



Covenant Place

Tenant Selection Plan

St. Louis, Missouri

Section Eight Program
Low Income Housing Tax Credit
HOME



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1. PROJECT DESCRIPTION & MISSION

Covenant Place I, LLC (101 units), Covenant Place II, LLC (102 units), and Covenant Place III, LLC (155 units) are located in St. Louis County, Missouri. These properties will be referred to as **Covenant Place** in this document. The purpose of these equal opportunity housing facilities is to provide affordable housing for very low and extremely low-income elderly individuals and families through the **Project Based Section 8, Section 42 LIHTC, HOME, and AHAP programs**.

Availability and Modification of Plan:

This plan is available to the public upon request. The tenant selection plan will be reviewed at least once annually or when there is a change in HUD regulations to ensure it reflects current operating practices, program priorities, and HUD requirements. Applicants on the wait list will receive notice via mail if modifications to this plan have been made.

2. GENERAL INFORMATION

- 1. FAIR HOUSING:** Residency at **Covenant Place** is open to all qualified, eligible, elderly persons (62 years +) in accordance with the **Fair Housing Act** and **HUD** which prohibits discrimination in housing and housing related transactions based on race, color, religion, sex, national origin, disability and familial status. Residency is also in accordance with **Title VI of the Civil Rights Act of 1964** that prohibits discrimination on the basis of race, color, or national origin in any program or activity receiving federal financial assistance from **HUD**. Furthermore, residency is open to all qualified eligible persons covered under HUD's protected classes of sexual orientation, gender identity, and marital status and in accordance with any State recognized protected classes. Finally, **Section 504 of the Rehabilitation Act of 1973** prohibits discrimination on the basis of disability in any program or activity receiving federal financial assistance from **HUD**. All interested persons, applicants, tenants and the general public will be given information on LEP (Limited English Proficiency) and asked if they need any translation assistance.
- 2. REASONABLE ACCOMMODATION:** In keeping with **Section 504 of the Rehabilitation Act of 1973**, **Covenant Place Apartments** will make "reasonable accommodations" including reasonable modifications for individuals whose disabilities so require, in accordance with **HUD** regulations and management policies. This includes the application process and residency period. For more information on reasonable accommodations please refer to management's **Section 504 Compliance Policy**, Appendix I) or the site's Section 504 Coordinator.
- 3. APPLICANT/TENANT RESPONSIBILITIES:** A person, in order to be a tenant at **Covenant Place** must be capable of fulfilling all lease requirements. This means that all applicants must be able to meet all of his/her personal needs and be able to fulfill all lease obligations with or without assistance. **Covenant Place** does not provide, and does not have the authority to provide, any personal services, medical care or supervisory services. **Covenant Place** does not provide any assistance with personal activities of daily living. Should such assistance be needed by a resident, management will provide any applicant or tenant with a list of third party "providers" who deliver assistive living services in the community.
- 4. ELIGIBILITY:** All potentially eligible, qualified applicants will be considered in accordance with the marketing procedures of **HUD**. All applicants must comply with any applicable admissions requirements in **HUD Handbooks**.

5. **INCOME LIMITS:** The local **HUD Section 8 Income Limits** apply to **Covenant Place** and thus applicants must meet specific income restrictions to be eligible for tenancy at **Covenant Place**. This facility will house extremely low income and very low income elderly individuals and families, per program requirements. **HUD** updates Income Limits on an annual basis.
6. **Covenant Place** reserves the right to alter the **Covenant Place Tenant Selection Plan** at any time. In such an event, management will provide applicants and residents with ample notice.

3. OCCUPANCY STANDARDS

1. OCCUPANCY STANDARDS

Minimum of one person is allowed for a one-bedroom unit; maximum of two persons are allowed for a one-bedroom unit.

4. PREFERENCES

- Current **Covenant Place** residents who are displaced from their unit due to rehabilitation and/or construction will be given priority over applicants.
- **Covenant Place** residents who have been displaced from their unit due to rehabilitation of their unit will have the option to return to the newly rehabilitated unit/building ahead of applicants.
- Current **Covenant Place** residents who are under the age of 62 and have been displaced due to rehabilitation and/or construction will be grandfathered and given priority over applicants
- Current **Covenant Place** residents who are under the age of 62 and have been displaced due to the rehabilitation and/or construction will be grandfathered and have the option to return to newly rehabilitated building ahead of applicants.

5. GENERAL ADMISSIONS

APPLICATION PROCESS: You have applied to live in an apartment that is governed by HUD (Project Based Section 8) and the Section 42 Low Income Housing Tax Credit program (LIHTC). This program requires us to certify all of your income sources and the value of your eligible assets as part of determining your household's eligibility. We must determine this prior to granting you eligibility and, if such eligibility is granted, each subsequent year you remain in the apartment, you must be recertified.

Since apartments are part of the HUD Project Based Section 8 and LIHTC programs, there are income guidelines that must be followed first and foremost to determine eligibility to live in the Covenant Place apartment community. These income guidelines are set by federal and state agencies and can be confirmed from those sources.

- In addition, the LIHTC program does not allow full-time students, even if the student qualifies as a low income resident, unless certain criteria are met.
- Married individuals living apart must provide documentation showing if a spouse is permanently or temporarily absent.

- It is our policy to thoroughly investigate everyone submitting an application to the Covenant Place apartment community. Each resident living in the community must qualify on his/her individual ability.
- Your application will be forwarded to a professional credit reporting company. The information discovered by the reporting agency will be furnished to us and will be an important part of our approval process.

6. RESIDENCY REQUIREMENTS

The following items may be considered when processing your application:

- Applicants must be 62 years of age or older. Each occupant is required to complete an application.
- Each applicant must have verifiable, satisfactory rental or mortgage payment history with no history of evictions, lease violations or more than two late payments in any 12-month period. Additionally, applicants with no rental or mortgage history may still apply.
- Each applicant must have provide a social security number and photo identification.

7. SOCIAL SECURITY NUMBER DISCLOSURE REQUIREMENTS

Each household member, receiving HUD housing assistance or applying to HUD housing assistance are required to provide a Social Security Number and adequate documentation necessary to verify that number. This rule applies to all household members including live-in aids, foster children and foster adults. Adequate documentation includes a Social Security card issued by the Social Security Administration (SSA) or other acceptable evidence of the SSN such as:

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

If the applicant cannot provide any of the above, the applicant will advise the owner/agent. The owner/agent may accept self-certification of SSN *and* at least one third-party document, such as a bank statement, utility or cell phone bill, benefit letter, etc., that contains the name of the individual. *When none of the other accepted methods is available and if verifying an individual's SSN using this method, the owner/agent must document why the other SSN documentation was not available. If the resident's SSN becomes verified in HUD's Enterprise Income Verification System (EIV), then no further verification is required. If the resident's SSN fails the SSA identity match, then the owner/agent must obtain a valid SSN card issued by the SSA or an original document issued by a federal or state government agency that contains the name of the individual and the SSN of the individual, along with other identifying*

information of the individual. The resident family's assistance must be terminated if any member fails to provide the required documentation (some exceptions apply).

Exceptions to Disclosure of Social Security Number

The Social Security Number requirements do not apply to:

1. Individuals age 62 or older as of January 31, 2010, whose initial determination of eligibility was begun before January 31, 2010.
2. Individuals who do not contend eligible immigration status.
3. A child under the age of 6 years added to the applicant family within the 6-month period prior to the household's date of admission. The household will have a maximum of 90-days after the date of admission to provide the Social Security Number and adequate documentation that the Social Security Number is valid. An additional 90 days may be granted under certain circumstances. If the household does not provide the Social Security Number and adequate documentation to verify the Social Security Number within the prescribed timeframe, HUD requires that the owner/agent terminate tenancy.
4. A minor under the age of 6 years being added to the household after move-in. The household will have a maximum of 90-days after adding the child to provide the Social Security Number and adequate documentation that the Social Security Number is valid. An additional 90 days may be granted under certain circumstances. If the household does not provide the Social Security Number and adequate documentation to verify the Social Security Number within the prescribed timeframe, HUD requires that the owner/agent terminate tenancy.
5. Foster children or adults when:
 - The foster agency will not provide the SSN or adequate documentation to verify the SSN; and
 - HUD approves.

If, at the time a unit becomes available, all non-exempt household members have not provided adequate documentation necessary to verify Social Security Numbers, the next eligible applicant family must be offered the available unit.

All non-exempt household members have ninety (90) days-from the date they are first notified that a unit is available-to provide documentation necessary to verify the Social Security Numbers. During this 90-day period, the household may retain its place on the waiting list but will not be considered again until the required documentation is provided.

If, after ninety (90) days, the applicant family is unable to disclose/verify the Social Security Numbers of all non-exempt household members, the household will be determined ineligible and removed from the waiting list.

The applicant family may apply again, after obtaining the appropriate documentation. The applicant family will be placed on the waiting list based on the date and time the **new** Pre-Application or Application is received.

Secondary Verification of the Social Security Number

The Social Security Number provided will be compared to the information recorded in the Social Security Administration database through HUD's Enterprise Income Verification System (EIV) to ensure that the Social Security Number, birth date and last name match.

If EIV returns an error that cannot be explained or resolved, assistance and/or tenancy may be terminated and any improper payment must be returned to HUD.

If an applicant/resident deliberately provides an inaccurate Social Security Number, the owner/agent and/or HUD may pursue additional penalties due to attempted fraud.

8. PHOTO IDENTIFICATION

- Acceptable forms of photo identification are State-Issued Driver's License, State-Issued ID and any Government issued ID. No other forms of identification are acceptable.

9. PROOF OF CITIZENSHIP

- Proof of citizenship may be required and each household member must provide U.S. Passport or Naturalization citizenship. An applicant who is not a U.S. Citizen must also provide current alien registration card, green card, permanent residency card or proof of asylum.
 1. Assistance in subsidized housing restricted to the following:
 - a) U.S. citizens or nationals; and
 - b) Non-citizens that have eligible immigration status
 2. All applicants for assistance must be given notice of the requirement to submit evidence of citizenship or eligible immigration status at the time of application. The entity responsible for receiving the documentation, where possible, must arrange to provide the notice in a language that is understood by the individual if the person is not proficient in English.
 3. All family members, regardless of age, must declare their citizenship or immigration status. Noncitizens (except those age 62 and older) must sign a Verification Consent Form and submit documentation of their status or sign a declaration that they do not claim to have eligible status. Noncitizens age 62 and older must sign a declaration of eligible immigration status and provide a proof of age document. U.S. citizens must sign a declaration of citizenship. Owners may establish a policy of requiring additional proof of citizenship for those declaring to be U.S. citizens or nationals.
 4. A mixed family—a family with one or more ineligible family members and one or more eligible family members—may receive prorated assistance, continued assistance, or a temporary deferral of termination of assistance.
 5. Applicants who hold a noncitizen student visa are ineligible for assistance as are any noncitizen family members living with the student.
- Applicant must complete all required paperwork in a true, complete and accurate manner and supply written documentation of household income and asset information that is less than 120 days old, to substantiate the information provided.

- Applicant Household Income may not exceed the maximum Median Income Limits established by the Department of Housing & Urban Development (HUD) and Missouri Housing Development Commission (MHDC) for family size and income percentages, or any agency that may govern, if applying for Section 42 LIHTC Apartment rental

10. DEPOSITS

- A security deposit equal to the Total Tenant Payment will be due, prior to move in.

11. PROCEDURES FOR APPLYING FOR HOUSING

1. **APPLICATION PROCEDURE:** All persons/families interested in applying for housing at **Covenant Place** must complete an “eligibility questionnaire to be placed on the “wait list”. Eligibility questionnaires may be picked up at the Management Office located at **8 Millstone Campus Drive, Suite 2000, St Louis, MO 63146** between the hours of 8:30 AM and 5:00 PM, Monday through Friday or downloaded from our website: www.covenantplacestl.org. Requests for an “eligibility questionnaire” to be sent through the mail may be made by writing to the above address or by telephoning **(314) 432-1610** during the above business hours or the Missouri state TTY number, **(800) 735-2966**. Eligibility questionnaires should be returned during business hours in person or via first class mail. Allowances will be made for persons with disabilities or who live out-of-state. Eligibility questionnaires will be date and time stamped and applicants will enter the Waiting List in the chronological order of receipt.
2. **APPLICANT ASSISTANCE:** In the event the applicant is personally unable to complete the form, the applicant must provide the information to someone assisting in completing the form. The applicant must sign the form.
3. **INITIAL ELIGIBILITY REVIEW:** Upon receipt of the original application, the application is preliminarily reviewed. The initial review will be for application completeness, to make sure that the application is legible and to initially determine if the applicant appears to qualify for the Project-Based **Section 8 Program**. **This in no way means that an applicant qualifies, or is eligible.** Eligibility can be confirmed only after all items which may have any bearing on the rent that the applicant may pay or subsidy he/she may receive are verified: income, assets, family composition, etc. The applicant must be determined eligible to be offered housing. **Failure to meet for an interview or contact Covenant Place will cause the removal of the application from the Waiting List.**

12. WAITING LIST

1. **WAITING LIST PLACEMENT:** Any applicant who appears to qualify after **Covenant Place** reviews the application, but before any information is formally verified, and for whom a unit is not currently available, will be placed on the Waiting List. All received applications are date and time stamped, entering the Waiting List in the chronological order of receipt. Separate Waiting Lists are maintained for all apartments at **Covenant Place I, II & III**; Waiting Lists include identification of the need for units architecturally designed for accessibility. The applicant is informed of the approximate wait

for a unit and/or placement position on the Waiting List. It is the applicant's responsibility to report changes on the application, including contact information to **Covenant Place** in a timely fashion.

2. **ELIGIBILITY:** Applicants who are placed on the Waiting List are apparently eligible at the time of application, based on local applicable income limits as published annually in the Federal Register and information provided by the applicant. Verifications of income and other eligibility factors are only conducted at the time the applicant is called in for an interview and prior to move-in. **Being placed on the waiting list does not guarantee that an applicant will be deemed qualified for an apartment, as that determination can only be made after all screening and verification has been completed.**
3. **INCOMPLETE APPLICATIONS:** Applications cannot be accepted if not filled in completely. The applicant must be advised, by mail, that the application is incomplete and request the required information. White-out must not be used on applications. If the applicant is hand-delivered, it will be reviewed while the applicant is present to ensure it is complete.
4. **APPLICANT RESPONSIBILITIES FOR INFORMATION UPDATES:** Any applicant on the Waiting List is required to contact **Covenant Place** in writing every twelve (12) months if the applicant decides to remain on the Waiting List. **NO PHONE CALLS.** Failure to do so will result in the removal of the application from the Waiting List. Contact may be initiated by **Covenant Place** in the form of a routine letter, sent to all applicants on the Waiting List, requesting (1) update information, (2) asking if they wish to remain on the Waiting List and (3) stating that if the letter is not responded to within fourteen (14) days, their name will be removed from the Waiting List without further notice.
5. **WAITING LIST STATUS:** Any applicant on the Waiting List can inquire about their status on the wait list by telephoning (314) 432-1610 during business hours or visit our website at **covenantplacestl.org** to check QR code provided to waitlist applicants.
6. **REMOVAL OF NAMES FROM THE WAITING LIST:** Applicant names will be removed from the Waiting List for any of the following reasons:
 - a) The applicant no longer meets the eligibility requirements for the property or program;
 - b) The applicant fails to contact **Covenant Place** in writing every twelve (12) months to indicate their interest in retaining his /her placement on the Waiting List;
 - c) The applicant fails to respond to a written notice within the required time frame;
 - d) The applicant does not comply to the verification process in a timely manner;
 - e) The applicant does not provide the required documentation in a timely manner;
 - f) The applicant fails to sign any and all documents in a timely way, up to and including the lease;
 - g) The applicant is offered an apartment and rejects the offer the first time;
 - h) Mail sent to the applicant's address is returned as undeliverable, unclaimed or not forwarded;
 - i) The apartment that is needed – using family size as the basis - changes, and no appropriate size unit exists in the property;
 - j) The applicant requests removal from the Waiting List;
 - k) The applicant cancels their interest and decides not to proceed with the processing of the application.
7. **WAITING LIST CLOSURES:** The Waiting List may be closed to any further applicants, when the average wait for any apartment type exceeds one (1) year. Management will advise potential applicants of the closure of the Waiting List and refusal to take additional applications. Waitlist closures are announced with waitlist openings.

8. **WAITING LIST OPENINGS:** When opening the Waiting List, Management will notify everyone on the waitlist of any potential opening of the list(s) with a flyer with information of when the waitlist will open and close. Waiting List openings/closures are advertised in a few of the local newspapers.
9. **REFUSAL OF AN OFFERED APARTMENT:** If an applicant on the Waiting List is offered an apartment and refuses the offered apartment (first offer), the application is removed from the Waiting List. The applicant may reapply in the future, at a time that new applications are being taken.

13. EXTREMELY LOW INCOME (ELI) PROCEDURES

1. **INCOME TARGETING REQUIREMENTS (SECTION 8 UNITS ONLY):** If management determines that the **Covenant Place** Waiting List, maintained in standard chronological order, may not (or will not) achieve the admissions necessary to meet the HUD income-targeting requirements, then management must implement procedures that will ensure compliance.
2. **INCOME TARGETING REQUIREMENT PROCEDURE:** Management will implement the procedure of alternating between the first extremely low-income (ELI) applicant on the Waiting List and the applicant at the top of the Waiting List if necessary to obtain adequate low income families. To implement this method, management will select the first extremely low-income applicant on the Waiting List (which may mean "skipping over" some applicants with higher incomes) for the available unit, and then select the next eligible applicant currently at the top of the Waiting List (regardless of income level) for the next available unit. As subsequent units become available, tenant selection continues to alternate between the next extremely low-income applicant and the eligible applicant at the top of the Waiting List so that the annual 40% target is always reached.

14. INTERVIEWS

1. **A FORMAL INTERVIEW:** After an application is submitted, if the applicant is determined to be eligible, a formal interview will be scheduled when their name comes to the top of the wait list. At the time the applicant is interviewed, all items on the application will be discussed and confirmed, and verification forms will be signed by the applicant authorizing management to verify all of these issues/items. Until all items are verified, eligibility cannot be determined, nor any housing offered. Management must make an attempt to verify all factors with "third party" written verification, as per **HUD Regulations and Procedures**.

15. CONSENT AND VERIFICATION FORMS

Currently, all adult applicants must sign HUD's 9887 and 9887A before being admitted to the housing program and at each Annual Recertification.

Starting the later of January 1, 2024 or when HUD releases an updated 9887, all applicants must sign HUD's consent forms at admission. After an applicant or resident has signed and submitted these consent forms, they do not need to sign and submit subsequent consent forms except under the following circumstances:

- When a new member is added to the unit if:
 - The new member is 18 years of age or older, or
 - The new member is the HOH, co-HOH/spouse regardless of age;

- When a member of the family turns 18 years of age;
- If the family's assistance is terminated and the family wishes to reinstate housing assistance; and
- As required by HUD in administrative instructions.

These consent forms contain provisions authorizing HUD and owner/agent to obtain necessary information for verification of an application or to maintain a family's assistance, including income information and tax return information.

The executed consent forms will remain effective until the family is denied assistance, or the assistance is terminated. If a family leaves a HUD program (moves-out), the family's assistance is considered to be terminated and the signed consent forms will no longer be in effect.

Any adult member of the family may provide written notification to the owner/agent to revoke consent. Doing so makes the family ineligible and housing assistance will be terminated immediately. Termination will be completed in accordance with the HUD lease and HUD guidance. The resident will be provided with a 30-Day Notice of Rent Increase as required.

If, subsequently, the family wishes to reapply for assistance, and when such assistance is available, the HOH, co-HOH/spouse and all adult members will be required to submit the signed 9887/9887A documents with any documentation required to determine eligibility. Failure to do so will result in denial of assistance under HUD's program rules.

16. VERIFICATION

The owner/agent shall obtain verifications in compliance with requirements set forth by the Department of Housing and Urban Development. After the preliminary eligibility determination, no decision to approve an application shall be made until information provided on the application form and during subsequent interviews has been collected and any necessary follow-up interviews have been performed.

All information must be verified as required by HUD and described in these procedures.

17. METHODS OF VERIFICATION

Verifications are as follows:

1. **Means-tested Verification (also known as Safe Harbor).** The owner/agent will not accept Means-tested (Safe Harbor) Verification
2. **Upfront Income Verification (UIV)** using HUD's Enterprise Verification (EIV) system (EIV may be used as the sole verification of Social Security income);
3. **Upfront Income Verification (UIV)** using non-EIV resources (e.g. Work Number, web-based state benefits system, etc.);
4. **Written, third-party verification from the source, also known as "tenant provided verification"**. An original or authentic document generated by a third-party source dated within 120 days of the date received by the owner/agent. (e.g., resident provided bank statement). For fixed-income sources, a statement for the appropriate benefit year is acceptable documentation.

Owner/agents may also accept third-party verification directly from the verification source. For example, owner/agents may (but are not required to) obtain verification of disability directly from a medical care provider (e.g., physician, physical therapist, etc.) or may accept a letter provided by the provider to the resident;

5. **EIV with Self-Certification** (Employment or Unemployment Income) The EIV Income Report may be used to verify and calculate income if the family self-certifies that the amount is accurate and representative of current income. The family will be provided with the information from EIV.

6. **A written Third-party Verification Form** (as appropriate);

7. **Oral Verification.** When verifying information over the telephone or via the internet, it is important to be certain that the person is the party he or she claims to be. When verifying information by phone, the owner must record and include in the tenant's file the following information:

- a. Third-party's name, position, and contact information;
- b. Information reported by the third party;
- c. Name of the person who conducted the telephone/internet interview; and
- d. Date and time of the call.

8. **Family Self-Certification.** In the absence of any of the above or as provided in HUD guidance, notarized or witnessed self-certification from the household member (*the owner/agent is not required to accept family/self-certification*). Except when accepted based on HUD guidance (e.g., Streamlining, Assets Disposed, etc.), when the owner/agent accepts Family Self-Certification, the tenant file will be documented, when appropriate, to show that staff attempted other acceptable verification before relying on family self-certification.

18. STREAMLINED DETERMINATION OF FIXED INCOME, VERIFICATION OF ASSETS AND CERTIFICATION FOR FIXED INCOME FAMILIES

Streamlined Determination of Fixed Income

The owner/agent will not adopt Streamlined Determination of Fixed Income except for January – April certifications. Once the SS COLA is announced, the SS COLA will be applied for any certifications, for the award year, that were not complete on the date of the announcement.

Streamlined Verification of Assets When the Net Cash Value of Assets Is At Or Below The Current Asset Threshold Established By HUD

The owner/agent will not adopt Streamlined Verification of Assets.

The owner/agent will not accept Self-certification of Assets at move-in.

Streamlined Certification for Fixed Income Families

The owner/agent will not implement Streamlined Certification for Fixed Income Families.

19. DETERMINATION OF ADJUSTED INCOME

When determining Adjusted Income, the owner/agent will use HUD methods to determine Annual Income for the entire family. After Annual Income is determined, the owner/agent will apply the following deductions as applicable:

- The Elderly/Disabled Family Deduction;

- The Health & Medical Expense Deduction (Medical Expenses in excess of 10% of Annual Income);
- The Attendant Care & Auxiliary Apparatus Deduction.

ELDERLY/DISABLED FAMILY DEDUCTION

For each family where the HOH, co-HOH or spouse is 62 or older or is disabled, HUD provides an annual family allowance. HUD may adjust this amount annually.

THE HEALTH & MEDICAL EXPENSE DEDUCTION

The medical expense deduction is permitted only for families in which the head, spouse, or co-head is at least 62 years old or is a person with disabilities (elderly or disabled families).

If the family is eligible for a medical expense deduction, owners must include the unreimbursed medical expenses of all family members, including the expenses of non-elderly family members (adults or children) living in unit. The Medical Expense Deduction is that portion of total unreimbursed medical expenses that exceed 10% of the family's Annual Income.

The Medical Expense Deduction includes all out-of-pocket expenses the family anticipates to incur during the 12 months following the certification effective date.

THE ATTENDANT CARE & AUXILIARY APPARATUS EXPENSE DEDUCTION

The Attendant Care & Auxiliary Apparatus Expense Deduction is that portion of total unreimbursed medical expenses that exceed 10% of the family's Annual Income.

The Attendant Care & Auxiliary Apparatus Expense Deduction includes all out-of-pocket expenses the family anticipates to incur during the 12 months following the certification effective date.

HARDSHIP EXEMPTIONS – HEALTH & MEDICAL EXPENSE DEDUCTION AND THE ATTENDANT CARE & AUXILIARY APPARATUS DEDUCTION

For existing residents, who were receiving assistance as of 1/1/2024 and whose assistance calculation included a Medical Expense Deduction or a Disability Assistance Expense Deduction as of that date, the owner/agent will implement a Phase-in Hardship Exemption.

The owner/agent will not implement a Financial Hardship Exemption (General Relief) Policy.

The Phase-in Hardship Exemption (Relief)

The Phase-in Exemption is available to those residents who were receiving HUD assistance (MFH or PIH) as of January 1, 2024 and who were receiving either the Medical Expense Deduction or the Disability Assistance Expense Deduction as part of the Assistance Payment calculation as of that date. In these cases, HUD allows owner/agents to “phase in” the Deduction Decrease:

- The deduction will be the amount that is over 5% of Annual Income for the first 12 months of Phase-in.
- The deduction will be the amount that is over 7.5% of Annual Income for the second 12 months of Phase-in.
- After the first 24 months, the deduction will be the amount that is over 10% of Annual Income.

If assistance is terminated (not suspended), the Phase-in Exemption ends.

When an applicant requests and when the owner/agent can verify eligibility for the Phase-in Exemption, the owner/agent will allow the Phase-in Exemption to continue starting with the Move-in/Initial certification.

20. RENT CALCULATION, HARDSHIPS, AND INTERIMS

The Total Tenant Payment (TTP) will be calculated in compliance with HUD rules. This means that the family will pay the greater of:

1. 10% of Monthly Income;
2. 30% of Monthly Adjusted Income; or
3. Welfare rent (welfare recipients in as-paid localities only); or
4. The \$25 minimum rent (Section 8 only).

In some cases, HUD may provide a Utility Allowance as well. Utility Allowances are deducted from the Total Tenant Payment to determine the Tenant Rent paid each month.

When the rent calculation described above results in a Tenant Rent that is equal to or more than the unit Gross Rent, HUD housing assistance will be terminated for all Section 8 programs except Component 1 PH to PBRA RAD. When there is also funding layering provided through the IRS Section 42 Low Income Housing Tax Credit program (LIHTC), the resident will pay LIHTC Max Rent when LIHTC Max Rent is less than the HUD Contract Rent for the unit. The resident may be required to pay LIHTC Max Rent when the LIHTC Max Rent is higher than the HUD Contract Rent for the Unit.

Owner/agents are required to ensure that residents pay the correct Tenant Rent based on HUD's requirements.

SECTION 8 MINIMUM RENT HARDSHIP EXEMPTION

The owner/agent, may, at the owner/agent's discretion, grant a Hardship Exemption waiving a family's requirement to pay Section 8 Minimum Rent.

The owner/agent will grant a Section 8 Minimum Hardship Exemption if:

1. The resident or applicant requests a Minimum Rent Hardship Exemption; and
2. The net Cash Value Of Assets for the entire family is \$50,000 or less; **and**
3. The family's total Annual Income is at or below the current Extremely-low Income Limit, **and**
4. The resident participates in a review meeting; and
5. The resident provides required information and signatures within ten (10) business days; and
6. The resident has not provided Notice to Move; and
7. The resident is a resident in good standing and the owner/agent has not indicated intent to terminate assistance and/or terminate tenancy (eviction); and
8. The resident agrees to participate and participates in a review meeting at least every 90 days or upon request by the owner/agent.

The owner/agent must waive the Section 8 Minimum Rent for any family unable to pay due to a long-term Financial Hardship, including the following:

1. The family has lost federal, state, or local government assistance or is waiting for an eligibility determination.
2. The family would be evicted if the minimum rent requirement was imposed.
3. The family income has decreased due to a change in circumstances, including but not limited to loss of employment.
4. A death in the family has occurred.

5. Other applicable situations, as determined by HUD, have occurred.

When an applicant or resident requests a Section 8 Minimum Rent Hardship Exemption, the owner/agent must waive the minimum \$25 rent charge and implement the TTP calculated at the higher of:

- 30% of adjusted monthly income or
- 10% of gross monthly income (or the welfare rent).

The Tenant Rent will not be reduced to zero unless those calculations all result in zero.

If the owner determines there is no hardship, as covered by the statute, the owner must immediately reinstate the Section 8 Minimum Rent requirements. The resident is responsible for paying any minimum rent that was not paid from the date minimum rent was suspended.

If the owner/agent determines that the hardship is temporary, the owner may not impose the Section 8 Minimum Rent requirement until 90 days after the effective date of the certification granting the S8 Minimum Rent Hardship Exemption. At the end of the 90-day period, the tenant is responsible for paying the Section 8 Minimum Rent, retroactive to the initial date of the suspension.

If the hardship is determined to be long term, the owner/agent will exempt the resident from the Section 8 Minimum Rent requirement starting with the effective date of the certification granting the S8 Minimum Rent Hardship Exemption. The Section 8 Minimum Rent Hardship Exemption may be effective until such time that the hardship no longer exists.

The owner/agent will meet with the resident every 90 days, while the suspension lasts, to verify that circumstances have not changed. The length of the Section 8 Minimum Rent Hardship Exemption may vary from one family to another depending on the circumstances of each family.

Errors Caused by a Member of the Resident Family

If an owner suspects that a resident has inaccurately supplied or misrepresented information that affects the rent or a family's eligibility, the owner must investigate and document the resident file.

If the resident family meets with the owner to discuss the error, and the owner is convinced the submissions were correct, the owner will document the file accordingly and close the investigation.

If, after meeting with the resident family, the owner determines that the provision of inaccurate information was an unintentional program violation, the owner will correct the rent calculation, if applicable, and provide the tenant with notice of the change in rent. If the resident received an improper payment, the resident will be required to return that improper payments, in compliance with the HUD lease.

If the tenant is unable to repay the full amount, the owner and tenant may enter into a repayment agreement.

1. If, after the income adjustment, the family no longer qualifies for assistance, the family may remain in the property subject to making repayments and paying market rent.
2. If the family did not qualify for assistance at MI/IC or no longer qualifies for HUD's PRAC housing assistance program, the owner/agent must terminate tenancy (evict).
3. The owner may terminate tenancy if the resident refuses to pay any new monthly rent or refuses to repay the previously overpaid subsidy (improper payment) pursuant to any Repayment Agreement.
4. The owner may terminate tenancy if the resident refuses to enter in to Repayment Agreement if such an option is offered.

5. If necessary, civil action may be filed to recover the funds.

If the owner determines the resident knowingly provided inaccurate or incomplete information, and this can be substantiated through documentation, the owner will pursue the incident as fraud.

If any adult member of the family fails to meet with the owner/agent as requested, the owner/agent will initiate termination of tenancy (eviction) in compliance with HUD's guidance.

Errors Caused by The Owner/agent, a Service Bureau or Owner/Agent Software

If the owner/agent determines that an error was made and the family's income was over-reported, the owner must complete corrections to the prior certification(s) affected by the income change.

Once the corrections have been made, the owner must determine the difference between the amount of rent paid and the rent that should have been paid.

- The owner/agent will request a meeting to discuss the error;
- The owner/agent will prepare corrections or new certifications that must be signed by all adult members;
- The owner/agent will provide the family with written notification, which includes:
 - A notice of the change in rent, effective retroactively to when the error occurred;
 - The new monthly rent the tenant is required to pay;
 - The amount of the overpayment of rent due; and
 - A form used by the family choosing whether to:
 - Receive a full refund; or
 - Apply the overpayment to future monthly rent payments.

Please note that any credit will be applied to any outstanding rent payment before calculating the amount due to the resident family.

INTERIM RECERTIFICATION REPORTING CHANGES BEFORE NEXT ANNUAL RECERTIFICATION

- A. To ensure that assisted tenants pay rents commensurate with their ability to pay, tenants must supply information requested by the owner or HUD for use in an interim recertification of family income and composition in accordance with HUD requirements. All tenants must notify the owner when:
 - 1. A family member moves out of the unit;
 - 2. The family proposes to move a new member into the unit;
 - 3. An adult member of the family who was reported as unemployed on the most recent certification or recertification obtains employment; or
 - 4. The family's annual adjusted income increases by 10% or more.
- B. Tenants may request an interim recertification due to any changes occurring since the last recertification that may affect the TTP or tenant rent and assistance payment for the tenant. Changes a tenant may report include the following:
 - 1. Decreases in income including, but not limited to, loss of employment, reduction in number of hours worked by an employed family member, and loss or reduction of welfare income;

2. Increases in allowances including, but not limited to, increased medical expenses, and higher child care costs; and
 3. Other changes affecting the calculation of a family's annual or adjusted income include, but *are* not limited to a family member turning 62 years old, becoming a full-time student or, becoming a person with a disability
- C. Tenants are not required to report when a family member turns 18 years of age between annual recertifications. Tenants must follow the requirements in their lease for reporting changes in the household income. *However, if a tenant turns 18 and has not signed the form HUD-9887, the owner must not use the EIV income reports until the form is signed. Owners must address in their policies and procedures notification requirements and timeframes for tenants who turn 18 between annual recertifications to sign the consent forms HUD-9887 and HUD-9887-A and/or lease. If the tenant fails to sign the consent form(s) the household is in non-compliance with their lease and assistance to, and the tenancy of, the household may be terminated.*
- D. Section 236 and BMIR cooperatives must enforce the interim recertification procedures described in this section only for members who executed occupancy agreements after February 15, 1984. Cooperatives may impose interim recertification requirements on members who executed occupancy agreements prior to February 15, 1984, only if the cooperative amended its by-laws to make such requirements binding on all members or a member voluntarily agreed to include such clauses in his/her occupancy agreement.

Owners must process an interim recertification if a tenant reports:

1. A change in family composition;
2. An increase in a family's annual adjusted income of 10% or more a month;
3. An increase in allowances (e.g., number of dependents, a new disability assistance expense);
4. Most decreases in income except in the circumstance described in subparagraph D below; or
5. A change in citizenship or eligible immigration status of any family members.

Residents are required to report changes, between Annual Recertification, based on requirements outlined in the HUD Model Lease and the House Rules. Changes that result in an income increase or removal of a member must be reported within 10 days.

The addition of a new resident (except minors) must be approved before the new member moves in to the unit. Failure to notify the owner/agent before a new member is added is a material lease violation and may result in termination of tenancy. Addition of new minors must be reported as quickly as possible, but not later than the date the next rent payment, is due after the minor is added.

If the change reported results in a decrease to family income, the owner/agent will process an Interim Recertification (IR), adjusting rent, when that reduction results in a decrease of the family's Annual Adjusted Income of 10% or more.

Based on the rules below, the owner/agent will submit an Interim Recertification, if the resident reports one or more changes resulting in a 10% increase to Annual Adjusted Income.

Changes to earned income will not be considered unless an Interim Recertification, reducing income, has been submitted since the last AR.

If the change is not related to earned income, and results in an increase of the family's Annual Adjusted Income of 10% or more, the owner/agent will complete an Interim Recertification adjusting rent. This is true unless the resident reports a change in a reasonable amount of time, in compliance with the owner/agent's policy, and the change is reported within 3 months of the next Annual Recertification Date.

If the reported change includes an increase to earned income, but an IR reducing income has not been completed since the last AR, the owner/agent will document the resident file and will only consider changes not related to earned income, when determining if the Annual Adjusted Income has increased by 10% or more. If an IR reducing income has been completed since the last AR, the owner/agent will complete an IR, including any increase to earned income, unless the change is reported within 3 months of the next Annual Recertification Date.

If all adult family members comply with reporting requirements, rent changes will be implemented as follows:

1. Rent increases. If the rent increases, the owner will give the tenant 30 days advance notice of the increase. The effective date of the increase will be the first of the month after the end of the 30-day period.
2. Rent decreases. If the rent will decrease, the change in rent is effective on the first day of the month after the date of action (e.g., first of the month after the date of loss of employment.) A 30-day notice is not required for rent decreases.

If all adult family members do not comply with the reporting requirements, and the owner discovers the tenant has failed to report changes as required, the owner will implement rent changes as follows:

1. Rent increases. Owners must implement any resulting rent increase retroactive to the first of the month following the date that the action occurred.
2. Rent decreases. Any resulting rent decrease must be implemented effective the first rent period following completion of the recertification. The owner/agent will make rent decreases retroactive under certain circumstances. If extenuating circumstances exist (504, VAWA, LEP), the retroactive decrease is applied the later of :
 - a. The first of the month following the date of the change that led to the decrease; or
 - b. The first of the month following the effective date of the most recent full certification.

Owners may refuse to process an interim recertification when the tenant reports a decrease in income only if the following apply:

- 1 The decrease was caused by a deliberate action of the tenant to avoid paying rent. For example, the owner receives documented evidence that a tenant quit a job in order to qualify for a lower rent.

2. The owner has confirmation that the decrease will last less than one month. For example, an owner receives confirmation from the tenant's employer that the tenant will be laid off for only two weeks.
 - a. If the owner determines that the decrease in income will last less than one month, the owner may choose, but is not obligated, to process an interim recertification.
 - b. The owner must, however, implement this policy consistently for all tenants in the property who experience a decrease in income that will last for less than one month.

21. HOME OWNERSHIP – REAL PROPERTY RULE

SECTION 8 ONLY INCLUDING PBRA, RAD, & 202/8

A dwelling unit may not be rented and assistance may not be provided to any family if any member has a present ownership interest in, legal right to reside in, and the effective legal authority to sell real property, in the jurisdiction in which the property is located, that is suitable for occupancy by the family as a residence. This includes, but is not limited to a home, condominium, townhome, duplex, mobile home, etc. A dwelling will be considered "suitable for occupancy" unless the family demonstrates that it:

1. Does not meet the disability-related needs for all members of the family (e.g., physical accessibility requirements, disability-related need for additional bedrooms, proximity to accessible transportation, etc.);
2. Is not sufficient for the size of the family;
3. Is geographically located so as to be a hardship for the family (e.g., the distance or commuting time between the property and the family's place of work or school would be a hardship to the family, as determined by the owner);
4. Is not safe to reside in because of the physical condition of the property (e.g., property's physical condition poses a risk to the family's Health & safety and the condition of the property cannot be easily remedied); or
5. Is not a property that a family may reside in under the State or local laws of the jurisdiction where the property is located.

The applicant or resident is exempt from the Real Property Rule if:

1. Any property is jointly owned by a member of the family and at least one non-household member who does not live with the family, if the person resides in the jointly owned property;
2. The member is a survivor of a VAWA crime (domestic violence, dating violence, sexual assault, or stalking); or
3. The family is offering such property for sale;
4. The family is receiving assistance under 24 CFR 982.620; or under the Homeownership Option in 24 CFR part 982.

Full Enforcement of the Real Property Rule After Move-in/Initial Certification

The owner/agent will review the family's eligibility, based on the Real Property Rule, at each Interim and Annual Recertification. If the family is no longer eligible for HUD Section 8 housing assistance, the owner/agent will terminate assistance in accordance with HUD's requirements. The owner/agent will initiate termination of assistance within six month of the effective date of the certification created when ineligibility was discovered.

**** Residents who lived in property before implementation HOTMA (1/1/2024) regulations will be grandfathered in. The owner/agent will not review resident's eligibility based on real property information provided at initial certification. After implementation of HOTMA, the information will only be reviewed if new real property information is determined at recertification*

22. RESTRICTIONS BASED ON NET ASSETS – ASSET CAP

SECTION 8 ONLY INCLUDING PBRA, RAD, & 202/8

A dwelling unit may not be rented, and assistance may not be provided, initially or upon reexamination of family income, to any family if the Net Cash Value of Included Assets exceeds the current Asset Cap established by HUD (certain assets are excluded). This “cap” may be adjusted annually in accordance with a commonly recognized inflationary index, as determined by HUD. (The Asset Cap established by HUD for 2024 is \$100,000).

Certain assets are excluded when determining the net cash value of assets. Excluded assets include, but are not limited to:

- ABL Accounts;
- Amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty that resulted in a member of the family being disabled;
- Value of any Coverdell Education Savings Account or any qualified tuition program under Section 529;
- Family Self Sufficiency Escrow Accounts (FSS);
- Interest in Indian Trust land;
- Irrevocable Trust;
- Revocable Trusts when no one in the family controls the trust;
- Retirement Accounts as defined by the IRS;
- Real property when the family does not have legal authority to sell such property;
- Equity in property for which a family receives HCV homeownership assistance from a PHA;
- Equity in a manufactured home where the family receives Section 8 tenant-based assistance;
- Other assets as announced by HUD through Federal Register Notice.

Enforcement of the Asset Cap After Move-in/Initial Certification

The owner/agent will review the family's eligibility, based on the Asset Cap, at each Interim and Annual Recertification. If the family is no longer eligible for HUD Section 8 housing assistance, the owner/agent will terminate assistance in accordance with HUD's requirements. The owner/agent will initiate termination of assistance within six month of the effective date of the certification created when ineligibility was discovered.

**** Residents who lived in property before implementation of HOTMA (1/1/2024) regulations will be grandfathered in. The owner/agent will not review resident's eligibility based on asset information provided at initial certification. After implementation of HOTMA, the information will only be reviewed if new asset information is determined at recertification, and exceeds the \$100,000.00 threshold.*

23. TRANSFER POLICY

1. IN-HOUSE TRANSFERS: Management will consider and approve transfer request in the following order:

- Uninhabitable Unit (examples include: rehab, repair, and damage from flood, fire, and natural disaster)
- Imminent Threat (includes Emergency VAWA Transfer) a person seeking to exercise VAWA protections
- Verified medical need and/or need for reasonable accommodation; verified need for an accessible unit
- Current residents who meet any of the qualifications above shall be given priority over applicants.

Any resident with a lease violation within 12 months of applying will not be allowed to apply to other Covenant Place properties

2. REASONABLE ACCOMMODATION: Requests for transfers that are based on a need for a reasonable accommodation will be provided priority over other requests. Transfers will be provided to persons who have a **medical or other verified need**, because of a disability, in the chronological order of requests received. All other transfers will be provided after requests for reasonable accommodations and will occur in chronological order by the date the request was received.

To coincide with our Emergency Transfer Policy for victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking we give waitlist preference to any current resident who has completed and approved Emergency Transfer Request and/or Emergency Transfer Certification of Domestic Violence. This means that a resident who is a victim of any of the violent instances listed above will move to the first position on the waitlist if no apartments are available for immediate occupancy. If there is an immediate need for the victim and there is an available apartment, we will place the victim ahead of anyone on the waitlist. This policy is directly adapted from the **Violence Against Women Act** of 1994 (**VAWA**) which is a United States federal law (Title IV, sec. 40001-40703 of the Violent Crime Control and Law Enforcement Act, H.R. 3355) and HUD Final Rule [**Docket No. FR-5720-F-03**] **RIN 2501-AD71**. If you have any questions regarding this rule and our policy, please feel free to request a copy of form(s) HUD-5380 and HUD-5381 from the management office located at 8 Millstone Campus Drive Suite 2000 St. Louis MO 63146.

24. VICTIMS OF DOMESTIC VIOLENCE

The Violence Against Women Reauthorization Act of 2013 (VAWA) protections apply to families (adults and children) applying for or receiving rental assistance payments and/or support through a number of HUD programs. The law protects victims of domestic violence, dating violence, sexual assault, or stalking, as well as their affiliated family members generally, from being evicted or being denied housing assistance if the eviction or denial is based upon an incident of violence that is reported and confirmed. The VAWA also provides that an incident of actual or threatened domestic violence, dating violence, sexual assault, or stalking does not qualify as a serious or repeated violation of the lease nor does it constitute good cause for terminating the assistance, tenancy, or occupancy rights of the victim. Furthermore, criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking is not grounds for terminating the victim's tenancy. Owners and agents may bifurcate a lease in order to evict, remove, or terminate the assistance of the offender while allowing the victim, who is a tenant or lawful occupant, to remain in the unit.

Applicants and residents may certify their status as victims of domestic violence by using the optional HUD Form-5382, Certification of Domestic Violence. Furthermore, management will have each household sign HUD Form-91067, VAWA Lease Addendum, at move-in and at recertification.

Domestic Violence includes felony or misdemeanor crimes of violence committed by a current or former spouse or partner of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabited with the victim as a spouse or partner, by a person similarly situated to a spouse or partner of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

Dating Violence means violence committed by a person: (A) who is or has been in a social relationship of a romantic or intimate nature with the victim, and (B) where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) the length of the relationship; the type of relationship; and the frequency of interaction between the persons involved in the relationship.

Sexual Assault means any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity of consent.

Stalking means (A)(i) to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and (B) in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (i) that person; a member of the immediate family of that person; or the spouse or intimate partner of that person.

Affiliated Family Member means, with respect to a person: (a) a spouse, partner, parent, brother or sister, or child of the person, or an individual to whom that person stands in loco parentis (in place of a parent); or (B) any individual, tenant, or lawful occupant living in the household of that individual.

Bifurcate means to divide a lease as a matter of law so that the abusive tenant can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.

NONRETALIATION

The owner/agent will not discriminate against any person because that person has opposed any act or practice made unlawful by the Violence Against Women Act or because that person testified, assisted, or participated in any matter related to the Violence Against Women Act or a VAWA crime.

NONCOERCION

The owner/agent shall not coerce, intimidate, threaten, or interfere with, or retaliate against, any person in the exercise or enjoyment of, on account of the person having exercised or enjoyed, or on account of the person having aided or encouraged any other person in the exercise or enjoyment of, any rights or protections under the Violence Against Women Act including:

1. Intimidating or threatening any person because that person is assisting or encouraging a person entitled to claim the rights or protections under the Violence Against Women Act.

2. Retaliating against any person because that person has participated in any investigation or action to enforce the Violence Against Women Act.

PROTECTION TO REPORT CRIMES FROM HOME

Owner/agents, residents, occupants, service providers, guests and applicants:

1. Shall have the right to seek law enforcement or emergency assistance on their own behalf or on behalf of another person in need of assistance; and
2. Shall not be penalized based on their requests for assistance or based on criminal activity of which they are a victim or otherwise not at fault under statutes, ordinances, regulations, or policies adopted or enforced by covered governmental entities. Prohibited penalties include:
 - a. Actual or threatened assessment of monetary or criminal penalties, fines, or fees.
 - b. Actual or threatened eviction.
 - c. Actual or threatened refusal to rent or renew tenancy.
 - d. Actual or threatened refusal to issue occupancy permit or landlord permit.
 - e. Actual or threatened closure of the property, or designation of the property as a nuisance or a similarly negative designation.

25. STUDENT ELIGIBILITY

ELIGIBILITY OF STUDENTS ENROLLED AT AN INSTITUTE FOR HIGHER EDUCATION

1. Owners must determine a student's eligibility for Section 8 assistance at move-in, annual recertification, initial certification (when an in-place tenant begins receiving Section 8), and at the time of an interim recertification if one of the family composition changes reported is that a household member is enrolled as a student.

2. Section 8 assistance shall not be provided to any individual who:
 - a. 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; *and*
 - b. Is under the age of 24; *and*
 - c. Is not married; *and*
 - d. Is not a veteran of the United States Military; *and*
 - e. Does not have a dependent child; *and*
 - f. 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. (See Definition E in Figure 3-6); *and*
 - g. Is not living with his or her parents who are receiving Section 8 assistance; and
 - h. Is not individually eligible to receive Section 8 assistance *or* has parents (the parents individually or jointly) who are not income eligible to receive Section 8 assistance. (See paragraph 3-33 for verifying parent's eligibility.)

3. For a student to be eligible independent of his or her parents (where the income of the parents is not relevant), the student must demonstrate the absence of, or his or her independence from, parents. While owners may use additional criteria for determining the student's independence from parents, owners must use, and the student must meet, at a minimum all of the following criteria to be eligible for Section 8 assistance. The student must:

- a. Be of legal contract age under state law;

- b. 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. (See the Glossary for definition of Independent Student);
- c. Not be claimed as a dependent by parents or legal guardians pursuant to IRS regulations;
- and d. 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

When student financial assistance exceeds tuition and covered fees, student financial assistance that is not specifically excluded will be included as part of the family's Annual Income unless the student is the HOH, co-HOH/spouse and is over 23 (24 or older) with a dependent child.

For Section 8 programs, any financial assistance that is provided through a qualified Coverdell Education Savings Account (ESA) or other qualified ESA, is excluded when determining Annual Income for the family.

Any financial assistance a student receives from the following:

- (1) private sources,
- (2) an institution of higher education, or
- (3) under the Higher Education Act of 1965, that is in excess of amounts received for tuition and other qualified fees, is included when determining Annual Income for the family, except if the student is the HOH, co-HOH or spouse and is over the age of 24 with a dependent child or children (as defined by HUD).

Student financial assistance that is provided by persons not living in the unit is not part of Annual Income if the student meets the Department of Education's definition of "vulnerable youth".

Covered fees include tuition, books, supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, and fees required and charged to a student by an institution of higher education (as defined under section 102 of the Higher Education Act of 1965). For a student who is not the Head-of-Household, Co-HOH/Spouse, actual covered costs also include the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit.

Prohibition of Assistance to Noncitizen Students

Noncitizen students and their noncitizen families may not receive assistance. Noncitizen students are not eligible for continuation of assistance or temporary deferral of termination of assistance. A noncitizen student is defined as an individual who is as follows:

- 1. A resident of another country to which the individual intends to return;
- 2. A bona fide student pursuing a course of study in the United States; and
- 3. A person admitted to the United States solely for the purpose of pursuing a course of study as indicated on an F-1 or M-1 student visa.

This prohibition applies to the noncitizen student's noncitizen spouse and noncitizen children. However, spouses and children who are U.S. citizens may receive assistance. For example, a family that includes a noncitizen student married to a U.S. citizen is a mixed family.

26. APPLICANT SCREENING

To pass screening guidelines, the Property Manager or Leasing & Compliance Manager must try to verify all three guidelines. However, if all three are verifiable, they all must be good.

- An acceptable criminal record
- A landlord reference (must be good, if exists)
- Acceptable credit (must be good, if exists)

A. **CRIMINAL BACKGROUND CHECKS:**

The use of a criminal background check helps to protect a community's resident profile. It recognizes the interest of the applicants who need affordable housing while guarding the security of the residents. It addresses the concerns for the health and safety of residents and employees, as well as safety of the property.

This policy is intended to serve as a substantial, legitimate, and non-discriminatory interest. This policy distinguishes between criminal conduct that indicates a demonstrable risk to resident safety and/or the property and criminal conduct that does not.

The screening process will take into account the severity of the crime committed, how long it occurred, and whether the applicant has been convicted of other crimes within a period since the last conviction or release from incarceration.

Criminal Background Screening Assessments are made using a full, detailed screening search. No denials will be based on arrests only. If the applicant admits committing the crime, or if police or other witnesses can provide reliable and admissible information showing that a crime was committed, then these proven facts may be used to deny the application even though the arrest has not resulted in a conviction.

In accordance with 24 CFR (part 5, subpart J) regarding the use of criminal records, applicants will be denied if:

- Applicant has been evicted from federally assisted housing for drug-related criminal activity within the past three years.
- Applicant or any household member is currently engaging in the illegal use of drugs or there is reasonable cause to believe that a household member's illegal use or a pattern of illegal use of a drug may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.
- Applicant or household member's abuse or pattern of abuse of alcohol interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.
- Applicant or any household member is subject to a lifetime registration requirement under a State sex offender registration program. All household members will be screened under multiple data sources covering all 50 states.
- Applicant or any household member has been convicted of the following crimes; the decision will be based on the nature, severity, and time of the conviction:
 - Homicide
 - Rape (including statutory rape)
 - Aggravated Assault
 - Kidnapping
 - Armed Robbery
 - Arson

- Charges directly related to children (molestation, pornography, trafficking)
- Illegal manufacture or distribution of a controlled substance
- Applicant or any household member is currently engaging or engaged in criminal activity during the past 10 (ten) years.
- Drug-related criminal activity
- Violent criminal activity
- Other criminal activity that would interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.
- Other criminal activity that would threaten the health or safety of the owner, agent of the owner, any employee, contractor, or sub-contractor who is involved with the housing operations.
- An application will be denied if there is a history of habitual violent criminal activity that would interfere with the safety of the residents and the property, including misdemeanors.

Ensuring resident safety and protecting property are fundamental responsibilities of the landlord. All screening decisions are based on a third-party background screening report. If you feel your application was denied in error, you may write a letter of appeal as outlined in your denial letter.

B. LANDLORD REFERENCE:

A satisfactory rental history is required. Previous addresses and landlord references are also verified. The applicant must have a history of timely rental payments and satisfactory lease compliance in order to be considered for approval. Management may contact all landlords for the past 3 years. An applicant with no rental history will not be rejected for poor rental history but must meet all other screening criteria.

Any applicant who has been evicted or has surrendered their lease through lease termination for nonpayment of rent, damages, or material noncompliance will not be accepted. Any applicant that owes past due funds to a previous landlord will be rejected.

Information that an owner may learn from a landlord that may be grounds for rejecting an applicant includes:

- Failure to cooperate with recertification procedures
- Violations of house rules
- Violations of the lease
- History of disruptive behavior
- Poor housekeeping practices
- Previous evictions for lease violations
- Termination of assistance for fraud
- Conviction for the illegal manufacture, distribution, or use of controlled substances
- Unreported income resulting in overpaid subsidy

Note: As part of the screening, an Existing Tenant search will be done on the WASS (Web Access Secure System), EIV system for applicants. The search is by social security number and will report if the applicant(s) is receiving a subsidy of any type at another location. Applicants must ensure they have terminated that subsidy before moving into the property.

C. **CREDIT REPORT:**

When reviewing the credit report to check to make sure the name, address, and social security number that appear on the report are the same as what the applicant has written on the application. All medical expenses, student loans, and foreclosures will be filtered out. Any applicant that owes past due funds to a previous landlord will be rejected until all funds that are past due have been paid in full.

Applicants who are denied must wait 12 months to re-apply after being denied

27. REJECTION PROCEDURES

- 1. MANAGEMENT REJECTION OF APPLICANT:** When management rejects an applicant, the *applicant will be notified of this decision in writing*. This written statement, which will be sent in a timely fashion, will include the reason(s) for the rejection, and will state that the applicant has the opportunity to request a meeting with management representatives to discuss the rejection. The applicant will be further instructed to request the meeting within fourteen (14) days of the date of the rejection letter.
- 2. REQUEST PROCEDURE:** If the applicant wants to request an appeal, the applicant's verbal or written request must be sent to **Covenant Place** within fourteen (14) days of the date of the rejection notice. The Admissions Committee, who was not involved in the initial decision to deny admission or assistance to the applicant, will review all redacted information to make a non-biased decision. Within five (5) business days of management's response or meeting, management must advise the applicant in writing of the final decision regarding eligibility. All of this material (original application, rejection letter, applicant's request for a meeting, summary of the meeting and the final decision) must be kept for three (3) years in confidential files. ***Persons with disabilities have the right to request reasonable accommodations to participate in the informal hearing process.*

28. REJECTION OF APPLICATION

An application may be rejected for any one of the following reasons:

- a) The applicant/family is not elderly;
- b) Submission of false, incomplete or inaccurate information on the application, or failure to cooperate in the verification process;
- c) The applicant has a history of unacceptable or unsatisfactory credit or criminal history as reported by a credit agency or other organization. This includes registration as a Sexual Offender. *(Please see **Credit & Criminal Screening Criteria** for more information);*
- d) Negative reference from current or previous landlord, including but not limited to late rent, non-sufficient funds (NSF) checks, lease violations, evictions, etc;
- e) Unreported income resulting in overpaid subsidy
- f) Intentional or material falsification of information supplied on the application.
- g) The household (including a **Live-In Aide**) size is not appropriate for a specific apartment. *(Please refer to **Apartment Size Standards & Guidelines**.);*
- h) HUD Existing Tenant Search report will be used to ensure that applicants are not currently receiving HUD subsidy.
- i) Failure to sign designated or required forms; (forms HUD 9887 and HUD 9887-A)
- j) Failure to provide required documentation in a timely manner;
- k) The applicant cannot pay the appropriate security deposit at move-in;
- l) The applicant will be maintaining a separate 2nd residence and/or legal address;

- m) The applicant has been offered a housing apartment and has refused to take the apartment offered;
- n) The applicant is not capable of fulfilling the lease agreement, with or without assistance;
- o) The applicant has a criminal history (**as defined in Criminal or Drug-Related Activity**);
- p) The applicant cannot show (by HUD formula) a need for the subsidy assistance, where applicable, or the household income exceeds the **HUD** limits;
- q) The applicant is unable to provide proof of social security numbers as required by HUD and management policy.
- r) Family includes members who did not declare citizenship or non-citizenship status , or sign a statement electing not to contend noncitizen status.
- s) The applicant does not respond to the waiting list updates within ten days of mailing update letters

29. REMOVAL OF APPLICATION

Applicants will be removed for the following:

- The applicant does not meet or no longer meets the eligibility requirements for the property or program.
- The family size changes and the applicant no longer qualifies for the size limits offered at this property.
- The applicant fails to respond to a written notice for an eligibility interview.
- The applicant is offered a unit that they qualify for and rejects the unit.
- The applicant fails to respond to periodic notices to update the waiting list and/or notice is returned undeliverable.
- The applicant does not pass the screening guidelines described above and is rejected.
- The applicant fails to move into the unit, once all screening, interview, and paperwork is complete.

30. NOTICE OF REJECTION

An application status letter is mailed to the applicant to notify them of rejection, at the address shown on the application. The rejection notice states that the applicant may respond in writing or request an appeal. If the applicant responds in writing or requests an appeal within 14s day, the management company will respond within 10 days, to discuss notice of rejection. A formal written decision will be mailed to the applicant within 5 days of the meeting.

Application may not be revised to remove household members who do not pass screening.

NOTE: All applicants in a household will be processed as one approval or denial for an apartment. If any one of the applicants has negative rental history, negative credit history or negative criminal history all applicants will be denied.

If you have a question on the completeness or accuracy of the information used to create the consumer report, please contact the consumer reporting agencies listed below:

Transunion Consumer Relations
P.O. Box 1000
Chester, PA 19022
1-800-888-4213

People Facts TRAK-1
1-877-216-6053

If you have a question about this notice or the community's rental standards, please contact the property management company.

Covenant Place Apartments
8 Millstone Campus Drive, Ste. 2000
St. Louis, MO 63146
314-432-1610

Rejected applications and associated paperwork will be retained for at least 3 years, in a manner that will respect the applicant's right to privacy.