

RESIDENT SELECTION PLAN  
SECTION 42 HOUSING

**INTRODUCTION:**

The procedures used for selection of residents shall be implemented in compliance with Section 42 of the Internal Revenue Code, the Idaho Housing Agency Regulatory Agreement and all other applicable Federal statutes and regulations.

**NON-DISCRIMINATION:**

The management agent shall comply with all Federal, State and Local Fair Housing and Civil Rights laws and with all Equal Opportunity requirements in HUD administrative procedures. Federal laws forbid discrimination based on race, color, religion, sex, handicap or disability, familial status (having children under age eighteen (18)), age, or national origin. Administrative procedures further prohibit discrimination based on certain class memberships. These requirements apply to accepting and processing applications, selecting residents from among eligible applicants on the waiting list, assigning units, and certifying and re-certifying eligibility for assistance. We do not discriminate on the basis of handicapped status in the admission or access to, or treatment or employment in, our federally assisted programs and activities.

**ANIMALS:**

All animals are prohibited within the following restrictions and per management's approval, with the exception of \*support animals, which are allowed by physician's prescription or pets which are allowed in qualifying, Federally-funded, developments set aside entirely for occupancy by senior and/or handicapped households.

Pet addendum must be signed and followed for each pet.

No more than two pets are allowed per apartment home.

Pets must be at least one year old.

Pets may not exceed the accepted weight and height limit at the community

Established pet deposits must be paid.

Management has the right to restrict pets other than cats, dogs, birds and fish.

*\*Support animals do not require a pet deposit.*

**ELIGIBILITY RULES FOR RESIDENTS:**

Applicants for reduced rents under the Section 42 Program must meet the following eligibility requirements.

1. The household must be (1) a family; or (2) a single person that is eligible.
2. The household's annual income may not exceed the applicable income limit.

To be financially eligible, the household must provide adequate evidence that income for the 12-month period following initial occupancy is not anticipated to exceed the Income Limits for eligibility.

NOTE: Changes in family size or family income may result in noncompliance, and tenant eligibility must be verified annually throughout the compliance period.

3. The applicant agrees to pay the rent required by the program under which the applicant will be admitted unless the annual income test shows their income to exceed 140% of the qualifying income. If income does exceed 140% the tenant will no longer be considered a low-income tenant. Provision for such eventuality will be included in the lease agreement and will depend on the percentage of low-income units required by the specific development.
4. Pursuant to Section 42 of the Internal Revenue Code, if all the occupants of a household are full-time students\* none of which are eligible to file a joint income tax return, such household is **NOT AN ELIGIBLE LOW-INCOME HOUSING TAX CREDIT TENANT.** Exceptions are made for students receiving assistance under Title IV of the SOCIAL SERVICE ACT or those enrolled in job training programs receiving assistance under the JOB TRAINING PARTNERSHIP ACT or under other similar federal, state, or local laws.

**LOW INCOME HOUSING TAX CREDIT  
RESIDENT/APPLICANT ELIGIBILITY INFORMATION**

RESIDENT/APPLICANT

NAME: \_\_\_\_\_

DevelopmentName: \_\_\_\_\_

Unit # : \_\_\_\_\_

In order to evaluate your eligibility to receive Low Income Housing Tax Credit Assistance and/or Housing, please answer YES or NO to the following questions.

**ELIGIBILITY:**

- 1. Are you applying for Handicapped/Disabled status? ..... Yes No
- 2. Are you a Full Time Student? ..... Yes No

**INCOME:**

- 1. Are you now employed? ..... Yes No
- 2. Do you own a business? ..... Yes No
- 3. Do you own an interest in real estate or have any other capital investments? ..... Yes No
- 4. Do you own any personal property held as an investment? ..... Yes No
- 5. Do you have a savings account? ..... Yes No
- 6. Do you have a checking Account? ..... Yes No
- 7. Do you have an individual retirement (IRA) or Keogh account? ..... Yes No
- 8. Do you own stocks, bonds, treasury bills or certificates of deposit? ..... Yes No
- 9. Do you receive income from other assets? ..... Yes No
- 10. Do you receive food stamps? ..... Yes No
- 11. Do you receive church welfare? ..... Yes No
- 12. Do you receive financial aid or other assistance from your parents or other relatives? ..... Yes No
- 13. Do you receive child support? ..... Yes No
- 14. Do you receive alimony? ..... Yes No
- 15. Do you receive ADC (Welfare)? ..... Yes No
- 16. Do you receive social security for yourself or children? ..... Yes No
- 17. Do you receive supplemental security income (SSI)? ..... Yes No
- 18. Do you receive income from a veterans pension? ..... Yes No
- 19. Do you receive income from a retirement or pension fund? ..... Yes No
- 20. Do your receive income from tips? ..... Yes No
- 21. Do you receive income from rental property? ..... Yes No
- 22. Do you receive interest income? ..... Yes No

- 23. Do you receive income from dividends? ..... Yes No
- 24. Do you receive income from unemployment benefits? ..... Yes No
- 25. Do you receive income from workmen's compensation? ..... Yes No
- 26. Do you receive income from annuities? ..... Yes No
- 27. Do you receive income from a trust fund? ..... Yes No
- 28. Do you receive income from royalties? ..... Yes No
- 29. Do you receive income from commissions or  
direct sales? ..... Yes No
- 30. Do you receive income from any other source? ..... Yes No
- 31. Do you expect to receive any lump sum amounts  
of cash? ..... Yes No
- 32. Have you disposed of any assets for less than fair  
market value during the last TWO years? ..... Yes No

Section 1001 of Title 18 of the United States Code makes it a criminal offense to make willful false statements of misrepresentation to any Department or Agency of the United States as to any matter within its jurisdiction.

CERTIFICATION: I certify under penalties of perjury that the above information is true and complete to the best of my knowledge and belief. I understand that I can be fined up to \$10,000 or imprisoned up to five years, if I furnish false or incomplete information.

\_\_\_\_\_  
Resident/Applicant Signature

\_\_\_\_\_  
Date

**NOTE: IF RESIDENT/APPLICANT SHOWS NO INCOME, A NOTARIZED VERIFICATION OF NO INCOME FROM MUST BE COMPLETED.**

- \* Full-time student is defined as any individual who has been or will be a full-time student at an educational institution with regular facilities.

5. Unit size standards established in this plan must be followed.

**DETERMINING UNIT SIZE AT MOVE-IN:**

The management agent must balance the need to avoid overcrowding with the need to make the best use of available space and to avoid unnecessary subsidy. To determine how many bedrooms a family may have the management agent shall count:

1. All full-time members of the household
2. Children who are away at school but live with the family during school recesses
3. Children who are subject to a joint custody agreement but live in the unit at least 50% of the time.
4. An unborn child may be counted at the household's request to make the household eligible for a larger unit. However, the household's eligibility for the smaller unit will not be affected.
5. Foster children
6. Live-in attendants

The management agent shall not provide bedroom space for others who are not members of the household, such as adult children on active military duty, permanently institutionalized family members, or visitors.

**OCCUPANCY STANDARDS**

A. Occupancy Policy

1. A maximum of two persons per one bedroom apartment, four persons per two bedroom apartment, and six persons per three bedroom apartment subject to the exceptions and qualifications set forth in paragraphs A. 3-6 and B. 1-2 below. Lofts and dens will be considered bedrooms for purposes of occupancy.
2. The maximum number of adults who may occupy any apartment is three. In one bedroom apartments, the maximum is two adults;
3. Gender, age or the relationship of occupants will not be considered in the determination of whom may reside in a unit, except for the exemption in paragraph A.4, below, and except for a limitation on the number of adults (people over the age of eighteen (18)) consistent with paragraph A. 2, above;
4. The following is a special exemption for three bedroom units only (including two bedroom with den, and two bedroom with loft units):  
  
if the seventh person in a family group wishing to rent a three bedroom unit is an infant (defined as a child twelve months of age or younger), the family group will be granted an exemption from the occupancy policy to allow up to seven (7) people to occupy the apartment. This exemption shall expire upon the end of the lease term following the infant's second birthday;
5. For purposes of determining the maximum number of occupants who can reside in an apartment, the number of persons in a household is to be counted as of the date of lease signing; therefore, unborn children will not be counted as additional occupants. In accordance with applicable HUD regulations and/or guidelines, including "Occupancy Requirements of Subsidized Multifamily Housing Programs," Handbook 4350.3, the unborn child may be counted at the family's request to make the family eligible for a larger unit, provided that the family's eligibility for the smaller unit is not affected.

## B. Hardship Exemption

In the event:

1. the property has no units available that are of the correct size for a family, but the property does have units of the correct size; and
2. the family otherwise would be homeless through dispossession or lack of current housing:

the family will be permitted to occupy a unit one size smaller than provided under the occupancy policy if such a unit is available. In the event the family accepts housing under this hardship exemption, the family agrees to transfer to the next available unit of the correct size upon thirty (30) days notice.

### **OVERCROWDED OR UNDER-UTILIZED UNITS:**

After move-in, if a unit becomes overcrowded or under-used because of changes in household composition, the management agent shall require the family to move to an appropriate size unit if and when one becomes available. If the household composition exceeds the maximum occupancy standard for the development, the family will be encouraged to move from the development.

### **PRIORITIES AND PREFERENCES**

In the filling of a vacant unit, priority shall be given to transfers of resident families within the development who comply with established occupancy standards and lease provisions. Time and date of application shall determine the order of the waiting list. If no households requiring a unit transfer are waiting for a unit, priority shall be given to applicants holding a Section 8 voucher or certificate.

In units designed for elderly, handicapped or disabled households, the management agent shall give preference to families whose head or spouse qualifies for the unit. Families with other household members who qualify receive preference over other applicants. For units designed for accessibility to individuals with mobility, hearing or vision impairments, preference shall be given to applicants requiring such units.

If a Tenant no longer needs or never needed the accessibility features of a unit and a household living in the development or applying to live in the development has a need for those accessibility features, the Tenant agrees to move to the first available, appropriately-sized unit within the development. The move will take place within 30 days of the notification of availability of the new unit and at the Tenant's expense.

### **PROCESSING STEPS:**

The development shall be rented up and occupancy maintained on a first-come, first-serve basis. All persons wishing to be admitted to a development must complete an application. An application must be COMPLETE to be considered for occupancy. The initial application shall be timed and dated when received and the Resident Manager shall maintain a single, chronological list of all applicants at the rental office. Applicants shall be admitted, placed on the waiting list, or rejected. Potentially eligible and acceptable applicants for whom the right size unit is not available shall be placed on the waiting list and informed in writing that they will be contacted when appropriate unit becomes available, approximately how long it will take for a unit to become available, and that they must contact the development Resident Manager every 90 days to stay on the waiting list.

When an appropriate unit will be available in the near future, the waiting list shall be reviewed to identify the applicant who meets the criteria for priority. The Resident Manager will interview the applicant and confirm and update all information provided on the application and obtain current information of income, expense, and composition as applicable and needed to certify eligibility; and compute the resident's rent. The applicant shall be informed at this time that a final decision on eligibility cannot be made until all verifications are complete.

If an applicant has been selected by the Resident Manager as the priority for occupancy and the applicant refuses being processed after two consecutive efforts made by the Resident Manager, the applicant shall be removed from the waiting

list and must reapply for eligibility. The waiting list shall be updated every three months and may be closed for one or more unit sizes when the average wait for admission is more than a year.

**SCREENING CRITERIA:**

The following factors shall be used in screening applicants for occupancy:

1. Demonstrated ability to pay rent on time
2. History as a good resident
3. Favorable credit history
4. Review of Criminal Background Reports
5. History of good housekeeping habits
6. Ability to meet the obligations of tenancy

References shall be required from present and previous landlords for a minimum of three years prior to application. An applicant may be rejected if this report documents failure to make rental payments in a timely manner or responsibility for disturbing the safety, security, and right to peaceful enjoyment of other residents.

Credit reports will be ordered. Each applicant's credit report shall be reviewed to determine the history of payment practices including utilities, outstanding loans, judgments, repossessions, foreclosures, etc. The following specifications shall be used as a benchmark in reviewing credit reports:

1. Address shall be checked with application
2. Place of employment shall be checked with application
3. Credit history shall be reviewed

For a credit history, amounts of outstanding balances shall be checked. Historical status and manner of payments shall be examined. The credit bureau classifies accounts from 0-9, 0 representing a newly approved account, and 9 representing bad debt in collection status. For purposes of evaluating payment histories of prospective residents, payment ratings of 0, 1, and 2 shall be considered acceptable. Ratings of 3 through 9 are NOT acceptable. A rating of 3 represents that the person pays in more than 60 days or two payments past due, etc. In areas where the credit bureau does not use the standardized 0-9 rating, a payment record of 30-60 days is the maximum acceptable. An account in excess of 60 days or a charge-off account or any combination of these two will constitute a basis for rejection.

Criminal background reports will be ordered. Felonies are not acceptable. Misdemeanors other than minor traffic offenses within the last six years are not acceptable.

Home visit reports on housekeeping may be done. In some instances, the management agent may have to designate someone else to do a home visit, i.e., local inspector, realtor, etc. If undesirable conditions or damages exist due to applicant negligence, the burden of proof resting with the applicant, this will constitute a basis for rejection.

Self-sufficiency of the applicant shall be defined as the ability, either in conjunction with available supportive services or otherwise, to maintain both person and apartment in a manner which is not detrimental to either the applicant's safety or personal well being or to the safety and well being of other residents.

**REFJECTING APPLICANTS:**

Applicants shall be rejected if any one of the following categories apply:

1. Applicant is ineligible
2. Income exceeds the appropriate income limits
3. Household characteristics are not appropriate for the type of unit available
4. Family size is not appropriate for the size of unit that is available
5. Applicant does not meet the management's screening criteria
6. History of unjustified and chronic non-payment of rent and financial obligations
7. History of disturbing the quiet enjoyment of others
8. A risk of intentional damage or destruction to the unit or surrounding premises by the applicant or those under the applicant's control
9. History of violence and harassment of others
10. History of violations of the terms of previous rental agreements such as destruction of a unit or failure to maintain a unit in a decent, safe, and sanitary condition
11. Applicant is known to have been convicted of a felony
12. Applicant has been convicted of a misdemeanor other than a minor traffic offense in the last six years
13. Application is incomplete or is found to contain false information

If the Resident Manager does not place an applicant on the waiting list or immediately process the applicant for admission, the Resident Manager shall promptly notify the applicant in writing of the rejection and explain in the notice the reasons for the rejection. The applicant has 14 days to respond in writing or to request a meeting to discuss the rejection.

The request for an appeal should be addressed to:

Property Manager  
Tomlinson and Associates, Inc.  
P.O. Box 108  
Boise, ID 83701

Applicant can expect a written response regarding the outcome of the appeal within 5 days of the receipt of the written request for an appeal or the meeting, whichever applies. All rejected applications and supportive documentation shall be maintained at the management agent's home office in a manner, which respects the applicant's right to privacy.

