

## Item D.6 Tenant Selection Plan

Provide a tenant selection plan, specific to the proposed development, that describes the following:

1. How prospective tenants will be referred to and selected for MHSA units in the development;
2. The tenant application process;
3. The procedure for maintaining the wait list;
4. The process for screening and evaluating the eligibility of the prospective MHSA tenants;
5. The criteria that will be used to determine a prospective MHSA tenant's eligibility for occupancy in the development;
6. The appeals process for individuals who are denied tenancy in an MHSA unit; and,
7. The reasonable accommodations policies and protocols.

**NOTE:** The Department's approval of the MHSA Housing Program Application does not ensure that the Tenant Certification/Referral Process is compliant with local, state and federal fair housing laws. Please seek legal counsel to ensure that the Tenant Certification/Referral Process complies with fair housing laws.

### Response:

#### **1. How prospective tenants will be referred to and selected for MHSA units in the development**

Based on the eligibility criteria previously outlined in Section D5., the HP&D Unit will refer individuals deemed to be eligible to reside in the 22 MHSA funded units to the John Stewart Company, the designated property management agency. These referrals will be presumptively eligible for MHSA housing units and are in urgent need for permanent supportive housing as an essential component for recovery or treatment. After being certified by the HP&D Unit, the referring agency is instructed to assist the prospective tenant with completing the rental application, compiling all required documents to accompany the rental application, and submitting the rental application packet to the property management agency.

The John Stewart Company will review submitted rental application packets and time stamp completed packets for further review and determination of eligibility for the project. Incomplete application packets will be referred back to the prospective tenant and their referring agency to make the necessary corrections in order to proceed with the selection process. After receiving the required authorization to obtain and review background information regarding criminal, credit and eviction histories, the John Stewart Company will evaluate the information and make a determine if the prospective tenant meets the other eligibility requirements for tenancy including if applicable eligibility requirements of the local housing authority.

#### **2. The tenant application process**

All prospective tenants at Courtleigh Villas must fill out and submit the rental application prepared by The John Stewart Company. Prospective tenants interested in the MHSA funded units must include a copy of their approved MHSA Certification Application. To assure equal access and equal opportunity to all, no one will be denied the opportunity to apply at the Courtleigh Villas. However, successful applicants must meet program eligibility guidelines. Approximately six months prior to occupancy, LACDMH will advertise the availability of the MHSA units across its network of service providers through its website. All interested individuals will be placed on an "interest list" that is maintained by LACDMH. Referring agencies will work with prospective tenants to complete the rental applications and will forward the completed rental applications to The John Stewart Company for income eligibility verification and other certifications. The John Stewart Company will require third-party documentation of applicant's compliance with eligibility criteria prior to approving for tenancy.

- Verification of serious mental illness must be provided by LACDMH
- Verification of homelessness must be provided by the LACDMH, unless homeless verification is required by the local housing authority
- Verification of income is documented via completion of the Tenant Income Certification Questionnaire, Tenant Income Certification, and Employment Verification Forms in accordance with the regulations of

the California Tax Credit Allocation Committee.

Upon receipt of applicant information, property management will complete the eligibility verification (i.e. verify income, conduct background check, etc.). Property management will:

- Process all applicants through their internal criminal background check program
- Applicants that have been evicted from a federally-assisted housing project will be denied
  - A) All applicants will be initially interviewed by the site administrator or a representative of the managing agent
  - B) It will be the responsibility of the site administrator or management agent to inform the applicant in writing of rejection or approval
  - C) Management will notify applicants who are rejected, in writing, and the applicants will be informed of their option to appeal this decision. With the approval of the applicant, the Referring case manager will also be notified.

Applications will be stamped, dated as they are received, and then sorted for family size, income level and eligibility status.

With respect to the treatment of applicants, the Management Agent will not discriminate against any individual or family because of race, color, creed, national or ethnic origin or ancestry, religion, sex, sexual preference, gender identity, age, disability, handicap, military status, source of income, marital status or presence of children in a household, acquired immune deficiency syndrome (AIDS) or AIDS-related conditions (ARC), or any other arbitrary basis. No criteria will be applied or information considered pertaining to attribute of behavior that may be imputed by some to a particular group or category. All criteria shall be applied equitably and all information considered on an applicant shall be related solely to the attributes and behavior of individual members of the household as they may affect residency as it pertains to the household's ability to adhere to the terms of the lease, likelihood of disturbing the peaceful enjoyment of other tenants and ability to care for or provide care for the unit.

**3. The procedure for maintaining the wait list**

Applications will be stamped, dated as they are received, and then sorted for family size, income level and eligibility status. Residents will be qualified under California Tax Credit Allocation Committee (TCAC) and all other applicable regulatory agreements by the project resident manager. All qualification processing is subject to review and approval by PATH Ventures and The Pacific Companies. Applicants will be offered a vacant unit only twice. Mitigating circumstances may be taken into account, such as an emergency or hospitalization. In such a case, if an applicant cannot accept an apartment during the initial lease-up of the building, the applicant would be placed on the waitlist in chronological order.

The property management on-site staff will maintain one waiting list for the entire project. Applicants will be placed in the order of their application date and time, with a notation of priority determination. Those that are not selected as a resident during the initial leasing of the building will remain on the waiting list, and shall receive a letter informing them of their status with an estimate of when the next unit of the size and income designation they seek, based on previous turnover histories for similar housing projects, may be available.

- A) Applicants will be added to a waiting list in chronological order
- B) In the event that the volume of applications received exceeds the number of available apartments and more than one applicant qualifies for the unit; the application with the earliest date will be approved. The other will go on top of the list until the next unit is available.
- C) When management receives the next 30-day notice, it will be the responsibility of the site administrator to notify the applicant at the top of the waiting list. If that applicant turns down the unit, management will then proceed to the next person on the waiting list. With the approval of the applicant, the site manager will also notify the referring case manager.

When there is a vacant MHSA Housing Program unit, the property manager will contact the next eligible applicant on the wait list to schedule an interview time. For the interview, the applicant must be prepared to provide a state-issued identification card, a social security card or number, income verification (SSI award letter, etc.) and verification of current homeless status – if the project does not have federal rental subsidies. In order for an applicant to be considered for a MHSA-designated unit, the HP&D unit's approval date on the MHSA Certification Application must be within 90 days of the current date to verify a diagnosis of a serious mental illness as defined by the Welfare and Institutions Code Section 5600.3(b)(1). Applicants must also be homeless, as defined in the Mental Health Services Act Housing Program Application. If an applicant on the waiting list rejects the two units offered to him/her, it is considered a withdrawal of the application by the applicant.

#### **4. The process for screening and evaluating the eligibility of the prospective MHSA tenants**

In order for an applicant to be considered for a MHSA-designated unit, the HP&D unit's approval date on the MHSA Certification Application must be within 90 days of the current date to verify a diagnosis of a serious mental illness as defined by the Welfare and Institutions Code Section 5600.3(b)(1). Applicants must also be homeless, as defined in the Mental Health Services Act Housing Program Application.

Other eligibility and income requirements may be imposed by other public agencies providing funding for the construction and operation of these MHSA designated units. The John Stewart Company will run a credit and criminal background check. The John Stewart Company will review the following financial information for all applicants applying for permanent supportive housing at Courtleigh Villas.

1. All income will be verified in writing by the income source indicated on income certification form
2. All assets, including bank accounts, will be verified in writing
3. Upon initial occupancy, MHSA resident's income cannot exceed 30% of the area median income as published annually by the U. S. Department of Housing and Urban Development and The California Tax Credit Allocation Committee
4. Third-party income verification will be required from all sources, including but not limited to:
  - Employment, Self Employment
  - Savings and checking
  - Pension
  - Disability
  - Asset verification, property, home, stocks, bonds, annuities, IRA, etc.
  - Government assistance, A.F.D.C., food stamps, etc.
  - Social Security
  - Child Support/Alimony
  - Non-Tuition Financial Aid

Income calculations are based on the applicant's annual gross (anticipated) income for the following 12 months. Annual gross income includes income from any and all assets

#### **5. The appeals process for individuals who are denied tenancy in an MHSA unit**

Management will notify applicants who are rejected, in writing, and the applicants will be informed of their option to appeal this decision. All denied applicants would have the right to appeal the decision. The administrator or managing agent must receive the appeal no later than fourteen (14) days after the rejection letter is received. Within three working days of receipt of an appeal, the appeal will then be forwarded to the Director of Compliance or the Regional Manager of the property management company and to the assigned services coordinator for the property.

#### **6. The reasonable accommodations policies and protocols**

Reasonable accommodations will be made available to meet the needs of disabled applicants, including applicants with both physical and/or mental disabilities.

Management will apply the same screening criteria to all applicants. However, management is obligated to offer qualified applicants with disabilities additional consideration in the application of rules, practices, or services and structural alterations if said accommodation will enable an otherwise eligible applicant or tenant with a

disability an equal opportunity to access and enjoy the housing program. Management is not required to make a reasonable accommodation or physical modification if the accommodation or modification will result in an undue financial burden to the property.

If applicant has a physical or mental disability, and as a result of their disability there are reasonable accommodations that should be considered in an application, applicants will be encouraged to attach a note to their application describing the reasonable accommodation(s) they are requesting and why they should be considered in their application. Applicants may be asked to fill out a Reasonable Accommodation Request form upon receipt of their application and further information may be required from a certified medical provider to verify need for reasonable accommodations. If, as a result of a disability, an applicant needs changes in the way property management communicates with them, they will be encouraged to contact property management by phone, or visit the leasing office and inform property management what change you are requesting. This can include requests for notices and applications in large print, for those with a visual impairment, or to have applications sent to those with mobility impairments. In addition, property management can be reached by TTY line for those with a hearing impairment by calling the California Relay Service at (888) 877-5379.

In addition, applicants may request that a services coordinator be assigned to them to help them with the application process. Services offered by the services coordinator include:

- Explaining and filling out the application form
- Obtaining supportive documents need to complete application
- Attending the property management interview with applicant
- Help with the appeal process
- Help with a reasonable accommodation

The John Stewart Company will conduct targeted marketing to special needs populations, as described above. In conducting targeted marketing, The John Stewart Company, PATH Ventures, and the Pacific Companies will follow all applicable fair housing and non-discrimination legislation and regulations.