Hawthorne Place resident selection criteria before being offered housing. There may be factors other than preferences that affect the selection of
applicants from the waiting list. Preferences will be granted to applicants who are otherwise qualified and who, at the time they are certified for admission, meet the definitions of the preferences described below. Preferences are based on local housing needs and priorities and are also used to encourage and promote self-sufficiency among residents.

**Administration of Preferences**

TH&B, LP requires that applicants certify to their qualification for preferences at the time of full application. Applicants will generally self-certify their preferences at time of placement on the waiting list. Subsequently, when applicants near the top of the waiting list, they will be required to provide verification of their qualification for a preference. If that preference cannot be verified, the application will be placed on the waiting list according to date/time of application. If at the time of initial application, a preference is claimed, TH&B, LP will advise the family of the need to verify the claim. At the initial application interview, the family will be advised to notify TH&B, LP of any change that may affect their ability to qualify for a preference.

Applicants that are otherwise eligible and are verified as qualifying for a preference will continue the eligibility process. Applicants that certify/verify to a preference at the time of eligibility interview must be able to verify their continued preference status prior to the offer of an apartment.

Applicants that cannot verify continued preference status will lose their preference qualification and their standing on the waiting list. Families that lose their original preference, but still qualify for another preference, will be placed on the waiting list in accordance with their current preference status.

**Qualifying for Preferences**

Applicants may not qualify for this preference if they were previously a resident family and refused to comply with applicable program policies or procedures with respect to the occupancy of under-occupied and over-crowded units; or failed to accept a transfer to another housing apartment in accordance with a court decree or in accordance with the policies and procedures of a HUD-approved desegregation plan.

**PART V. PROGRAM ELIGIBILITY REQUIREMENTS**

**V. A. OVERVIEW**

TH&B, LP is responsible for ensuring that every individual and family admitted to Hawthorne Place that applies for a combined RAD PBRA/LIHTC unit meet all eligibility requirement under both the PBRA and LIHTC programs. This includes any individual approved to join the family after the family has been admitted to the program. The family must provide any information needed by the TH&B, LP to confirm eligibility and determine the level of the family’s assistance in the PBRA program. There are units at The Hawthorne Place that are LIHTC only and therefore, the PBRA regulations do not apply.

TH&B, LP may not re-screen existing public housing tenants upon conversion to PBRA under RAD. Current households are not subject to rescreening, income eligibility or income targeting. Current
households are grandfathered in for conditions that occurred prior to conversion. They are, however, subject to any ongoing eligibly requirements for actions that occur after conversion. [PIH 2012-32, REV-2]

When determining eligibility of new admissions after the time of conversion, to eligible applicants for assistance for the PBRA program, the applicant family must:

– Have income at or below HUD-specified income limits.
– Provide social security number information for household members as required.
– All adults must sign a Consent for Release of Information form prior to receiving assistance and annually thereafter.
– The unit for which the family is applying must be the family’s only residence.
– Qualify on the basis of citizenship or the eligible immigrant status of family members.
– Meet requirements under the HUD student rule.
– Consent to the TH&B, LP’s collection and use of family information as provided for in TH&B, LP-provided consent forms.
– Meet TH&B, LP and HUD applicant screening criteria, including completing an TH&B, LP-approved pre-occupancy orientation session if required

For the LIHTC program:
Managing eligibility in a tax credit project is a critical component in maintaining the credits. Unlike in the PBRA program, the LIHTC program has no requirements to verify the citizenship status or social security number of any family member. Nor are there any requirements to deny applicants based on certain types of criminal activity. LIHTC units are eligible for the program only if proper documentation verifying the household’s eligibility is placed in the tenant file. Units are considered out of compliance if the initial tenant income certification is inaccurate, documentation of initial eligibility is insufficient, or no initial tenant file is on record. In order to be eligible for a LIHTC unit, the applicant household must:

– Have an income at or below the applicable MTSP income limit
– Be in compliance with the LIHTC student rule
– Meet the owner’s screening criteria (if any)
– Pay a restricted rent

V.B. APPLICANT INTERVIEWS

Applicant screening and verification of income, family composition, citizenship/immigration status, social security numbers, preferences and allowances will not take place until the applicant is within an estimated 120 days of receiving a unit offer. As applicants approach the top of the waiting list, they will be contacted to schedule an interview to verify all information given on the application. The interview will be conducted in accordance with Chapter 4 of HUD Handbook 4350.3 REV-1. TH&B, LP will confirm and update all information provided on the application, and will explain program requirements,
verification procedures, and penalties for false information. It is the applicant’s responsibility to keep all contact information current on the Applicant Portal so that correspondence that is sent reaches the applicant. Applicants that do not respond to requests for interviews can be withdrawn from the wait list for failure to respond.

V.C. AUTHORIZATION FOR RELEASE OF INFORMATION

All adults in each applicant family must sign an Authorization for Release of Information (HUD form 9887/9887-A) prior to receiving assistance, and annually thereafter. Refusal to sign the Authorization for Release of Information by any adult family member will cause the family to be ineligible for assistance.

For the LIHTC program:
The 9887 and 9887-A are not used in the LIHTC program. The IHCDA release of information form is used for this purpose.

V.D. VERIFICATION [24 CFR 5.659, 24 CFR 5.233]

TH&B, LP must verify all information that is used to establish the family’s eligibility and level of assistance and is required to obtain written authorization from the family in order to collect the information. Applicants and program participants must cooperate with the verification process as a condition of receiving assistance. If any family member who is required to sign a consent form fails to do so, TH&B, LP will deny admission to applicants and terminate the assistance of tenants. TH&B, LP must not pass on the cost of verification to the family. TH&B, LP will handle all information obtained to verify eligibility or income in accordance with the Privacy Act.

Since TH&B, LP is responsible for determining if the verification documentation is adequate and credible, TH&B, LP will ensure verification methods that are acceptable to HUD. Acceptable methods of verification, in order of acceptability are:

1. Upfront-income verification (UIV)
   a. Use of EIV is mandatory
   b. Use of non-EIV UIV is optional
2. Third-party verification from source (written)
3. Third-party verification from source (oral)
4. Family certification

If third-party verification is not available, TH&B, LP will document the tenant file to explain why third-party verification was not available. When written third-party verification from the source is used, TH&B, LP will use an original or authentic document generated by a third party source that is dated within 120 days from the date of receipt by TH&B, LP.

Applicants and tenants are required to identify the relationship of each household member to the head of household. Since HUD does not require that TH&B, LP verify family composition, family relationships are verified only to the extent necessary to determine a family’s eligibility and level of assistance. Certification by the head of household normally is sufficient verification of family relationships.
When more than one applicant or assisted family (regardless of program) are claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family should claim them, TH&B, LP will make the determination based on available documents such as court orders, an IRS income tax return showing which family has claimed the child for income tax purposes, school records, or other credible documentation.

TH&B, LP will follow Appendix 3 of the HUD Handbook 4350.3, REV-1 for the acceptable forms of verification by type of information.

For the LIHTC program:

Verification methods will follow the HUD Handbook 4350.3, Rev-1, CHG-4 as well as those listed in *Indiana Rental Housing Tax Credit Compliance Manual: 2015 Edition*. Verifications of income are valid for 120 days from the date of receipt by TH&B, LP and must be obtained prior to move-in or recertification effective date. IHCDA does not require that TH&B, LP use particular forms for third-party verifications. The owner / management agent will use the three methods of acceptable verification:

- Third-party verification from the source;
- Third-party verification from the tenant (“tenant-provided documents”); and
- Self-certification

**V.E. EIV EXISTING TENANT SEARCH**

HUD’s Multifamily EIV database will be used to run the Existing Tenant Search when processing an application to determine if any applicant household member may be currently residing and/or receiving assistance through another Multifamily Housing or Public and Indian Housing (PIH) location.

All applicants must disclose if they are currently receiving HUD housing assistance. The Existing Tenant Search will be used during the final eligibility review to determine whether the applicant or any member of the applicant household may be currently receiving HUD assistance. An individual report must be run for all household members including children. The report will also be run when persons are proposed to be added to the household, including live-in aides.

Families currently receiving HUD housing assistance may apply to any property. However, the applicant must move out of the current property and/or forfeit any HUD voucher before assistance may begin in any unit with PBRA. Special consideration applies to minor children where both parents share 50 percent custody.

If the individual currently lives in an assisted unit, TH&B, LP will coordinate move-out and move-in dates with the PHA or other assisted property. TH&B, LP will follow-up with the property to confirm the individual’s program participation status before admission.

If the applicant or any member of the applicant household fails to fully and accurately disclose their rental history on the application, the applicant may be denied.
The Existing Tenant Search Report must be maintained in the resident file. If the applicant is denied, the report will be maintained in the applicants file, along with associated correspondence sent to the applicant.

For the LIHTC only program:

This section does not apply to the LIHTC program. TH&B, LP will not use the EIV system for income information for the LIHTC program. However those units that have both PBRA and LIHTC will be subject to EIV rules.

V.F. SOLE RESIDENCE

Applicants must agree that their rental unit will be their only residence. Assisted residents must have only one residence and receive assistance only in that unit. Under no circumstances may any tenant benefit from more than one of the following subsidies: Rent Supplement, RAP, Section 202 PAC, Section 202 PRAC or Section 811 PRAC, project-based Section 8 housing assistance, including Section 202/8, or any Public and Indian Housing (PIH) rental assistance programs.

V.G. EQUAL ACCESS FINAL RULE [24 CFR 5.100, FR Notice 02/03/12, and Notice H 2015-01]

The owner/manager will determine eligibility for HUD-assisted housing in accordance with eligibility requirements without regard to actual or perceived sexual orientation, gender identity, or marital status of applicants. Further, TH&B, LP will not enquire about the sexual orientation or gender identity of an applicant for, or occupant of, HUD-assisted housing for purposes of making an eligibility determination or otherwise making housing available. However, TH&B, LP may enquire into the sex of applicants or participants for temporary, emergency shelter with shared sleeping areas or bathrooms, or to determine the number of bedrooms to which a household may be entitled.

Family as defined by HUD, includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status, a single person, who may be an elderly person, disabled person, near-elderly person, or any other single person; or a group of persons residing together. Such group includes, but is not limited to a family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family), an elderly family, a near-elderly family, a disabled family, a displaced family, or the remaining member of a tenant family. The PHA has the discretion to determine if any other group of persons qualifies as a family.

Gender Identity means actual or perceived gender characteristics.

Sexual orientation means homosexuality, heterosexuality, or bisexuality.

V.H. INCOME LIMITS [24 CFR 5.609 and 5.653]

Existing residents at the time of conversion to PBRA under RAD are not subject to income eligibility requirements. An over-income household at the time of conversion would continue to be treated as an
assisted unit under RAD requirements. Once the existing family moves out of the unit, the unit must then be leased to an income eligible family.

All new admissions after conversion must be income eligible. Management/Owners will determine income eligibility prior to approving any applicant for tenancy. Applicants must have an income that is not greater than the maximum income limits. RAD PBRA are treated as pre-1981 Act Projects which means that families may be admitted up to the low-income (80%) income limit.

HUD is required by law to establish income limits that determine the income eligibility of applicants for HUD’s assisted housing programs, including the PBRA program. The income limits are published annually and are based on HUD estimates of the median incomes for families of different sizes in a particular area or county.

- **Low-income family.** A family whose annual income does not exceed 80 percent of the median income for the area, adjusted for family size.
- **Extremely low-income family (ELI).** A family whose annual income does not exceed the federal poverty level or 30 percent of the median income for the area, whichever number is higher.

Income limits are used for eligibility only at admission. Eligibility is established by comparing a family's annual income with HUD’s published income limits. As required under RAD, to be income eligible, the annual income of an applicant must be within the low-income limit.

For the LIHTC program:
Starting in 2009, HUD began publishing separate income limits for LIHTC projects annually which are referred to as Multifamily Tax Subsidy Project (MTSP) Income Limits. They were developed to meet the requirements established by the Housing and Economic Recovery Act (HERA) of 2008 (Public Law 110-289) that allows 2007 and 2008 projects to increase over time (known as “hold harmless”) from the time the first building in the project is placed-in-service. The MTSP income limits are used to determine qualification levels as well as set maximum rental rates for projects funded with tax credits. TH&B, LP has elected an income limit for each building on the IRS Form 8609. Income limits are based on where the building is located, when it was placed in service, and whether the owner elected to treat the buildings as part of a multi-building project on the IRS Form 8609. TH&B, LP will determine household income eligibility for the LIHTC program by following the requirements outlined in Chapter 5 of the HUD Handbook 4350.3, REV-1 and Section 6 of the Indiana Rental Housing Tax Credit Compliance Manual: 2015 Edition.

When new income limits are released, TH&B, LP must implement them within 45 days from the HUD effective date.

TH&B, LP will explain to potential tenants that the anticipated income of all adult persons (and the unearned income of minors) expecting to occupy the unit must be verified prior to occupancy and then annually recertified for continued eligibility.

MTSP income limits applicable to buildings at The Hawthorne Place are:

- **60% MTSP income limit:** The 60 percent income limit for MTSPs is calculated by multiplying the MTSP VLIL by 1.2 (IRS Revenue Ruling 89-24)
Using Income Limits for Eligibility

Income eligibility is determined by comparing the annual income of an applicant family to the applicable income limit for their family size. For mixed finance units, applicants must be eligible under the lowest applicable income limit.

, An applicant family’s anticipated income must be under the lower of:
- The very low-income limit (80% Section 8 income limit); and
- The applicable 60% MTSP income limit


In Section 8 properties, 40% of the dwelling units assisted under the contract that become available for occupancy in any project fiscal year must be leased to extremely low-income families. ELI families are those with annual incomes at or below the federal poverty level or 30 percent of the area median income, whichever number is higher.

The income targeting requirement does not apply to existing residents at the time of conversion to PBRA under RAD. Subsequent new admissions count toward the requirement.

TH&B, LP will monitor progress in meeting the ELI requirement throughout the fiscal year. ELI families will be selected ahead of other eligible families on an as-needed basis to ensure that the income targeting requirement is met. TH&B, LP may skip non-ELI families on the waiting list in order to select an ELI family. It is possible that applicants of a higher income that are also higher on the waiting list will be skipped over to achieve income-targeting requirements. When this occurs, the TH&B, LP will make a notation on the waiting list to indicate that an applicant was skipped. Once ELI requirements are met, TH&B, LP will continue selecting families in accordance with this policy. Non-ELI applicants who were skipped will not lose their position on the waiting list.

Income targeting requirements do not apply to the LIHCT program.

V.I. SOCIAL SECURITY NUMBERS [24 CFR 5.216]

The applicant and all members of the applicant’s household must disclose the complete and accurate social security number (SSN) assigned to each household member, and the documentation necessary to verify each SSN.

Social Security number requirement do not apply to persons not claiming eligible immigration status. Participants age 62 or older as of January 31, 2010, whose determination of eligibility was begun before January 31, 2010, are also exempt from this requirement and remain exempt even if they move to a new assisted unit. Existing residents at the time of conversion to PBRA under RAD do not have to have their SSNs re-verified.

Failure to disclose and provide documentation and verification of SSNs will result in an applicant not being admitted. Adequate documentation includes:
- A social security card issued by the Social Security Administration
- An original document issued by a federal or state government agency, which contains the name and SSN of the individual along with identifying information
- Driver’s license with SSN
- Identification card issued by a medical insurance provider, or by 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

Applicants that have not disclosed verifications of SSN’s for household members shall have a 90-day period during which an applicant family may become a program participant, even if the family lacks the documentation necessary to verify the Social Security Number (SSN) of a family member under the age of 6 years. An extension of one additional 90-day period must be granted if the PHA determines that, in its discretion, the applicant’s failure to comply was due to circumstances that could not reasonably have been foreseen and were outside of the control of the applicant. For example, an applicant may be able to demonstrate timely submission of a request for an SSN, in which case processing time would be the cause of the delay. If the applicant family does not produce the required documentation within the authorized time period, the PHA or processing entity must impose appropriate penalties, in accordance with 24 CFR 5.218.

This section does not apply to the LIHTC program.

V.J. CITIZENSHIP AND IMMIGRATION STATUS [24 CFR 5, Subpart E]

Housing assistance in the PBRA program is available only to individuals who are U.S. citizens, U.S. nationals, or noncitizens that have eligible immigration status. At least one family member must be a citizen, national, or noncitizen with eligible immigration status in order for the family to qualify for any level of assistance.

All applicant families will be notified of the requirement to submit evidence of their citizenship status when they apply. Where feasible, and in accordance with TH&B, LP’s Limited English Proficiency Plan, the notice must be in a language that is understood by the individual if the individual is not proficient in English.
Each family member must declare whether the individual is a citizen, a national, or an eligible noncitizen, except those members who elect not to contend that they have eligible immigration status. Those who elect not to contend their status are considered to be ineligible noncitizens. For citizens, nationals and eligible noncitizens the declaration must be signed personally by the head, spouse, co-head, and any other family member 18 or older, and by a parent or guardian for minors. The family must identify in writing any family members who elect not to contend their immigration status (see Ineligible Noncitizens below). No declaration is required for live-in aides, foster children, or foster adults.

**U.S. Citizens and Nationals**
In general, citizens and nationals are required to submit only a signed declaration that claims their status. However, HUD regulations permit the owner to request additional documentation of their status, such as a passport. Family members who declare citizenship or national status will not be required to provide additional documentation unless the TH&B, LP receives information indicating that an individual’s declaration may not be accurate.

**Eligible Noncitizens**
In addition to providing a signed declaration, those declaring eligible noncitizen status must sign a verification consent form and cooperate with TH&B, LP efforts to verify their immigration status. The documentation required for establishing eligible noncitizen status varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, the person’s age, and the date on which the family began receiving HUD-funded assistance.

Lawful residents of the Marshall Islands, the Federated States of Micronesia, and Palau, together known as the Freely Associated States, or FAS, are eligible for housing assistance under section 141 of the Compacts of Free Association between the U.S. Government and the Governments of the FAS [Public Law 106-504].

**Ineligible Noncitizens**
Those noncitizens who do not wish to contend their immigration status are required to have their names listed on a noncontending family members listing, signed by the head, spouse, or co-head (regardless of citizenship status), indicating their ineligible immigration status. TH&B, LP is not required to verify a family member’s ineligible status and is not required to report an individual’s unlawful presence in the U.S. to the United States Citizenship and Immigration Services (USCIS).

Providing housing assistance to noncitizen students is prohibited [24 CFR 5.522]. This prohibition extends to the noncitizen spouse of a noncitizen student as well as to minor children who accompany or follow to join the noncitizen student. Such prohibition does not extend to the citizen spouse of a noncitizen student or to the children of the citizen spouse and noncitizen student. Such a family is eligible for prorated assistance as a mixed family.

**Mixed Families**
A family is eligible for admission as long as at least one member is a citizen, national, or eligible noncitizen. Families that include eligible and ineligible individuals are considered *mixed families*. Such families will be given notice that their assistance will be prorated.
Time Frame for Determination of Citizenship Status [24 CFR 5.508(g)]
For new occupants joining the resident family, management/owner will verify citizenship status at the first interim or regular reexamination following the person’s occupancy, whichever comes first.

If an individual qualifies for a time extension for the submission of required documents, management/owner must grant such an extension for no more than 30 days [24 CFR 5.508(h)].

Each family member is required to submit evidence of eligible status only one time during continuous occupancy.

TH&B, LP will not delay or terminate the family’s assistance if the family submitted its immigration information in a timely manner but the Department of Homeland Security verification or appeals process has not been completed. In addition, if at least one family member has submitted the required documentation to the property in a timely manner, and the family comes to the top of the waiting list, TH&B, LP will offer the unit and provide prorated assistance based upon those family members who submitted their documentation on time. Prorated assistance will continue until the remaining family members submit the required documentation. Once TH&B, LP completes the verification process, it will do one of the following:

- Provide full assistance if all of the family members establish citizenship or eligible immigration status;
- Continue to provide prorated assistance if any of the family members are ineligible based upon citizenship or immigration status; or
- If the family does not accept an offer of prorated assistance, TH&B, LP will offer a temporary deferral of termination of assistance in order to provide the family time to find alternative housing. The initial deferral period is six months and may be extended for a maximum of two additional six month periods. At least sixty (60) days before the termination of each deferral period, the property will notify the family if they qualify for another deferral.

This section does not apply to the LIHTC program.

V.K. STUDENTS

For blended funding units, the applicant or resident must satisfy student requirements for both the PBRA and LIHTC programs. Student requirements differ under both programs. If an applicant or resident is ineligible under one or both programs, they are ineligible to reside in a blended LIHTC/PBRA unit.

PBRA Student Rule [24 CFR 5.612, FR Notice 4/10/06]

Section 327 of Public Law 109-115 and the implementing regulation at 24 CFR 5.612 established restrictions on the eligibility of certain students (both part- and full-time) who are enrolled in institutions of higher education.

If a student enrolled either part-time or full-time at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have a dependent child, and is not a person with disabilities receiving PBRA assistance as of November 30, 2005, the student’s eligibility must be examined along
with the income eligibility of the student’s parents. In these cases, both the student and the student’s parents must be income eligible for the student to receive PBRA assistance. If, however, a student in these circumstances is determined independent from his/her parents, the income of the student’s parents will not be considered in determining the student’s eligibility.

The law does not apply to students who reside with parents who are applying to receive PBRA assistance. It is limited to students who are seeking assistance on their own, separately from their parents.

TH&B, LP must determine a student’s eligibility for assistance at move-in, annual recertification, initial certification (when an in-place resident begins receiving assistance), and at the time of an interim recertification if applicable.

**Ineligible Students**
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;
- Is under the age of 24;
- Is not married;
- Is not a veteran of the United States Military;
- Does not have a dependent child;
- 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, 2005);
- Is not living with his or her parents who are receiving assistance; and
- Is not individually eligible to receive assistance and has parents (the parents individually or jointly) who are not income eligible to receive assistance.

**Independent Students**
For a student to be considered independent, the student must demonstrate the absence of or their independence from their parents. The student must meet, at a minimum, all of the following criteria to be eligible for assistance. The student must:

- Be of legal contract age under state law;
- 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, as indicated in the handbook Glossary);
- Not be claimed as a dependent by parents or legal guardians pursuant to IRS regulations; and
- 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.
Student Financial Assistance [24 CFR 5.609(b)(9), FR 4/10/06, and Housing Notice 2015-12]

The regulation requiring the inclusion of certain student financial assistance applies only to students who satisfy all of the following conditions:

- They are enrolled in an institution of higher education, as defined under the Higher Education Act (HEA) of 1965.
- They are seeking or receiving Section 8 assistance on their own—that is, apart from their parents—through the HCV program, the project-based voucher program, or the moderate rehabilitation program.
- They are under 24 years of age OR they have no dependent children.

For students who satisfy these three conditions, any financial assistance in excess of tuition and any other required fees and charges received: (1) under the 1965 HEA, (2) from a private source, or (3) from an institution of higher education, as defined under the 1965 HEA, must be included in annual income.

- Assistance from private sources means assistance from nongovernmental sources, including parents, guardians, and other persons not residing with the student in an HCV assisted unit.
- Tuition and fees are defined in the same manner in which the Department of Education defines “tuition and fees.”
  - The amount of tuition and required fees covering a full academic year most frequently charged to students.
  - The amount represents what a typical student would be charged and may not be the same for all students at an institution.
  - If tuition is charged on a per-credit-hour basis, the average full-time credit hour load for an academic year is used to estimate average tuition.
  - Required fees include all fixed sum charges that are required of a large proportion of all students. Examples include, but are not limited to, writing and science lab fees and fees specific to the student’s major or program (i.e., nursing program).
  - Expenses related to attending an institution of higher education must not be included as tuition. Examples include, but are not limited to, room and board, books, supplies, meal plans, transportation and parking, student health insurance plans, and other non-fixed sum charges.

LIHTC Student Rule

Households comprised of full-time students do not qualify for the LIHTC program. IRC § 151(c)(4) defines a student as an individual, who during parts of each of 5 calendar months during the calendar year in

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which the taxable year of the taxpayer begins, is a full-time student at an educational organization described in IRC §170(b)(1)(A)(ii). The number of credit hours and the definition of full-time are defined by the school the student attends. This includes online classes. The 5 calendar months need not be consecutive.

Exceptions

As defined in Section 42(i)(3)(D), full-time student households that are income eligible and that satisfy one or more of the following exceptions are eligible:

- A student and receiving assistance under title IV of the Social Security Act;
  - Other forms of assistance such as food stamps, Social Security, and SSI are not considered exemptions under Title IV.
  - IHCDA requires third-party verification of the AFDC / TANF award as verification.
- A student who was previously under the care and placement responsibility of the State agency responsible for administering a plan under part B or Part E of title IV of the Social Security Act (foster care);
  - IHCDA requires third-party verification from the foster care agency or self-affidavit from the tenant if third-party verification cannot be obtained as verification.
- A student enrolled in a job training program receiving assistance under the Job Training Partnership Act or under other similar Federal, State, or local laws;
  - IHCDA considers the Veterans Retraining Assistance Program (VRAP) as an eligible program under this exemption.
  - IHCDA requires third-party verification of enrollment and a mission statement from the job training program as verification.
- Entirely by full-time students if such students are:
  - The household consists entirely of single parents and their children, and such parents and children are not tax dependents of another individual, with the exception that the children may be claimed by the absent parent. Single parent means that only one parent lives in the unit.
    - Consisting “entirely of single parents and their children” means that the only household members are single parents and their children. Therefore, if one member of the household is not a single parent or his/her child, then the exemption is not met.
    - IHCDA requires a copy of the most recent tax return as verification.
  - All household members are full-time students, and such students are married and are entitled to file a joint tax return.
    - Including an individual married to a person of the same sex, if the individuals are lawfully married under state law. [Revenue Ruling 2013-17]
    - Does not include a registered domestic partnership, civil union, or other similar formal relationship under state law that is not denominated as a marriage under the laws of that state.
    - IHCDA requires a copy of the most recent tax return or marriage license as verification.
File Documentation

IHCDA requires that all tax credit developments use the student status self-certification form released by the IRS in the Revised 8823 Guide as “Exhibit 17-1: Student Status Verification.” This form must be included in all tax credit tenant files, and a separate form must be completed by each adult household member.

Student Financial Assistance

In the LIHTC program, student financial assistance may be counted as part of total household income only for households receiving Section 8 rental assistance. If a household receives Section 8 assistance, such as PBRA, follows the requirements listed above for the PBRA program regarding student financial assistance.

Student financial assistance is not included as part of annual household income for tax credit households that do not receive Section 8 rental assistance.

PART VI. PROJECT ELIGIBILITY REQUIREMENTS

VI.A. OVERVIEW

Project eligibility establishes whether applicants are eligible to reside at Hawthorne Place. It is possible that a household might be eligible for subsidy under eligibility requirements, but would not be eligible under project requirements. The household must be both program eligible and project eligible in order to receive assistance. The occupancy standards listed below take into consideration not only the unit type, but also the household size and unit sizes available at the property. Occupancy standards are applied before assigning a family to the unit in order to ensure that the property can accommodate the family. TH&B, LP will not adopt occupancy standards that have the purpose or effect of excluding families with children from properties at which they qualify.

VI.B. ELDERLY/DISABLED PROJECTS
The Hawthorne Place is not an Elderly / Disabled Project

Elderly Family
An elderly family is one in which the head, spouse, co head, or sole member is an elderly person. [Definition A in Figure 3-6 of the HUD Handbooks 4350.3, REV-1]

Near-Elderly Family
A family whose head, spouse, or sole member is a person who is at least 50 years of age, but below the age of 62; two or more persons who are at least 50 years of age, but below the age of 62, living together; or one or more persons who are at least 50 years of age, but below the age of 62, living with one or more live-in aides. [24 CFR 5.403]
**Disabled Family**

*A disabled family* is one in which the head, spouse, or co-head is a person with disabilities. [Definition D and E in Figure 3-6 of the HUD Handbooks 4350.3, REV-1]

**Nonelderly Disabled Family**

[24 CFR 891.505] A nonelderly disabled (handicapped) family means a disabled family in which the head of the family (and spouse, if any) is less than 62 years of age at the time of the family's initial occupancy of a project.

### VI.C. OCCUPANCY STANDARDS

TH&B, LP has established occupancy standards that take into account the size and number of bedrooms needed based on the number of people in the family. Occupancy standards are established by TH&B, LP to ensure that units are occupied by families of the appropriate size. This policy maintains the maximum usefulness of the units, while preserving them from underutilization or from excessive wear and tear due to overcrowding. Where possible, TH&B, LP will consider family preference.

TH&B, LP will reference the following standards in determining the appropriate unit bedroom size for a family:

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<th>Bedroom SIZE</th>
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The following principles govern the size of apartment for which a family will qualify. Generally, units will be assigned with the standard of two persons per bedroom. The guidance below explains how TH&B, LP determines unit sizes. Although TH&B, LP determines the size unit the family qualifies for under the occupancy standards, TH&B, LP does not determine who shares a bedroom/sleeping room. Units will be assigned so that:

- Children age four and under will be assigned a bedroom with any other child or a parent, regardless of age or sex;
- Children between the ages of 5 and 17 and adults will be assigned separate bedrooms, although the actual use of bedrooms is determined by the family;
- Two children between the ages of 5 and 17 of the same sex will be assigned one bedroom;
- Two children between the ages of 5 and 17 of the opposite sex will be assigned separate bedrooms, although the actual use of bedrooms is determined by the family;
• Two adults (18 and older) of the same sex are assigned one bedroom regardless of relationship;
• Two adults (18 and older) of opposite sex who are spouses or co-heads are assigned one bedroom;
• Adults (18 and older) of opposite sex who are not spouses or co-heads of household are assigned separate bedrooms although the actual use of bedrooms is determined by the family;
• A single head of household parent will be assigned a separate bedroom from his/her child over age five, although the actual use of bedrooms is determined by the family;
• Exceptions to the largest permissible apartment size may be made a reasonable accommodation for a person with disabilities. For example, an exception may be granted if a larger bedroom size is needed for medical equipment due to its size and/or function, or as a reasonable accommodation for a person with disabilities;
• An unborn child will be counted as one person in determining apartment size assigned;
• TH&B, LP will count a child who is temporarily away from the home because the child has been placed in foster care, kinship care, or is away at school, so long as it can be verified that the child will be living with the family if they are admitted;
• TH&B, LP will count children in the process of being adopted by an adult family member or children whose custody is being obtained by an adult family member;
• TH&B, LP will count children in joint custody arrangements who are present in the household 50% or more of the time;
• The household has the right to decide whether or not to include individuals permanently confined to a hospital or nursing home as a household member. If the individual is included as a household member, his/her income must be certified and included;
• Military members away on active duty are only counted as household members if they are the head, spouse, or co-head or if they leave behind a spouse or dependent child in the unit;
• A live-in aide may be assigned a bedroom. Single elderly or disabled residents with live-in aides will be assigned at least a two-bedroom unit;

Occupancy standards may be relaxed at hard-to-lease properties. The local housing code of two persons per bedroom is the standard for the smallest apartment a family may be offered. The largest apartment size that a family may be offered would be one bedroom per family member, considering family size and composition.

When evaluating exception requests management / owner will consider the size and configuration of the unit. In no case will TH&B, LP grant an exception that is in violation of local housing or occupancy codes, regulations or laws. All requests for exceptions to the occupancy standards must be submitted in writing.

For RAD PBRA units at the time of conversion only:

If at the time of conversion, an eligible family assisted under the HAP contract is occupying a unit that is larger than appropriate because of the family’s composition, the family will be permitted to continue to
occupy the unit until such time as an appropriate-sized unit becomes available in the Covered Project. When an appropriate sized unit becomes available in the Covered Project, the family living in the underoccupied unit must move to the appropriate-sized within a reasonable period of time. In order to allow the family to remain in the under occupied unit until an appropriate sized unit becomes available in the Covered Project.

For the LIHTC program:

There are no current LIHTC requirements governing minimum or maximum household size for a particular unit. However, TH&B, LP must comply with all applicable local laws, regulations, and/or financing requirements.

The LIHTC program follows Chapter 3 of the HUD Handbook 4350.3 to determine who is considered a household member for purposes of income limits. All occupants, with the exception of live-in aides and guests are considered in the determination of family size.

VI.D. ACCESSIBLE UNITS [24 CFR 8.27]

TH&B, LP has adopted suitable means to ensure that information regarding the availability of accessible units reaches eligible individuals with disabilities, and take reasonable nondiscriminatory steps to maximize the utilization of such units by eligible individuals whose disability requires the accessibility features of a particular unit.

When a unit becomes available, management will notify the next household that qualifies for the unit, without regard to unit accessibility. Management will not prohibit an eligible family with a member who has a disability from accepting a suitable non-accessible unit if no accessible unit is available when the family reaches the top of the waiting list. If the applicant decides to accept a non-accessible unit, they may request some modification to the unit as a reasonable accommodation.

When an accessible unit becomes vacant, before offering such units to a non-disabled applicant, management shall offer such units:

- First, to a current resident of another unit of the same development who has a disability that requires the special features of the vacant unit and is occupying a unit not having such features, or if no such occupant exists, then
- Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

When offering an accessible/adaptable apartment to a non-disabled applicant, management will require the applicant to agree to move to an available non-accessible apartment within 30 days when a current resident or an applicant with a disability needs the apartment. This requirement will be reflected in an addendum to the lease.

For the LIHTC program:

At initial lease-up, accessible units and units designated as special need units should be marketed to persons requiring the unit due to their special need. For ongoing leasing, the following order should be followed for marketing these units as they become vacant:
• First offer accessible units to existing occupants that require the accessibility features but are currently occupying a unit that does not offer such features.

• Next offer accessible units to qualified applicants on the waiting list that require accessibility features or that qualify under the special need category for which the unit is set-aside.

• Market the unit to attract new qualified applicants that require the accessibility features or that meet that special need category assigned to the unit.

• Finally, offer the unit to a non-disabled / non-special need household on the waiting list. If this is done, the household should understand and have an agreement in writing that it may later be asked to transfer to another comparable but non-accessible unit if the accessible unit is needed by a person with a disability. While the household may have to transfer if there is a vacant unit, it will not be evicted or otherwise terminated to make room for a special need household. This agreement should be incorporated into the lease.

Note: Projects with units designated for special needs populations must enter into a referral agreement with at least one local agency that serves that population.

PART VII. SCREENING[24 CFR PART 5, SUBPART I AND J, 24 CFR 5.655]

VII. A. OVERVIEW

HUD permits TH&B, LP to establish and apply written screening criteria to determine whether applicants will be suitable tenants. If an owner’s review of information about the applicant indicates that the applicant will not be a suitable tenant, the owner may reject the application for assistance or tenancy. Further, owners must establish written screening criteria to prohibit the admission of certain individuals.

TH&B, LP’s authority in this area is limited by the Violence against Women Act of 2013 (VAWA), which expressly prohibits the denial of admission to an otherwise qualified applicant on the basis that the applicant is or has been the victim of domestic violence, dating violence, sexual assault, or stalking [24 CFR 5.2005(b)].

Further, TH&B, LP’s screening, eviction, and termination of assistance policies and procedures comply with all applicable civil rights requirements contained in the Fair Housing Act, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act, and Titles II and III of the Americans with Disabilities Act of 1990, and the other equal opportunity provisions listed in 24 CFR 5.105.

Screening criteria will also apply to live-in aids and any persons added to the household after initial occupancy except that live-in aids will not be screened for their ability to pay rent.

The following list of criteria will be reviewed to determine whether applicant families qualify. All applicants will be screened in accordance with HUD regulations and sound management practices. During screening, TH&B, LP requires applicants to demonstrate their ability to comply with the essential provisions of the lease, including:

• To pay rent and other charges (e.g. utility bills) as required by the lease in a timely manner;
• To care for and avoid damaging the apartment and common areas;
• To use facilities and equipment in a reasonable way;
• To create no health, or safety hazards, and to report maintenance needs;
• Not to interfere with the rights and peaceful enjoyment of others, and to avoid damaging the property of others;
• Not to engage in prohibited criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents or staff; and not to engage in drug-related criminal activity; and
• To comply with necessary and reasonable rules and program requirements of HUD and TH&B, LP.

The Hawthorne Place shall not charge an application fee.

For the LIHTC program:
There are no federal or state tax credit requirements regarding criminal or credit background checks, landlord references, or a minimum income necessary for occupancy, however, the owner may require a background check for suitability.

VII. B. SCREENING FOR SUITABILITY

When deciding whether to deny admission, TH&B, LP will review the following information for each applicant family (including certain data specific to every adult family member):

• Applicant’s 2 year rental history that may disqualify an applicant from being accepted, include:
  o History of late/non-payment of rent
  o History of noise complaints
  o Any outstanding balance owed to previous or current landlords
  o Negative rental references
  o Applicant with no previous rental history may be accepted with or without a cosigner depending on their income and credit history
  o Rental history must demonstrate the applicant family’s ability and willingness to comply with necessary and reasonable standards of behavior

• Applicant must satisfy in full any overdue accounts or indebtedness owed to TH&B, LP or any housing authority by any adult family member
• Misrepresented or does not provide complete information related to eligibility, including income, award of preferences for admission, expenses, family composition or rent
• Has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program
• Has engaged in or threatened violent or abusive behavior toward TH&B, LP management personnel
  o Abusive or violent behavior towards PHA personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.
  o Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.
• Applicant’s lease must not have been terminated for cause TH&B, LP and, if a Section 8 program participant, the applicant’s voucher must not have been terminated within the previous 3 years
• Applicant must have a history of reasonably good performance in meeting rent and utility payment obligations and no record of eviction from housing or termination from residential programs in the past 5 years for failure to meet financial obligations
  o Exceptions can be made when the amount of rent plus utilities exceeded 50 percent of the applicant’s adjusted monthly income
  o Former residents will not have their application rejected if the debt owed to TH&B, LP was discharged by a bankruptcy court
• Applicant must have no history in the past 5 years of disturbing neighbors, destroying property, or negative living and housekeeping habits at prior and/or current residences that may adversely affect the health and welfare of other residents

VII. C. SCREENING FOR DRUG ABUSE AND OTHER CRIMINAL ACTIVITY

TH&B, LP standards on criminal activity require that neither the Applicant nor any adult family member:

• Has not been convicted of manufacturing or producing methamphetamine on the premises of HUD-assisted housing. HUD regulations require that IHA permanently bar any individual with such a conviction;
• Is subject to a lifetime registration requirement under a State sex offender registration program. HUD regulations require that IHA permanently bar any individual subject to such requirements;
• Has been evicted because of drug-related criminal activity from housing assisted under the U.S. Housing Act of 1937 within the past three years beginning on the date of such eviction, unless the member has successfully completed a supervised drug rehabilitation program approved by IHA or the circumstances leading to the eviction no longer exists. For example, the member who engaged in the drug-related criminal activity died, is in prison, or is no longer a member of the household; or convicted of drug-related criminal activity within the past 3 years beginning on the date of conviction. This requirement may be waived if:
  o The eviction/conviction was for drug use or possession and since the eviction/conviction; the relevant member of the Applicant Family has successfully completed a supervised drug rehabilitation program. To demonstrate completion, the Applicant must provide a certificate of completion.
  o If the Applicant entering IHA’s program is from another state, IHA will verify the Applicant has successfully completed a state approved supervised program from the Applicant’s state of origin; or
• This waiver is not available to a person who was evicted for selling, trafficking, producing or manufacturing illegal substances.
• Is currently engaged in the illegal use of controlled substances, or engaging in conduct that presents a pattern of illegal use of controlled substances. This requirement may be waived if the Applicant demonstrates to IHA’s satisfaction that the relevant member of the Applicant Family no longer engages in the illegal use of the controlled substance(s) (see Section e.7.a below).
• Has participated in drug-related or violent criminal activity, or has a history of engaging in violent crimes, IHA will consider mitigating circumstances, including, but not limited to: (1) the seriousness of the criminal activity; (2) the relationship between the criminal activity and the safety and security of residents, IHA staff, or property; (3) the length of time since the offense; (4) the age of the household member at the time of the offense; (5) evidence of rehabilitation, such as employment, participation in a job training program, education, participation in a drug or alcohol treatment, or recommendations from a parole or probation officer, employer, teacher, social work, or community leader; and (6) the effect a denial of admission will have on the household and the community. Has ever been convicted of arson or any crime of violence against a child.

• Is on parole or probation for drug-related crimes, violent crimes or crimes that threaten the health, safety and/or general well being of the community. The evidence of probation or parole for the aforementioned crimes maybe waived if the following criteria applies:
  o An Applicant is currently on probation or parole for an offense (except regulatory exclusions) that occurred prior to the three-year time-frame, and the Applicant can provide documentation from their probation or parole officer that all conditions of probation or parole are being met satisfactorily with no violations.
  o An Applicant has completed probation or parole for an offense (except regulatory exclusions) that occurred prior to the three-year time-frame, and the Applicant can provide documentation from their probation or parole officer that all conditions of probation or parole have been met satisfactorily with no violations.

• Notwithstanding the above, TH&B, LP is partnering with The City of Indianapolis’ Public Safety Department, the Marion County Prosecutor’s Office and Public Advocates in Community Re-entry (PACE) to provide an opportunity for certain ex-offenders to rejoin their families/households, residing in properties owned and/or managed by IHA. To be considered for potential admission to Hawthorne Place, the ex-offender(s) must meet the following criteria:
  o Must be a current client of PACE and be referred to IHA by PACE;
  o Continue to abide by the terms of their specific PACE program;
  o Agree to register under IHA’s SERI program to increase his/her opportunities for job training and employment;

• However, certain ex-offenders who may be clients of PACE will NOT be eligible for reunification with their family in IHA housing units, including individuals who:
  o Have been evicted from federally subsidized housing within the last three years for drug related activity, at a Level 6 Felony or above;
  o Is currently using illegal drugs or abusing alcohol;
  o Has been convicted for production or manufacture of methamphetamine on federally assisted housing property;
  o Is subject to a sex offender registration requirement;

• As with all members added to an assisted household, the income of the ex-offender will be included as appropriate for recalculation of tenant rent.
• Applicant must have no history of misrepresenting information relative to eligibility, income, allowances, family composition or rent;
• Applicant must have no history in the past 5 years of disturbing neighbors, destroying property, or negative living and housekeeping habits at prior and/or current residences that may adversely affect the health and welfare of other residents. IHA will rely on landlord references.
• TH&B, LP may make an adverse housing decision based on the conduct underlying an arrest if the conduct indicates that the individual is not suitable for tenancy and IHA has sufficient evidence other than the existence of an arrest report alone. TH&B, LP can, however, utilize other evidence, such as police reports detailing the circumstances of the arrest, witness statements, and other relevant documentation to assist TH&B, LP in making a determination that disqualifying conduct occurred. If the applicant’s past criminal activity was the consequence of acts of domestic violence, dating violence, or stalking against him or her, TH&B, LP will not deny admission.

HUD allows owners to establish additional screening standards to prohibit admission in other circumstances than those listed above. TH&B, LP’s standards on criminal activity require that neither the applicant nor any household member:
• Has been convicted in drug-related or violent criminal activity, or has a history of engaging in violent crimes in the last three years.
• Has engaged in other criminal activity that threatens the health, safety, and right to peaceful enjoyment of the property by other residents or the health and safety of TH&B, LP employees, contractors, subcontractors, or agents in the last five years.
• Has ever been convicted of arson with in the previous three years.
• Is on parole or probation for drug-related crimes, violent crimes or crimes that threaten the health, safety and/or general well-being of the community.
  o The evidence of probation or parole for the aforementioned crimes maybe waived if the following criteria applies:
    ▪ An applicant is currently on probation or parole for an offense (except regulatory exclusions) that occurred prior to the three-year time-frame, and the applicant can provide documentation from their probation or parole officer that all conditions of probation or parole are being met satisfactorily with no violations.
    ▪ An applicant has completed probation or parole for an offense (except regulatory exclusions) that occurred prior to the three-year timeframe, and the applicant can provide documentation from their probation or parole officer that all conditions of probation or parole have been met satisfactorily with no violations.

TH&B, LP will use the following definitions when screening:
• Drug-related criminal activity, defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug [24 CFR 5.100].
• **Violent criminal activity**, defined by HUD as any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage [24 CFR 5.100].

In the event TH&B, LP receives unfavorable information with respect to an applicant, consideration must be given to the time, nature, and extent of the applicant’s conduct (including the seriousness of the offense). For any denials that are not mandated by regulation, in a manner consistent with its policies, TH&B, LP may give consideration to factors which might indicate a reasonable probability of favorable future conduct. In making its decision to deny admission, the TH&B, LP will consider relevant factors related to the denial. Upon consideration of such factors, TH&B, LP may, on a case-by-case basis, decide not to deny admission.

TH&B, LP will consider the existence of mitigating factors, such as loss of employment or other financial difficulties, before denying admission to an applicant based on the failure to meet prior financial obligations. TH&B, LP may require an applicant to exclude a household member when that member’s past or current actions would prevent the household from being eligible.

In circumstances where denial is not mandated by HUD, TH&B, LP will consider mitigating circumstances, including, but not limited to:

• The seriousness of the offense;
• The degree of participation in the offending activity by the household member;
• The relationship between the criminal activity and the safety and security of residents, TH&B, LP staff, or property;
• The length of time since the offense;
• The age of the household member at the time of the offense;
• The demand for assisted housing by persons who will adhere to lease responsibilities;
• The effect of the offending action on the program’s integrity;
• The extent to which the applicant household has taken responsibility and takes all reasonable steps to mitigate the offending action;
• Evidence of rehabilitation, such as employment, participation in a job training program, education, participation in a drug or alcohol treatment, or recommendations from a parole or probation officer, employer, teacher, social work, or community leader; and
• The effect a denial of admission will have on the household and the community.

TH&B, LP will retain documentation in the tenant file showing the date, type and result of the criminal background check, including the state lifetime sex offender registration check.

**VII.D. RECORDS MANAGEMENT**

Information received by TH&B, LP from any agency regarding drug treatment and criminal background shall be handled as required by HUD regulations.
All criminal records for housed applicants are maintained in a secured envelope that is labeled “Authorized Personnel Only” in the resident file. Rejected applicant criminal history reports are maintained in a secure environment in the Manager’s office. Once the purpose for which the records were obtained is completed, the records are permanently destroyed by shredding.

VII.E. REASONABLE ACCOMMODATION

If the family includes a person with disabilities, TH&B, LP’s decision concerning denial of admission is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8. If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of admission, TH&B, LP will determine whether the behavior is related to the disability. If so, upon the family’s request, TH&B, LP will determine whether alternative measures are appropriate as a reasonable accommodation. TH&B, LP will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed denial of admission.

VII.F. VIOLENCE AGAINST WOMEN ACT (VAWA)

The Violence against Women Reauthorization Act of 2013 (VAWA) and the HUD regulation at 24 CFR 5.2005(b) prohibit landlords from denying admission to an otherwise qualified applicant on the basis that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.

VAWA 2013 expanded notification requirements to include the obligation for landlords to provide applicants who are denied assistance with a notice of VAWA rights and the form HUD-50066 at the time the applicant is denied. TH&B, LP acknowledges that a victim of domestic violence, dating violence, sexual assault, or stalking may have an unfavorable history (e.g., a poor credit history, a record of previous damage to an apartment, a prior arrest record) that would warrant denial under the current policies. Therefore, if management / owner makes a determination to deny admission to an applicant family, management / owner will include in its notice of denial information about the protection against denial provided by VAWA, a notice of VAWA rights, and a copy of the form HUD-50066.

**Applicant Documentation**

If the perpetrator of the abuse is a member of the applicant family, the applicant must provide additional documentation consisting of one of the following:

- A signed statement (1) requesting that the perpetrator be removed from the application and (2) certifying that the perpetrator will not be permitted to visit or to stay as a guest in the housing unit

- Documentation that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment. The documentation must be signed by an employee or agent of a domestic violence service provider or by a medical or other knowledgeable professional from whom the perpetrator has sought or is receiving assistance in addressing the abuse. The signer must attest under penalty of perjury to his or her belief that the rehabilitation was successfully completed or is progressing successfully. The victim and perpetrator must also sign or attest to the documentation.
Documentation [24 CFR 5.2007]

Any request for documentation must be in writing, and the individual must be allowed at least 14 business days after receipt of the request to submit the documentation. TH&B, LP may, in its discretion, extend the deadline for 10 business days. Any extension granted by the PHA will be in writing. [24 CFR 5.2007(a)]

The individual may satisfy the TH&B, LP’s request by providing any one of the following three forms of documentation [24 CFR 5.2007(b)]:

1. A completed and signed HUD-approved certification form (HUD-50066, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), which must include the name of the perpetrator only if the name of the perpetrator is safe to provide and is known to the victim

2. A federal, state, tribal, territorial, or local police report or court record, or an administrative record

3. Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of such abuse. This person may be an employee, agent, or volunteer of a victim service provider; an attorney; a mental health professional; or a medical professional. The person signing the documentation must attest under penalty of perjury to the person’s belief that the incidents in question are bona fide incidents of abuse. The victim must also sign the documentation.

TH&B, LP may not require third-party documentation (forms 2 and 3) in addition to certification (form 1), except as specified below under “Conflicting Documentation,” nor may it require certification in addition to third-party documentation [VAWA 2005 final rule].

Any request for documentation of domestic violence, dating violence, sexual assault, or stalking will be in writing, will specify a deadline of 14 business days following receipt of the request, will describe the three forms of acceptable documentation, will provide explicit instructions on where and to whom the documentation must be submitted, and will state the consequences for failure to submit the documentation or request an extension in writing by the deadline.

Discretion to Require No Formal Documentation [24 CFR 5.2007(d)]

TH&B, LP has the discretion to provide benefits to an individual based solely on the individual’s statement or other corroborating evidence—i.e., without requiring formal documentation of abuse in accordance with 24 CFR 5.2007(b).

Failure to Provide Documentation [24 CFR 5.2007(c)]

In order to deny relief for protection under VAWA, TH&B, LP must provide the individual requesting relief with a written request for documentation of abuse. If the individual fails to provide the documentation within 14 business days from the date of receipt, or such longer time as the TH&B, LP may allow, TH&B, LP may deny relief for protection under VAWA.
Confidentiality [24 CFR 5.2007(b)(4)]

All information provided to TH&B, LP regarding domestic violence, dating violence, sexual assault, or stalking, including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking, must be retained in confidence. This means that TH&B, LP (1) may not enter the information into any shared database, (2) may not allow employees or others to access the information unless they are explicitly authorized to do so and have a need to know the information for purposes of their work, and (3) may not provide the information to any other entity or individual, except to the extent that the disclosure is (a) requested or consented to by the individual in writing, (b) required for use in an eviction proceeding, or (c) otherwise required by applicable law. The TH&B, LP VAWA policy will also be followed.

For the LIHTC program:
The 2013 reauthorization of the Violence against Women Act (VAWA) expanded coverage to include LIHTC projects.

**PART VIII. REJECTION OF INELIGIBLE APPLICANTS**

[24 CFR 880.610]

Per PIH Notice 2014-14-20
TH&B, LP will not deny tenancy based on an applicant’s race, color, religion, sex, national origin, familial status, sexual orientation, gender identity or disability or based on their status as a victim of domestic violence, dating violence, sexual assault or stalking.

Applicants who do not pass the eligibility requirements will be sent a letter of rejection within 10 business days of the decision. This written rejection notice will state one of the reasons listed below for the rejection, and will inform the applicant of her/his right to respond in writing or to request a meeting within 14 days of the date the notice is postmarked to dispute the rejection. Persons with disabilities have the right to request a reasonable accommodation to participate in the informal hearing process.

TH&B, LP will reject an applicant if they:
- Are ineligible for occupancy at a particular property
- Are unable to disclose and document a SSN for all household members who is at least six years old except non-contending individuals
- Do not sign and submit verification consent forms
- Do not sign the HUD 9887 and 9887A consent forms;
- Have household characteristics that are not appropriate for the unit sizes that are available;
- Have not declared citizenship or immigration status, or signed a statement electing not to contend noncitizen status; or
- Do not meet the properties resident screening criteria as outlined in this TSP

If TH&B, LP will deny based on the results of the criminal background check or sex offender screening, in accordance with 24 CFR part 5, subpart J, TH&B, LP will:
- Notify the applicant of the proposed denial of admission;
• Provide the subject of the record and the applicant with a copy of the information the action is based upon;
• Provide the applicant with an opportunity to dispute the accuracy and relevance of the information obtained from any law enforcement agency

If TH&B, LP proposes to deny admission to a household based on the past criminal activity of a member, TH&B, LP will provide the household an opportunity to exclude the member from the housing application and obtain admission.

Applications withdrawn by the applicant or TH&B, LP, applications submitted by ineligible or unqualified applicants, and the notice of ineligibility will be retained in TH&B, LP files for at least three years following the date of the withdrawal or rejection of the application.

For the LIHTC program:

Neither the IRS nor IHCDA require that applicants be denied based on certain types of drug abuse or criminal activity. The owner/agent may develop fair, reasonable screening criteria in the LIHTC program. The owner/agent’s authority in this area is limited by the Violence against Women Act of 2013 (VAWA), which expressly prohibits the denial of admission to an otherwise qualified applicant on the basis that the applicant is or has been the victim of domestic violence, dating violence, sexual assault, or stalking. There is no requirement for a written denial notice or for a meeting with the owner.

Appeal Process

All applicants who have been denied have 14 days to respond in writing or to request a meeting to discuss their rejection. A member of TH&B, LP’s staff who was not involved in the initial decision to deny admission will conduct any meeting with the applicant. A written response will be sent to the applicant within 5 days following the review meeting with the final decision.

PART IX. UNIT OFFERS

IX.A. OVERVIEW

Each eligible applicant will receive written notification of their eligibility and of the approximate date they will be offered housing. A copy of this notification will be retained in the applicant’s file. Detailed records of units offered, including the location, date, and circumstances for each acceptance or refusal of an offer will be maintained and monitored.

IX.B. DELAYS IN PROCESSING

When application processing is delayed because of missing verifications or inconclusive screening information, a family’s application will be suspended for up to 60 days until the necessary verifications are received. This means that a person who is lower on the waiting list may receive a unit offer before a
person who is higher on the waiting list. As soon as the necessary verification(s) are received, the suspended application will be continue through the processing at the original position.

IX.C. OFFERING UNITS

TH&B, LP will first match the apartment available to the highest ranking applicant for an apartment of that size, type and special features (if any). Preferences will then be used to determine the order of selection from the waiting list. If two applicants need the same type and size of apartment and have the same local and ranking preference status, the applicant with the earliest date and time of application/lowest application number will receive the earlier offer.

The first qualified applicant in sequence on the waiting list will be made one offer of an apartment of appropriate size and type. An applicant may refuse an offer two times. After the refusal of the second offer, they will be removed from the waiting list unless the applicant refuses the offer with good cause. Examples of good cause reasons for the refusal of an offer of housing include, but are not limited to:

- Inaccessibility to source of employment or children’s daycare such that adult household member must quit a job, drop out of an educational institution, or job training program;
- Presence of lead paint in the apartment offered when the applicant has children under the age of six years old;
- The family demonstrates to TH&B, LP’s satisfaction that accepting the offer will result in a situation where a family member’s life, health or safety will be placed in jeopardy. The family must offer specific and compelling documentation such as restraining orders, other court orders, or risk assessments related to witness protection from a law enforcement agency. Reasons offered must be specific to the family. Refusals due to location alone are not good cause;
- A health professional verifies temporary hospitalization or recovery from illness of the principal household member, other household members or live-in aide necessary to the care of the principal household member;
- The apartment is inappropriate for the applicant’s disabilities;
- An elderly or disabled family makes the decision not to occupy or accept occupancy in designated housing.

All offers made over the phone will be confirmed by first class letter. If more than one apartment of the appropriate size and type is available, the first apartment to be offered will be the apartment that is or will be ready for move-in first. If two units are ready for move-in on the same day, the first apartment to be offered will be the apartment that became vacant first.

IX.D. ACCEPTING/REJECTING UNIT OFFERS

The applicant must accept any apartment offered within five calendar days of the later of the date the offer is communicated (by phone, mail, or the method of communication designated by an applicant with disabilities) or the date they are shown the apartment or an equivalent apartment. If the applicant does not accept the unit offer within five calendar days, they will be withdrawn from the waiting list.
IX.E. MOVE-IN INSPECTIONS [24 CFR 5.703 and 5.705]

Before executing the lease, the property representative and the resident will jointly inspect the unit. The move-in inspection form will be used to indicate the condition of the unit. The condition of the unit must be decent, safe, sanitary, and in good repair. TH&B, LP will not offer nor move a family into an apartment that does not meet basic standards of habitability, including HUD occupancy standards. If cleaning or repair is required, TH&B, LP will specify on the form the date by which the work will be completed, no later than 30 days after the effective date of the lease. Both TH&B, LP and the tenant must sign and date the inspection form. The inspection form will include the statement, “The unit is in decent, safe and sanitary condition” and will be made part of the lease as an attachment.

After the move-in inspection, the resident has five days to report any additional deficiencies in the unit to management. The complete move-in inspection will be attached to the lease. The inspection form must be signed and dated by both TH&B, LP and the resident.

For the LIHTC program:

The IRS requires that the state allocating agency conduct a physical inspection of LIHTC properties at least once every three years. The state of Indiana has identified Uniform Physical Condition Standards (UPCS) as the inspection standard used for the LIHTC program. While the LIHTC programs use UPCS, REAC protocol is not used like in the PBRA program.

IX.F. LEASE EXECUTION

All residents of PBRA units will be required to sign a HUD model lease. RAD PBRA units must use the HUD 910105-A Model Lease for Subsidized Programs. For in-place tenants at the time of conversion, the effective date of the lease must equal the HAP contract effective date and must be signed by TH&B, LP and tenant before the HAP contract effective date.

The lease must be signed by the head, spouse, and all other adult members of the family, and by an authorized representative of TH&B, LP, prior to actual admission.

The manager will provide an explanation of the lease provisions either prior to move-in or at the time of move-in. The explanation must be in a language understood by the resident or in a manner intelligible to a person with disabilities.

At a minimum, the tenant will be given the following documents at the time of lease execution:

- Lease with HUD 50059 or 500590A
- Move-in inspection form
- Consent forms
- House Rules
- Renewal addendum
- Pet Rules (if applicable)
- Live-in aide addendum (if applicable)
• HUD VAWA lease addendum
• EIV & You brochure
• Resident Rights and Responsibilities brochure
• How Your Rent is Determined Fact Sheet
• Initial notice for Annual Recertification

For the LIHTC program:
IHCDA requires that all residents occupying LIHTC units must be certified and under a lease no later than the time a tenant/household moves into the unit. A signed lease must be in effect for each household/unit. Once executed, the lease terms cannot be modified without at least 30-day written notice to the tenant.

A signed lease must be in effect for each year that a household resides in a unit. A new lease and/or a lease renewal addendum must be completed annually. Leases must reflect the correct date that the household moves into or otherwise takes possession of the unit. A unit must be leased directly to the household, not to an organization that is providing services to the household.

IX.G. SECURITY DEPOSITS

TH&B, LP will continue to recognize security deposits that have been previously provided by in-place tenants at the time of conversion from public housing to PBRA.

For all PBRA new admissions after the time of conversion, security deposit amounts will be determined in accordance with Figure 6-6 of HUD’s occupancy handbook, HUD Handbook 4350.3 REV-1.

For LIHTC units:

Security deposits must be treated in accordance with Indiana Code 32-31-3.

IX.H. PET DEPOSITS

Pet deposit amounts will be determined in accordance with Figure 6-7 of HUD’s occupancy handbook, HUD Handbook 4350.3 REV-1. The pet deposit will not exceed $300. No deposit will be required for an assistive animal of a disabled applicant. The pet deposit is a one-time deposit and one deposit is required per unit. The pet deposit will be refunded by mail to the forwarding address provided by the Resident at move-out time, less any damages attributable to the resident’s maintaining of any pets, after premises have been inspected by Management.

The payment of the pet deposit shall be in installments with the initial installment not to exceed $50.00. Monthly installment payments shall be made in the amount of $10.00 or less until the deposit is paid in full.
IX.I. CHANGES IN HOUSHEOLD COMPOSITION

All changes in family composition must be reported within ten days of occurrence. Certain types of changes do not require TH&B, LP advance approval, including:

- Someone listed on the lease leaving the unit;
- Birth, adoption or court-awarded custody of a child;

Additions of the following persons must be requested in writing and require written permission from TH&B, LP before the persons may move into the apartment:

- Adult family member (including a new spouse);
- Foster child or children;
- Foster adult;
- Live-in Aide;
- Child in kinship care

All adults who are proposed for addition to a family or household must be screened by TH&B, LP management and, with the exception of live-in aides, must not overcrowd the unit. When the change in family size would require the family to transfer to a smaller or larger unit, the family will be placed on the transfer list as soon as the change in family circumstances is verified.

Changes in student status of any person residing in the unit must be reported immediately.

For the LIHTC program:
A household may continue to add members as long as at least one member of the original low-income household continues to live in the unit. Once all the original tenants have moved out of the unit, the remaining tenants must be certified as new income-qualified households unless:

- For mixed-use projects: The newly created household was income qualified, or the remaining tenants were independently income qualified at the time they moved into the unit.
- For 100% LIHC buildings: The remaining tenants were independently income qualified at the time they moved into the unit.

Students

If tenants in a previously qualified household become full-time students at any time, an eligibility determination must be made immediately upon the tenant becoming a full-time student and cannot be delayed until a recertification of the household is due.

Adding New Members

In the event household composition changes in any way (e.g. birth, death, marriage, divorce, a family member or roommate vacates or moves into the unit, etc.), the household should notify management of the changes.

Composition changes include a birth, a death, a new tenant moving into the household, or an existing tenant vacating the household. In the event that a new adult household member is added to a qualified household, the following steps must be taken:

- The new household member completes an application. An independent Tenant Income Certification (TIC) and verification of income and assets will be completed for the new member.
- The new household member’s income must be included as part of the household’s certified income.
  - For 100% LIHTC projects: The new tenant’s income will be added to the original household income at move-in.
  - For mixed-income projects: The new tenant’s income will be added to the household income as of the most recent annual recertification. A new TIC does not have to be created. TH&B, LP will notate the file to show that a new total household income has been computed. Additionally, a household update event will be input into the online reporting system detailing the new total household member count, new total household income, and the demographic data for the new member.
- The combined household income must be compared to the maximum allowable MTSP income limit in effect at the time and based on actual household size. If the combined household’s income is greater than the 140% limit, the Next Available Unit Rule will go into effect.

Only the income and eligibility of the new resident is required to be verified when adding a member to a household before the annual TIC is due (i.e. the existing members do not need to be recertified if it is not time for their annual recertification). Owners must verify the new resident’s income and complete an independent TIC for that resident. This income must then be added to the existing household’s certified income to determine if the household’s income has exceeded the 140% income limit. The household’s annual recertification will remain on the anniversary of the original move-in date, not the date that the new member was added. The new resident should sign a TIC and complete all verification documents. The independent TIC should not include information about the other household members or their income. The TIC will be noted as a “household update” rather than a move-in or recertification. The new total household income (combined from the new member and existing members) will not show on the independent TIC, but can simply be listed on a management clarification sheet to prove whether or not the household invokes the Next Available Unit Rule.

Household composition updates and student status updates must be entered into the IHCDA Online Management rental reporting system within 30 days of the event date.

IX.J. DEATH OF HEAD OF HOUSEHOLD

If the head of household dies or leaves the unit, continued occupancy by remaining family members is permitted only if:

- The family reports the departure (or death) of the head of household within 10 days of the occurrence; and
- The family includes a member who can pass screening and is either of legal age to execute a lease or is a Court-recognized emancipated minor; and
• The new head signs a new lease within 10 calendar days of the departure/death of the former head.
• Remaining family members age 18 years or older will be held responsible for debts incurred by the former head or spouse.
• TH&B, LP will not hold remaining family members (other than the head of household or spouse) responsible for any portion of the debt incurred before the remaining member attained 18.

IX.K. SECTION 8 MINIMUM RENT [24 CFR 5.630]

Tenants in PBRA units must pay a minimum total tenant payment of $25. TH&B, LP must grant an exemption from the minimum rent if a family is unable to pay the minimum rent because of a long-term financial hardship.
The financial hardship exemption applies only to families required to pay the minimum rent. If a family’s TTP is higher than the minimum rent, the family is not eligible for a hardship exemption.
Financial hardship includes the following situations:
• The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program.
• The family would be evicted because it is unable to pay the minimum rent.
• Family income has decreased because of changed family circumstances, including the loss of employment.
• A death has occurred in the family.
Other applicable situations, as determined by HUD, have occurred.

When a family requests a financial hardship exemption, TH&B, LP must suspend the minimum rent of $25 beginning the first of the month following the family’s request. Families that are granted a financial hardship exemption may still be required to pay TTP. TTP is the highest of the remaining components of the family’s calculated TTP.

PART X. UNIT TRANSFERS: [24 CFR 880.605, 886.125, 886.325, 891.420, 891.620, 891.760]

Unit Transfers Due to a Change in Family Composition
• If a tenant reports a change (or the owner becomes aware of a change) in family composition, the owner must do the following:
  o Determine appropriate unit size. Owners should use the occupancy standards established for the property to determine whether the unit is still the appropriate size for the tenant.
  o Determine whether a transfer is required. The following considerations determine whether the tenant is required to move:
    ▪ Is there a unit of appropriate size in the property? If there are appropriately sized units available, then a transfer to an appropriately sized unit is required. If a unit of appropriate size is not available, then the tenant should be moved to the most appropriately sized unit.
    ▪ Is there a market for the size of unit the tenant would be vacating? If the tenant is occupying a unit that is larger than needed and there is no demand for that larger unit,
the owner does not have to require the tenant to move from the larger unit until there is a demand for that size of unit.
- How long will the tenant remain in the property? If the tenant has given a written notice to vacate, the owner need not require the tenant to transfer.

Transfer Requirements
- When it is determined that a transfer is required, the Model Lease for Subsidized Programs states that the tenant:
  o May remain in the unit and pay the HUD-approved market rent; or
  o Must move within 30 days after the owner notifies the family that a unit of the required size is available within the property.
- Depending upon the circumstances of the transfer, a tenant may be obligated to pay all costs associated with the move. However, if a tenant is transferred as a reasonable accommodation to a household member’s disability, then the owner must pay the costs associated with the transfer, unless doing so would be an undue financial and administrative burden.

Transfer wait lists
- B&H, LP shall maintain a site based transfer wait list Residents shall be placed on the Transfer Wait Lists in the following method:
  o Resident makes a formal request through management to transfer
  o Management may require resident to transfer due to over or under utilization of the unit.
- Transfers will be given preference over the applicant wait lists if the transfer meets one of the following:
  o Unit transfer is based on change of household size resulting in over or under utilization of the current unit.
  o Unit transfer is based on the need for an accessible unit.

PART XII. POLICIES RELATED TO THE RENTAL ASSISTANCE DEMONSTRATION PROGRAM (RAD)

[PIH 2012-32, REV-2]

XII.A. TERMINATION NOTIFICATION

HUD is incorporating additional termination notification requirements to comply with section 6 of the Act for public housing projects converting assistance under RAD, that supplement notification requirements in regulations at 24 CFR 880.607 and the Multifamily HUD Model Lease.
- *Termination of Tenancy and Assistance*. The termination procedure for RAD conversions to PBRA will additionally require that Project Owners provide adequate written notice of termination of the lease which shall not be less than:
  1. A reasonable period of time, but not to exceed 30 days:
  2. If the health or safety of other tenants, Project Owner employees, or persons residing in the immediate vicinity of the premises is threatened; or
a. In the event of any drug-related or violent criminal activity or a felony conviction; or

b. 14 days in the case of nonpayment of rent.

- **Termination of Assistance.** In all other cases, the requirements at 24 CFR 880.603, the Multifamily HUD Model Lease, and any other HUD multifamily administrative guidance shall apply.

### XII.B. GRIEVANCE PROCESS

In addition to program rules that require that tenants are given notice of covered actions under 24 CFR Part 245 (including increases in rent, conversions of a project from project-paid utilities to tenant-paid utilities, or a reduction in tenant paid utility allowances), HUD is incorporating resident procedural rights to comply with the requirements of section 6 of the Act. RAD will require that:

- Residents be provided with notice of the specific grounds of the Project Owner’s proposed adverse action, as well as their right to an informal hearing with the Project Owner;
- Residents will have an opportunity for an informal hearing with an impartial member of the Project Owner’s staff within a reasonable period of time;
- Residents will have the opportunity to be represented by another person of their choice, to ask questions of witnesses, have others make statements at the hearing, and to examine any regulations and any evidence relied upon by the Project Owner as the basis for the adverse action. With reasonable notice to the Project Owner, prior to hearing and at the residents’ own cost, resident may copy any documents or records related to the proposed adverse action; and
- Project Owners provide the resident with a written decision within a reasonable period of time stating the grounds for the adverse action, and the evidence the Project Owner relied on as the basis for the adverse action.

The Project Owner will be bound by decisions from these hearings, except if the:

- Hearing concerns a matter that exceeds the authority of the impartial party conducting the hearing.
- Decision is contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.

If the Project Owner determines that it is not bound by a hearing decision, the PHA must promptly notify the resident of this determination, and of the reasons for the determination.

### XII.C. RENT PHASE-IN

Once the contract rent is established, the standard PBRA rent determination rules apply when calculating the family’s rent with one exception. If an existing tenant’s rent increases as a result of a RAD conversion by more than the greater of 10 percent or $25, the rent increase must be phased in over 3 or 5 years or a combination depending on circumstances. PHAs must establish the length of the phase in period. TH&B, LP will phase in the rent increase over 3 years. Once the PBRA TTP is equal to or less than the previous TTP, the phase-in ends and residents will pay the full PBRA TTP from that point forward.

Three-Year Phase-in example:
• Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 33% of difference between most recently paid TTP or flat rent and the standard TTP.
• Year 2: Annual recertification and any interim recertification prior to Year 3 annual recertification – 66% of difference between most recently paid TTP and the standard TTP
• Year 3: Year 3 annual recertification and all subsequent recertification’s – Full standard TTP.

For the LIHTC program:
All rents for combined LIHTC/PBRA units will be in compliance with gross rent limit requirements. Gross rent does not include any rental assistance payments made to TH&B, LP for the Section 8 program. This gross rent limit applies only to payments made directly by the tenant. TH&B, LP may allow the portion of the rent paid by Section 8 households to exceed the tax credit rent limit as long as TH&B, LP receives a Section 8 assistance payment on behalf of the household and the rent limit is exceeded due Section 8 requirements for calculating the household rent portion. If no subsidy is provided, the household may not pay more than the tax credit rent limit allows.

XII.D. EARNED INCOME DISREGARD (EID)
Tenants who are employed and are currently receiving the EID exclusion at the time of conversion will continue to receive the EID exclusion after conversion, in accordance with regulations at 24 CFR 960.255.

After conversion, no other tenants will be eligible to receive the EID. If a tenant receiving the EID exclusion undergoes a break in employment, ceases to use the EID exclusion, or the EID exclusion expires in accordance with 24 CFR 960.255, the tenant will no longer receive the EID exclusion and TH&B, LP will no longer be subject to the provisions of 24 CFR 960.255.

Furthermore, tenants who’s EID ceases or expires after conversion shall not be subject to the rent phase-in provision, as described above, instead, the rent will automatically be adjusted to the appropriate rent level based upon tenant income at that time.

XII.E. CHOICE MOBILITY

Residents have a right to move with tenant-based rental assistance (e.g., Housing Choice Voucher (HCV)) the later of:
• 24 months from date of execution of the HAP or
• 24 months after the move-in date
• For the resident to be eligible, they will have to have a continuous lease term of 24 months after the conversion at the covered project. If the converted resident should terminate their lease or have their lease terminated during the 24-month eligibility period, the resident will no longer be eligible for a housing choice voucher.
• TH&B, LP will coordinate with the Indianapolis Housing Agency to establish a voucher inventory turnover cap of one-third of its turnover vouchers to the residents of covered projects.
XII.F. RESIDENT PARTICIPATION AND FUNDING

Residents of projects that convert to PBRA under RAD will have the right to establish and operate resident organizations in accordance with 24 CFR Part 245 and PIH 2012-32, REV-2.

TH&B, LP will provide $25.00 per occupied unit annually for resident participation, of which at least $15.00 per occupied unit shall be provided to the legitimate tenant organization at the covered property. These funds must be used for resident education, organizing around tenancy issues, and training activities. Resident must make request for these funds in writing to TH&B, LP.

XII.G. FAMILY SELF-SUFFICIENCY (FSS) AND RESIDENT OPPORTUNITIES AND SELF SUFFICIENCY (ROSS-SC)

Public Housing residents that were FSS participants at the time of the RAD conversion will continue to be eligible for FSS once their housing is converted under RAD. TH&B, LP will administer the FSS program in accordance with the requirements of 24 CFR 984, the participants’ contracts of participation, and future guidance published by HUD.