

## SCREENING PROCESS

The application is processed in the following order; and, if rejected at any point, further processing is not necessary:

1. Determination if applicant meets the **Eligibility Criteria** set forth below.
2. Determination if applicant meets the **Occupancy Standards** set forth below.
3. Determination if applicant meets the **Lease Compliance Standards** set forth below.

Screening should begin after an applicant has submitted a substantially complete application (RS-1hr), been placed on the Waiting List, had a preference code assigned and been notified for their placement (RS-30hr – Notice of Status of Application).

Before the final phase of the application process, the Property Manager should review the application for all pertinent information. The applicant should then be contacted in order to complete the final part of the application and screening process. Submission of required documentation must be provided as explained below. Household members must sign and complete all declarations, consents and all other appropriate income, asset, allowance and deduction verification forms and releases.

### Eligibility Criteria:

In order to be considered for occupancy, applicants must meet the eligibility criteria as set forth below: (Reference: The USDA-RD 3560 Handbook 2, Chapter 6.)

1. The applicant is a single person or is part of a household whose head of household is at least 18 years of age, or has been emancipated (see definition below); and,
2. Any applicant applying for housing units with special accessibility features must be able to provide third party documentation of need for such a unit. (*Regional Property Supervisor will approve the documentation.*)
3. The applicant's household annual income must not exceed the appropriate USDA-RD income limit (as set forth by the appropriate published annual income limits).
4. Family housing may be occupied by any combination of elderly, non-elderly, disabled, non-disabled, persons with or without familial status that meet the "Occupancy Standards" listed below.
5. Elderly housing must be occupied by residents who are elderly or disabled: but not at the exclusion of children included in such households, and that meet the "Occupancy Standards" listed below.

6. The applicant must agree to pay the rent required by the USDA-RD program under which the household will be receiving assistance.

### Emancipation:

State statute declares that anyone under the age of 18 is a minor. A person under the age of 18 may be considered legally emancipated by one of the following:

- Current or prior lawful marriage
- Active duty in the armed forces of the United States of America
- Valid emancipation court order

### **Occupancy Standards:**

The following standards apply in determining the size apartment for which an applicant household will qualify at the time of move-in.

Bedroom Size	Minimum	Maximum
0	1	2
1	1	3
2	2	5
3	3	7
4	4	9

Applicants will be placed on the Waiting List for the unit size they have requested and will meet the occupancy standards.

An applicant will be deemed **not** to meet the occupancy standards if the total number of persons in the household exceeds the maximum number of persons permitted by the Occupancy Standard in the largest unit on the property.

### Lease Compliance Standards:

All applicants found to meet the “Eligibility Criteria” and “Occupancy Standards” will next be screened as to their ability and willingness to comply with the lease (Rental Agreement). The purpose of this screening process is to identify those otherwise qualified applicants whose past record would indicate that they are unlikely to comply with the terms of their lease if they are provided housing. The “Lease Compliance Standards” are as follows:

- Will the applicant pay rent and other housing obligations in a timely manner (not applicable to Live-in Aide or Attendant); and,

- Will the applicant maintain an apartment, including common areas, in a safe, decent and sanitary condition; and,
- Will the applicant respect the rights and quiet enjoyment of other residents; and,
- Will the applicant report all changes in income and household composition in a timely and accurate manner (not applicable to Live-in Aide or Attendant); and,
- Will the applicant comply with the requirement that only persons who are on the lease may live in the unit, and,
- Will the applicant refrain from damaging the property of the Owner and other residents; and,
- Will the applicant refrain from committing criminal acts on or off the property.

#### Leasing Compliance Screening Criteria:

Management is currently using the “ONESITE Screening Module” to screen applicants for housing. The ONESITE Screening Module has been set to follow the guidelines under this “Screening Process” policy that is a part of the “Resident Selection Policy”. *Please see the ONESITE Rental Criteria Checklist attached to/following this policy.*

Determination as to whether an applicant meets the “Lease Compliance Standards” is based on information obtained from the following sources:

- Housing Provider Questionnaire Form (RS-4) – Property Managers will be responsible to complete a Housing Questionnaire for each adult household member age 18 years or older listed on the application, including emancipated minors and Live-in Aides at his/her most current address. Should the current Housing Provider be related to the applicant, or the rental history is of less than six (6) months duration, one (1) more rental screening from the second most recent Housing provider will be needed. Exception: This will not apply if the applicant has always lived with his/her parents or relatives.
- Credit Report – Property Managers will be responsible for obtaining a credit report on each applicant household member aged 18 years and older, through the service company specified by Management. Credit reports are valid for **60** days.
- Criminal Records – Property Managers will be responsible for obtaining a criminal background check on each applicant head of household, each household member aged 18 years and older or an emancipated minor, and each Live-in Aide or Attendant through the company specified by Management. If persons under 18 years of age living in the household have a criminal

background, the parents or legal guardian will be responsible to divulge this information to Management. Management can reject the household based on the juvenile criminal history as well. If an applicant has lived out-of-state during the last **five** years, police reports are required from each state in which any adult member of the household has resided during the last **five** years. Again, parents or legal guardians must divulge this information for persons age 18 years and younger. Police reports are valid for **90** days.

- National and State Sex Offender Registry Agencies – Property Managers will be responsible for obtaining a background check from the National and State Sex Offenders Registry Agencies for each applicant head of household, each household member aged 18 years and older or an emancipated minor, and each Live-in Aide or Attendant through the service company specified by Management. If an applicant has lived out of state, this information will be required from each state in which any adult member of the household has resided.

This information will be obtained from the parents or legal guardians of persons under 18 years of age.

7. An applicant who certifies that they are the victim of domestic violence would be allowed to be admitted – even with poor credit and/or poor landlord evaluations – if they can show that the cause of these negative factors was domestic violence, dating violence, sexual assault or stalking. Please refer to the “Violence Against Women (VAWA) Policy” and the “Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault or Stalking” policies.

Where someone is abusive to other members of the household, only the abuser may be denied or evicted.

Residents in assisted housing facing threat of domestic violence, dating violence, sexual assault or stalking or threat of such violence can be allowed early lease termination for a matter of safety.

8. The applicant’s household is eligible for assistance only if the unit will be the household’s **only** place of residence. The Owner ***must not provide*** assistance to applicants who will maintain a residence in addition to the USDA-RD assisted unit.

The applicant will be deemed to **not** meet the “Lease Compliance Standards” if one or more of the following are true:

1. If prior and current housing screenings show that any adult in the applicant household was evicted, or had eviction proceedings brought against him/her; was evicted for drug related criminal activity within three (3) years from the eviction; removed or abused property; was a nuisance (noise, pets, rampant children, etc.);

had a repeated history of late payments during residency\*\*; still owes an amount\*\*; violated the lease in any other significant way; or failed to meet any other financial obligations of the housing provider. (Rental obligations do not apply to Live-in Aides or Attendants.) (\*\*Refer to paragraph #2 below for more information.)

2. At least **one** adult household member must **pass** the **credit** history evaluation. (This does not apply to Live-in Aide or Attendant). Credit reports must be evaluated on the following guidelines:
  1. Each credit report shall be evaluated on a **pass or fail** basis.
  2. Evaluation (pass or fail) will be made by an independent credit screening company to be chosen by the Regional Property Supervisor.
  3. CRITICAL TEST: If the credit report(s) shows that **any** adult head of household has a positive credit rating of **500 or above**, the applicant shall be considered to **pass**.
  4. If the credit rating for the household is **below 500, is stated as insufficient credit or no credit**, the household shall be considered to **fail**.

Failed credit can be overcome by a decision of the Regional Property Supervisor in writing, in one or more of the following ways:

- Having an approved rent guarantor sign a Guarantor of Lease Application (RS-6), pass a credit screening and sign an addendum (RA-5) to the applicant's lease. See Guarantor(s) of Lease section below; or,
  - In cases where a head of household has previously begun to receive rental assistance, and the person's credit became acceptable (pass criteria above) after having received rental assistance; or,
  - The household will begin receiving USDA-RD Rental Assistance (if applicable to unit) with this occupancy.
3. *Insufficiency of Income (Does not apply to USDA Rental Assistance or Public Housing Authority Housing Choice Voucher applicants. It also does not apply to Live-in Aides or Attendants.)*

If the household income is insufficient to pay the rental amount. In order to show income sufficiency; the total income and resources of the household must be sufficient to meet all other needs of the household in addition to paying the proposed monthly rent. This is determined as follows:

- Where the applicant's estimated rent will exceed 50% of the household's gross income, his/her income will be considered to be insufficient unless one of the following is true:
  - (1) A monthly budget showing all income and expenses must show sufficient income to pay rent. Determination of household expenses can be obtained from credit reports, applicant, bank records, etc. (Form TC-32r should be used as a guide.)
  - (2) The applicant has at his/her current income level, established and met a recent payment record where the rental amount was equal to, or greater than the proposed rental amount at this property for a period of **three months**.

Insufficiency of income can be overcome by having an approved rent guarantor sign a Guarantor of Lease Application (RS-6), pass a credit screening and sign an addendum to the applicant's lease. See Guarantor(s) of Lease section below.

4. If any household member (including juveniles) is a *current user of illegal drugs* or there is "*reasonable cause*" to believe a household member's use or pattern of use of illegal drugs or alcohol abuse interferes with the health, safety or right to peaceful enjoyment of the premises by other residents. Examples for determining *current illegal use* and reasonable cause include:
  - Discovery of controlled substances or drug paraphernalia or evidence of drug manufacture in a residence occupied by any member of the household.
  - Conviction of any household member for any drug-related crime.
  - Repeated disturbances caused by alcohol abuse. A determination made by a previous landlord that a household member's abuse or pattern of abuse of alcohol threatens the health and safety or right to peaceful enjoyment of the premises by other residents.
  - Statements from qualified professionals knowledgeable of the applicant, or any household member, or credible statements from other third parties such as landlords.

When rejecting such an application, the applicant must be given an opportunity to demonstrate that the household member is not a *current abuser of alcohol* or a *current illegal user of drugs* by introducing verifiable, written evidence of rehabilitation.

5. The applicant's household includes a member (including juveniles) who has been **convicted** (as defined below) of:

- Within the past **two** (2) years: Misdemeanors against persons or property of another such as vandalism, graffiti, malicious mischief, etc.
  - Within the past **ten** years: violent criminal activity involving the actual or threatened use of physical force against another person, including but not limited to battery, any illegal drug related activity (including sale, distribution, manufacture, possession, or use of a controlled substance); or any other felony such as burglary, receiving stolen merchandise, simple assault, disorderly conduct; etc.
  - Within a lifetime: murder, rape, child molestation, kidnapping, armed robbery, or any felony involving a firearm/weapon, and sex offenders who are subject to registration requirements under any state offender program.
  - Within five (5) years of the application date: An ongoing or concluded incarceration, work release, parole or probation resulting from the conviction.
6. An applicant may be denied admission if the criminal background report indicates that the applicant provided false information during the screening process. Once the determination to deny the applicant has been made, the following will occur:
- The applicant must be notified of the proposed denial of admission.
  - The subject of the record and the applicant must be provided with a copy of the information the action is based upon.
  - The applicant will be provided the opportunity to dispute the accuracy and relevance of the information obtained from any law enforcement agency.
7. If the applicant's household includes a member whose past actions indicate that one or more of the Lease Compliance Standards will not be met.

Accommodation for addicts or mentally disturbed:

If an application is rejected for any of the above reasons and the applicant claims to have been addicted to a substance or mentally disabled/ill at that time, he or she must then be given an opportunity to present mitigating circumstances. Since these are protected *individuals* under the Fair Housing laws, an opportunity to demonstrate that a reasonable accommodation by Management would allow the applicant to be an acceptable resident.

**It is up to the applicant to tell the Property Manager that he or she deserves or wants reasonable accommodation, otherwise the rejection stands and no accommodation is given.**

Whenever you are dealing with an alcoholic, drug addict or a person with a mental disability, you can hold them to the same standard of behavior and use the same

resident screening criteria that you would persons who don't have a disability even if the objectionable conduct is caused by the disabling condition.

If the applicant or household member has a history of abusive behavior toward other residents, you can deny the application even though the behavior is the result of mental illness. Similarly, if a resident violates the terms of his/her lease, he/she can be evicted even though the violation was the result of mental illness. Generally, if the objectionable behavior appears to be of a continuing or recurring nature, you should use this as a basis for denying the application. Examples of these would include bad credit history, repeated late payment of rent, and interference with the quiet enjoyment of other residents.

On the other hand, if you have reasonable assurance that the problem which would ordinarily require denial was an isolated incident, which is not likely to recur, and the applicant's or household member's history is otherwise acceptable, you should take mitigating circumstances into account and accept such an applicant/household member.

An example of this situation would be where a person had been unexpectedly institutionalized for addiction or mental illness, which caused him/her to be temporarily late in making his/her payments, but the person had an otherwise good credit history. If the institutionalization was not unexpected, the applicant should have made provision for the timely payment of his/her obligations.

Guarantor(s) of Lease: (Insufficient *income* does not apply to USDA Rental Assistance or Public Housing Authority Housing Choice voucher applicants.)

If an application is denied because of insufficient income or failed credit, the application will be reconsidered by the Regional Property Supervisor in the event that a qualified Guarantor(s) of Lease is found. A Guarantor(s) of Lease will be considered qualified if he/she meets all of the following requirements:

1. Completes Guarantor of Lease Application (form RS-6) and provides required income and credit (payment history) verifications.
2. Meets the screening criteria with regard to credit evaluation for applicants.
3. Is buying a home, owns a home, or has an executed lease agreement at current residence and was not late on payments more than once in each year of residency.
4. Debt ratio not to exceed 50% of their gross income.
5. Signs an RA-6 "Guarantor of Lease" addendum to the applicant's lease which guarantees that rent will be paid in a timely manner on the leased unit.



**Denials or Rejections of Applications:**

Property Managers will be responsible for obtaining the information above. In cases where a denial or rejection may be indicated, the Property Manager will contact the Regional Property Supervisor regarding **“Occupancy Standards”** and/or **“Lease Compliance Standards”** screenings, or, the Occupancy Compliance Supervisor regarding **“Eligibility Criteria”**.

Once the denial or rejection has been reviewed, the Regional Property Supervisor or the Compliance Supervisor, as relevant, will give his/her decision in writing and return the information to the Property Manager.

The Property Manager will issue a “Notice of Status of Application” (form RS-30) to the applicant that will state the reason for the rejection. All written responses from the Regional Property Supervisor or the Compliance Supervisor will be placed in the applicant’s file for reference.

Applicants have the right to respond to the “Notice” in writing or request a meeting within 10 days of receipt of the letter to dispute the rejection. Persons with disabilities have the right to request reasonable accommodations to participate in the informal hearing process.

Should the rejection be challenged by the applicant the Regional Vice-President or his designated agent will review the information. Within 5 business days of the Regional Vice-President’s response or meeting, the applicant will be sent a written notice of the final decision on eligibility for housing.