



Tenant Selection Plan

Dakota Square Apartments

1902 N Dakota St #320

Aberdeen, SD 57401

605.226.3353

Dakota Square Apartments is a Section 8 Multi Family property that is administered by the U. S. Department of HUD, and is designated to attract applicants for occupancy from all potentially eligible groups of people in the housing area regardless of race, color, sex, religion, age, handicap, disability, familiar status, national origin, creed, ancestry, perceived sexual orientation, gender identity, marital status, source of income, or any other arbitrary basis. The property has one, two, three and four bedroom units available for rent to all family types. To be eligible for occupancy at this property, there must be a match between the applicant's family size and the unit size available in the property. The goal of this Tenant Selection Plan is to establish a guideline for the selection of tenants in accordance with HUD regulations, which will enhance the quality of life for our tenants and improve the financial viability of the property.

Availability of Plan

This Tenant Selection Plan is available to the public upon request. It will be posted in a common area of the Dakota Square Apartment's office. It may be reviewed during normal office hours.

Modification of Plan

The property will review this Tenant Selection Plan at least once annually to ensure that it reflects current operating practices, program priorities, and HUD requirements. If the property and/or HUD's Contract Administrator feel the plan needs to be modified in any way, a notice of such modification will be provided by mail to applicants on the waiting list. For this reason the current Tenant Selection Plan in place at the property will always be dated.

Table of Contents

1. Fair Housing and Equal Opportunity Requirements.....	6
• Non-Discrimination.	
• Section 504 of the Rehabilitation Act of 1973	
• Reasonable Accommodations	
• Reasonable Modifications	
• Information Regarding Handicaps	
• Neutral Policies	
• Auxiliary Aids to Ensure Effective Communication	
• Assistance Animals	
• Accessible Route	
• Equal Access	
• LEP – Limited English Proficiency	
• Mitigating Circumstances	
2. Privacy Policy.....	8
• Personal Information	
• Records Obtained through HUD’s EIV System	
• Determining Eligibility for Assistance	
• Information on Handicaps/Disabilities	
• Investigations into Fraud/Criminal Activities	
3. Qualifying for Admission under HUD’s <u>Program</u> Eligibility Requirements.....	9
• Defining Program Eligibility	
• Income Limits	
• Method for Income-Targeting	
• Social Security Numbers	
• Disclosure and Verification of SSN	
• Existing Tenants	
• Adding a New Household Member to an Existing Family Who Has a SSN	
• Adding a New Household Member Who is Under 6 and Has No Assigned SSN	
• Previously Undisclosed SSN or Assignment of New SSN	
• Lack of Social Security Documentation	
• Permanent Exemptions to Disclosure of SSN	
• Temporary Exemptions to Disclosure of SSN	
• Timeframe for Providing SSNs	
• Authorization for Release of Information and Verification Forms	
• Authorization Consent Forms HUD-9887 and 9887-A	
• Only Residence	
• Rent Formula for Section 8 Multi Family Property	
• Annual Recertification Policy	
• Interim Recertification Policy	
• Notification Policy	
• Eligibility under the Noncitizen Rule	
• Declaration Form	
• Eligibility under the Student Rule	
• Defining Independent Student	
• Defining Student Financial Assistance Income	
• Protection from Eviction	
• Verifying Information	
• Verification Documentation	

- Preferred Forms of Verification
- Verifying Zero Income
- Attempted Fraud

4. Qualifying for Admission under HUD’s Project Eligibility Requirements.....14

- Defining Project Eligibility
- Occupancy Standards
- Defining Persons with Disabilities
- **Defining Family**
- Reasonable Accommodation
- Policy for Unit Transfers
 - Requests from Tenants
 - Requirement by Owner
 - Acceptable Reasons for Transfers
 - **Processing Transfers**
 - **Cost of the Family's Move**
 - Procedures for Filling Vacancies
 - Priority for Filling Vacancies
 - **Eligibility for Emergency Transfers**
 - **Emergency Request Documentation for Emergency Transfers**
- Preferences
 - Violence Against Women Act
 - Victims of Disaster
 - Elderly Election

5. Qualifying for Admission under the Property’s Standards.....19

- Property Standards for Occupancy
 - Two Person per Bedroom
 - Families with Children
 - Counting Family Members
 - Anticipated Children Due to Adoption, Pregnancy, or Foster Child
 - Joint Custody Agreements
 - Children who are Away at School
 - Remaining Family Members
 - Those That are Away in the Military
- Property Standards for Unit Assignment
 - Assigning a Smaller Unit Than Required
 - Assigning Units Larger Than Required
 - Change in Size after Initial Occupancy
 - Change in Need for Accessible Features
- Property Standards for Behavior

6. Screening to Determine Applicant Eligibility.....21

- Applicant Screening Criteria
 - Things the Property Will Check
 - Things the Property Will Not Check
- Procedures to Determine an Applicant’s History
 - Past Performance
 - Record of Disturbance
 - Involvement in Criminal Activity
 - Record of Eviction
 - Complying with the Lease
 - Misrepresentation of Information

- Review of Information
 - Screening for Rental History
 - Screening for Housekeeping Habits
 - Screening for Drug Abuse and Other Criminal Activity
 - Screening Process
 - Screening of Live-In Aides or Persons Added to the Unit
- Compliance with Requirements Outlined in the Violence Against Women Act (VAWA)
 - Protection for Applicants
 - Protection for In-Place Tenants
 - Key Points Provided in the Act
- Notification

7. Marketing.....26

- Fair Housing Requirements
 - Filling Available Units
 - Race and Ethnic Data Reporting
- Affirmative Fair Housing Marketing Plan (AFHMP)
 - Monitoring and Documenting Marketing Activities
 - Five-Year Review of Plan
- Advertising
 - Form of Advertisement
 - Source of Advertising
 - Fair Housing Poster

8. Waiting List Management.....27

- Selecting Names from the Waiting List
 - Applicant’s Refusal to Accept a Unit
- Maintaining the Waiting List
 - Opening and Closing the Waiting List
- Updating the Waiting List
 - Removal of Applications from the Waiting List
 - Notification of Negative Action
- Purging the Waiting List

9. Application Intake and Processing.....29

- Application Intake
 - Communications with Applicants
 - Race/Ethnicity Data Collection
- Written and Signed Applications
- Determining an Applicant’s Eligibility
 - Placement on a Waiting List
- Verification Interview
 - Ineligible Applicants

10. Verification Requirements.....30

- Required Consent Forms
 - Form HUD-9887
 - Form HUD-9887-A
- Required Information
 - Certification Checklist/Questionnaire
- Utilizing HUD’s EIV System
 - EIV Reports
- Preferred Forms of Verification

- Verification Documentation
- Source of Information
- Verifications and Rent Computations
- Verifying Annual Income
 - Methods of Verifying Income
- Attempted Fraud

11. Making an Occupancy Determination.....33

- Non-Discrimination
- Applicants with Disabilities
 - Determining Program Eligibility
 - Authorizing Admission

12. Rejection of Ineligible Applicants.....34

- Reasons for Rejection
 - Failing the Screening Criteria
 - Report from Qualified Agency
- Appeal Process

13. Acceptance of Eligible Applicants.....35

- Offering a Unit..
- Preparing to Move In
 - Move-In Inspection
 - Initial and Renewal Leases
 - Determination of Security Deposit
 - Pet Deposit
 - Rent Calculation
 - Failure to Move Into the Unit on Time
- Charges for Facilities and Services
 - Checks Returned for Insufficient Funds
 - Damages
 - Special Management Services
 - Court Filing, Attorney, and Sheriff Fees
- Unit Inspections After Move-In

14. Tenant Responsibilities After Move-In.....37

- Annual Recertification Requirements
- Interim Recertification Requirements
- Owner Responsibilities
- Tenant Responsibilities
- Reporting Changes
- House Rules

15. Termination.....38

- Termination of Assistance
- Termination of Tenancy by Owner
- Material Noncompliance with the Lease
- Drug Abuse and Other Criminal Activity
- Material Failure to Carry Out Obligations under a State or Local Landlord and Tenant Act
- Other Good Cause
- Termination of Tenancy by Tenant

1. Fair Housing and Equal Opportunity Requirements

Non-Discrimination

It is the policy of this property to comply fully with Title VI of the Civil Rights Act of 1964, Title VIII and Section 3 of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974), Executive Order 11063, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and any legislation protecting the individual rights of residents, applicants or staff which may subsequently be enacted.

The property will not discriminate on the basis of race, color, sex, religion, age, handicap, disability, national origin, creed, ancestry, perceived sexual orientation, gender identity, marital status, source of income, or any other arbitrary basis in the leasing, rental, or other disposition of housing or related facilities, or in the use or occupancy thereof. In addition, the property will not:

- Deny to any applicant the opportunity to apply for housing, nor deny to any eligible applicant the opportunity to lease housing suitable to its needs;
- Provide housing which is different from that provided others;
- Subject a person to segregation or disparate treatment;
- Restrict a person's access to any benefit enjoyed by others in connection with the housing program;
- Treat a person differently in determining eligibility or other requirements for admission;
- Deny a person access to the same level of services; or
- Deny a person the opportunity to participate in a planning or advisory group that is an integral part of the housing program.

The property shall not automatically deny admission to a particular group or category of otherwise eligible applicants. Each applicant in a particular group or category will be treated on an individual basis in the normal processing routine.

Section 504 of the Rehabilitation Act of 1973

It is the policy of this property to assure that qualified individuals with handicaps or disabilities are not discriminated against on the basis of their handicap or disability. The property also assures that these individuals will have equal opportunity to receive and enjoy the benefits of living at the property.

Reasonable Accommodations

The property will seek to identify and eliminate situations or procedures that create a barrier to equal housing opportunity for all. In accordance with Section 504 of the Rehabilitation Act of 1973, the property will make reasonable accommodation for individuals with handicaps or disabilities (applicants or tenants). Such accommodations may include changes in the method of administering policies, procedures, or services at this property where such modifications would be necessary to afford full access to the housing program for qualified individuals with handicaps.

Reasonable Modifications

In reaching a reasonable accommodation with, or performing structural modifications for otherwise qualified individuals with disabilities, the property is not required to:

- Make structural alterations that require the removal or altering of a load-bearing structural member;
- Provide support services that are not already part of its housing programs;

- Take any action that would result in a fundamental alteration in the nature of the program or service;
- Take any action that would result in an undue financial and administrative burden on the property, including structural impracticality as defined in the Uniform Federal Accessibility Standards (UFAS).

Information Regarding Handicaps

The property ensures that any questions related to handicapped information on the application for housing have to do with program eligibility and allowable medical or handicapped deductions for housing applicants who wish to take advantage of those deductions. It is not required that any information regarding a possible handicap be revealed other than for program eligibility requirements.

Neutral Policies

The property will make reasonable adjustments to rules, policies, practices, and procedures in order to enable an applicant or tenant with a disability to have an equal opportunity to use and enjoy the unit and the common areas of a dwelling, or to participate in or have access to other activities conducted or sponsored by the owner.

Auxiliary Aids to Ensure Effective Communication

The property will seek to effectively communicate with applicants, tenants, and members of the public who are individuals with handicaps or disabilities. The use of auxiliary aides will be implemented when necessary. The property asks for 7 days' notice in order to make any service, meeting, interview, appointment, or any business accessible.

Assistance Animals

The property will allow assistive animals which are defined as animals that work, provide assistance, perform tasks for the benefit of a person with a disability, or provide emotional support to alleviate identified symptoms or effects of a person's disability. These animals, often referred to as service animals, support animals, or therapy animals, perform many disability-related functions, including but not limited to guiding individuals who are blind, alerting individuals who are deaf, providing minimal protection or rescue assistance, pulling a wheelchair, fetching items, alerting persons to impending seizures, or providing emotional support to persons with disabilities who have a disability-related need for such support. No pet deposit is required for assistive animals.

Accessible Route

For mobility-impaired persons, this property is an accessible facility on an accessible route. Documents that the tenant would like to review may be examined during regular business hours. Please contact the management office to make arrangements to examine any documents.

Equal Access

The property will provide assistance in a confidential manner and setting to insure equal access to a tenant's documents. An individual with disabilities is responsible for providing her/his own transportation to and from the location where all documents are kept.

Limited English Proficiency

The property will take reasonable steps to ensure meaningful and critical access to programs and services to LEP persons that are in compliance with Title VI of the Civil Rights Act of 1964. "Reasonable steps" may cease to be reasonable where the costs impose undue burdens to Dakota Square Apartments, without diminishing or minimizing the obligation that those needs be addressed.

Mitigating Circumstances

Section 504 and Fair Housing regulations state that consideration for mitigating circumstances shall be given to all persons applying for occupancy. If an applicant feels there is a mitigating circumstance or reasonable accommodation to be considered for determining occupancy, they should contact the property immediately to schedule a meeting.

2. Privacy Policy

Personal Information

It is the policy of the property to guard the privacy of individuals conferred by the Federal Privacy Act of 1974, and to ensure the protection of such individuals' records maintained by the property. Unless required by Federal or state law, neither the property nor its agents shall disclose any personal information contained in its records to any person or agency unless the individual about whom information is requested shall give written consent to such disclosure.

Records Obtained through HUD's EIV System

Income Reports

The Income Report displays benefit and wage-related information, including SS/SSI/Dual Entitlement benefit information from SSA, and wage, unemployment compensation, and new hires (W-4) data from HHS' NDNH database for tenants participating in HUD's multifamily housing programs. The Income Report provides information for all family members with verified personal identifiers in households due for recertification in the indicated month.

Income Discrepancy Report

The Income Discrepancy Report shows income discrepancy amounts for households whose reported projected income on the for HUD-50059 has a discrepancy with the actual income provided by SSA and HHS' NDNH database.

No Income Report

The No Income Report provides a list of tenants whose identity was verified by SSA based on the SSN/Last Name/Date of Birth combination. Such tenants are shown as not having received, or never having received, SS/SSI benefits from SSA or wages or unemployment compensation insurance, as provided by HHS' NDNH database. However, they may still have income.

New Hires Report

The New Hires Report provides list of households where at least one member has a new hire (W-4) record that was received by EIV in the last 180 days. This information is updated monthly.

Existing Tenant Search

The Existing Tenant Search shows whether an individual (applicant or tenant) is receiving housing subsidies in any PIH or Multifamily Housing Program.

Multiple Subsidy Report

This option allows the search for tenants who receive assistance in more than one subsidized program.

Identity Verification Reports

Use of Identity Verification Reports helps reduce subsidy errors. For tenants listed on this report, income data will not be reflected.

Deceased Tenants Report

Identifies tenants who are reported by the Social Security Administration (SSA) to be deceased.

Determining Eligibility for Assistance

This privacy policy in no way limits the property's ability to collect such information as it may need to determine eligibility and income, compute rent, or determine an applicant's suitability for tenancy.

Information on Handicaps/Disabilities

Consistent with the intent of Section 504 of the Rehabilitation Act of 1973, any information obtained on handicap or disability will be treated in a confidential manner.

Investigations into Fraud/Criminal Activities

This privacy policy is not intended to preclude the cooperation of the property with local, state, or Federal investigations into fraud or criminal activity. With proper identification, the property is permitted to advise the investigating officer of the following:

- Whether or not an individual is a tenant;
- How long an individual has been a tenant; and
- Any other appropriate answers to questions related to the investigation.

The property will not make files, forms, or documents available to the investigating officer unless a court order for such action is provided.

3. Qualifying for Admission Under Program Eligibility Requirements

Program Eligibility determines whether applicants are eligible for federal rental assistance. The property will not admit ineligible applicants. In order to be eligible a family must meet **all** of the following tests.

Income Limits

HUD establishes income limits and revises them annually to ensure that federal rental assistance is provided only to low-income families (60% area median income). Income limits are based on family size and the annual income the family receives. These limits are available for review at the management office. The property will determine income eligibility prior to approving any applicant for tenancy. Once the applicant moves into the property, this income eligibility test will not be done again unless the tenant has gone to market rent and wants once again to be eligible for subsidy.

Applicants must have an income that is not greater than the maximum income limits established by HUD, and as published annually in the Federal Register. In addition, 40% of the new move-ins per year at this Section 8 Multi Family property must be at or below 30% of the area median income, as required by HUD, and explained in the "Income-Targeting" paragraph below.

Method for Income-Targeting

HUD requires that 40% of the assisted units that become available each year (project's fiscal year) available for leasing to families whose income do not exceed 30% of the area median income (extremely low-income) at the time of admission. **Admission is determined by date and time the application was filled out. If the current vacant unit will make the property fall below the 40% requirement for Income Targeting, preference will be given to next applicant on the waiting list that meets the 30% - extremely low income requirement. Those applicants whose income is over 30% of the county median and were**

bypassed as a result of Income Targeting requirement will hold their position on the waiting list and will be processed, based on original date and time of application, when the Income Targeting requirement has been met and a unit becomes available.

If the owner actively marketed at least 40% of the annually available units to extremely low-income families but was unable to fill all of the units with families meeting the requirement, the owner is permitted to rent to other eligible families after a reasonable marketing period has expired. The property must maintain records that demonstrate that all reasonable steps were taken to fill these units with extremely low-income tenants and must demonstrate that an ongoing effort to meet the 40% requirement is being made.

Social Security Numbers Requirements

Disclosure and Verification of Social Security Number

All applicants and tenants are required to disclose and provide verification of the complete and accurate Social Security Number assigned to them prior to admission. This requirement applies to all household members, including live-in aides, foster children and foster adults. Adequate verification includes a Social Security Card, issued by the Social Security Administration, or other acceptable evidence as stated in the HUD Handbook 4350.3, Rev-1, Change 4, Appendix 3.

Permanent Exemptions to Disclosure of Social Security Number

The Social Security Number requirements do not apply to:

- (a) Individuals who do not contend eligible immigration status.
- (b) Individuals age 62 or older as of January 31, 2010, whose initial determination of eligibility was begun before January 31, 2010. Applicant must provide information regarding the agency or landlord who made the initial eligibility determination.

Temporary Exemptions to Disclosure of Social Security Number

The Social Security Number requirements will be temporarily waived for:

- (a) Children under the age of 6, who have joined the applicant family within the 6 months immediately preceding admission, and who have not yet been assigned a Social Security Number.
- (b) Children under the age of 6, who are joining an existing household, and who have not yet been assigned a Social Security Number.

*NOTE: Children who have been with the applicant family for more than 6 months immediately preceding admission do not qualify for a temporary exemption.

Timeframe for Providing Social Security Numbers

- (a) Applicants do not need to provide verification of a Social Security Number at the time of application, or to be placed on the waiting list. However, applicants must provide verification of a Social Security Number for all non-exempt household members before they can be housed.
- (b) If, at the time a unit becomes available, all non-exempt household members have not provided adequate verification, the next eligible applicant will be offered the available unit. All non-exempt household members have 90 calendar days from the date they are first notified that a unit is available to provide verification. During this 90-day period, the household may retain its place on the waiting list, but will not be considered again until the verification is provided. If, after 90 days, the applicant is unable to provide verification for all non-exempt household members, the household will be determined ineligible and removed from the waiting list.
- (c) An applicant who has not disclosed and provided verification of Social Security Number for a child under the age of 6 (Temporary Exemption A) has 90 calendar days from the date they are admitted to disclose and provide verification of the Social Security Number. If, after 90 calendar days, the child's Social Security Number has not been disclosed and verification provided, and the reason for non-compliance is due to circumstances that could not reasonably have been

foreseen and were outside the control of the family, an additional 90 day extension may be granted. If, after 90 calendar days (or 180 calendar days if an extension is granted), the child's Social Security Number has still not been disclosed and verification provided, the household's tenancy will be terminated in accordance with HUD requirements.

- (d) An existing household family who has not disclosed and provided verification of Social Security Number for a child under the age of 6 (Temporary Exemption B) has 90 calendar days from the date the child was added to the household to disclose and provide verification of the Social Security Number. If, after 90 calendar days, the child's Social Security Number has not been disclosed and verification provided, and the reason for non-compliance is due to circumstances that could not reasonably have been foreseen and were outside the control of the family, an additional 90 day extension may be granted. If, after 90 calendar days (or 180 calendar days if an extension is granted), the child's Social Security Number has still not been disclosed and verification provided, the household's tenancy will be terminated in accordance with HUD requirements.

Authorization for Release of Information and Verification Forms

All members of an applicant or tenant family, who are at least 18 years of age, and each family head and spouse regardless of age, must sign the following HUD-required consent forms prior to receiving assistance:

Authorization Consent Forms – HUD-9887 and 9887-A

- Form HUD-9887, Notice and Consent for the Release of Information to HUD and to a PHA
- Form HUD-9887-A, Applicant's/Tenant's Consent to the Release of Information – Verification by Owners of Information Supplied by Individuals Who Apply for Housing Assistance

Refusing to sign the Authorization for Release of Information by any adult family member will cause the family to be ineligible for assistance. All adults regardless of whether they report income must sign these forms.

Only Residence

Applicants must agree that their rental unit will be their only residence. When applicants are undergoing income limit tests, they are required to reveal all assets they own including real estate. They are allowed to own real estate, whether they are retaining it for investment purposes as with any other asset, or have the property listed for sale. However, they may never use this real estate as a residence while they live in HUD-assisted housing.

Rent Formula for Section 8 Multi Family Property

Applicants must agree to pay the rent required by the Section 8 Multi Family subsidy formula used at the property, which is defined in HUD's Occupancy Handbook, HUD Handbook 4350.3 REV-1, CHG-1 as follows:

The applicant/tenant will pay the greatest of 30% of the monthly-adjusted income, 10% of the monthly gross income, Welfare Rent, or Minimum Rent of \$25.

Annual Recertification Policy

In addition, applicants must understand and agree to HUD's requirement of an annual recertification of family income and circumstances per lease agreement and program description.

Interim Recertification Policy

Further, to ensure that assisted families pay rents based on their ability to pay, applicants must understand and agree to HUD's requirement that they are required to supply interim information to the property when the following occurs between annually scheduled recertification:

- A family member moves out of the unit;

- An adult member of the family who was reported as unemployed on the most recent certification
- obtains employment; or
- The family's income cumulatively increases by \$200 or more per month.

Notification Policy

The property will inform tenants, through required written notices, about their responsibility annually to provide information about the family's income, which is necessary to properly complete a recertification.

Eligibility under the Noncitizen Rule

According to Section 214 of the Housing and Community Development Act of 1980 (commonly known as the Noncitizen Rule), only U.S. citizens and eligible noncitizens may benefit from federal rental assistance. All applicants will be given notice of the requirement to submit evidence of citizenship or eligible immigration status at the time of application. For citizens, the evidence consists of a signed declaration of US citizenship or US nationality. The agent will obtain verification of the declaration by requiring presentation of a US passport, birth certificate, Employment Authorization card, Temporary Resident card, or other appropriate documentation, as provided by Section 214. For noncitizens, adequate evidence consists of a signed declaration of eligible immigration status, and one of the Section 214 documents listed in Figure 3-4 of HH 4350.3 REV-1.

Declaration Form

All family members, regardless of age, must declare their citizenship or immigration status via a Declaration Form. A separate form must be signed by each member of the family. For family members under the age of 18, the form must be signed by an adult member of the household. This form is a statement made by the applicant clarifying whether s/he is

1) a citizen or national of the United States, is 2) a noncitizen with eligible immigration status as evidenced by an immigration document, or 3) is a noncitizen and is not contending eligible immigration status and is thus not eligible to receive federal assistance.

- If an applicant under the age of 62 is an eligible noncitizen as an immigrant to the US, s/he must additionally sign a Verification Consent Form and submit documentation of immigration status. Otherwise, for noncitizens who are in this country on a visa, and are not immigrants, there is an appropriate place on the form for them to sign stating that they do not claim to have eligible immigration status and are not therefore eligible for assistance.
- Noncitizen immigrants who are age 62 and older are not required to be further verified regarding their immigration status other than signing their declaration of eligible immigration status, and providing a proof of age document.
- Noncitizens that are not contending eligible immigration status are eligible to live in assisted housing as long as there is at least one eligible member in the family intending to live in the unit. Only the eligible family members will receive assistance, which will be calculated by using a proration method of eligible members divided by total family members.

Eligibility under the Student Rule

Student eligibility is determined at move in/initial certification and at each annual certification. Student eligibility may also be reviewed at interim certification if student status has changed since the last certification. All students are required to report any change in their student status.

A student who is enrolled as either a part time or full time student at an institute of higher education for the purpose of obtaining a degree, certificate, or other program leading to a recognized educational credential

will be eligible for assistance if the student meets all other eligibility requirements, meets screening criteria requirements and:

- Is living with his or her parents/guardian who is receiving Section 8 assistance
Is at least 24 years old or older by December 31 of the award year;
- Is married or
- Is a veteran of the Armed Forces of the United States or is currently serving on active duty in the Armed Forces for other than training purposes or
- Has legal dependents other than a spouse or
- Is a person with disabilities who was receiving Section 8 assistance as of November 30, 2005 or
- Is a graduate or professional student or
- Or is classified as a Vulnerable Youth. A student meets HUD's definition of a vulnerable youth when:
 - a) The individual is an orphan, in foster care, or ward of the court or was an orphan, in foster care or ward of the court at any time when the individual was 13 years of age or older;
 - b) The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in a legal guardianship as determined by a court of competent jurisdiction in the individual's state of legal residence.
 - c) The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth (as such terms are defined in Section 725 of the McKinney-Vento Homeless Assistance Act), or as unaccompanied, at risk of homelessness and self-supporting, by
 - i) A local educational agency homeless liaison, designated pursuant to the McKinney-Vento Homeless Assistance Act;
 - ii) The director of a program funded under the Runaway and Homeless Youth Act or designee of the director;
 - iii) The director of a program funded under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act or a designee of the director or
 - iv) A financial aid administrator.
- Or, the individual is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances or
- Has parents who are income eligible for the Section 8 Program.

Defining Student Financial Assistance Income

Any financial assistance a student receives (1) under the Higher Education Act of 1965, (2) from private sources, or (3) from an institution of higher education that is in excess of amounts received for tuition and other required fees and charges is included in annual income, except if the student is over the age of 23 with dependent children or if the student is living with his or her parents who are receiving Section 8 assistance.

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".

Protection from Eviction

The owner will not evict or require an ineligible student to move from a unit as long as the student is paying market rent and is in compliance with the terms of the lease.

Verifying Information

The applicant must agree to furnish any information required to verify eligibility for rental assistance including all sources of income, assets, and certain expenses. Applicants are hereby informed that, by law, the penalties for false information may include eviction, loss of assistance, fines up to \$10,000, and imprisonment up to five years. The applicant must understand that a final decision of eligibility cannot be made until all verifications are complete. In addition, the applicant must understand that HUD has the right to compare any of the information supplied in the verifications with information that federal, state, or local

agencies have on the family's income and household composition. See also Section 10 of this plan, Page 30.

The owner must explain all program requirements to applicants, including the following verification procedures:

Verification Documentation

Documentation used as part of the verification process may include checklists completed and signed by the applicant, verification forms completed and signed by third parties, dated notes of interviews with third parties whether by phone or in person, documents provided by family members, or affidavits/certifications supplied by the applicant. The owner will be the final judge of the credibility of any verification submitted by an applicant.

Preferred Forms of Verification

Verifications must be attempted in the order indicated below. Each file will be documented to show that the owner attempted to obtain third party written documentation before relying on some less acceptable form of information.

- Upfront Income Verification through the Enterprise Income Verification (EIV) system;
- Third party written;
- Third party oral with a record kept in the file;
- Review of documents provided by the family, or
- Affidavits from the family.

Verifying Zero Income

If an applicant reports zero income, the owner will advise her/him that if they are still at zero income when they come to the top of the Waiting List, they must fill out a questionnaire prepared by the owner stating their source of necessary living items that are not covered by Food Stamps or other federal assistance sources. After 90 days at zero income, and for every 90-day period thereafter, the tenant may be re-certified to determine if they have begun to receive any type of income.

Attempted Fraud

Any information provided by the applicant that is later proven to be untrue by verification may be used to disqualify the applicant for admission on the basis of attempted fraud. Fraud is defined in Par 8-13 A of the handbook as an applicant/tenant knowingly providing inaccurate or incomplete information. Unwitting errors that do not secure an advantage with regard to program eligibility, preferences, or rent will not be used as a basis to exclude applicants. The owner considers false information about the following items to be grounds for rejecting an applicant:

- Income, assets, family composition, Social Security numbers, allowances; and
- Previous tenant or criminal history

4. Qualifying for Admission Under HUD's Project Eligibility Requirements

Defining Project Eligibility

Project Eligibility establishes whether applicants are eligible to reside in the specific property to which they are applying. This property has units designed to serve all family types. The Occupancy Standards listed below take into consideration not only family type, but also family size and what unit sizes are available in the property. It is possible that a family might be eligible for subsidy under HUD's requirements, but would not be eligible under the unit size requirements of this particular property.

Occupancy Standards

When applying to the property, the appropriately sized unit must be in the unit configuration within the development. Units are assigned according to family size and composition. If the appropriate unit size is not available at the time of application, the applicant will be put on a waiting list. To avoid overcrowding, and in order to be consistent, we have adopted the following occupancy standards:

Number of Bedrooms	Number of Persons	
	Minimum	Maximum
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8

A single person cannot occupy a unit with two or more bedrooms unless one of the following applies:

- A person with a disability who needs the larger unit as a reasonable accommodation.
- An elderly person who has a verifiable need for a larger unit.
- A remaining family member of a tenant family when no appropriately sized unit is available.

The term “family” includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

- A single person, who may be an elderly person, displaced person, disabled person, near-elderly person or any other single person; or
- A group of persons residing together and such group includes, but is not limited to:
 1. A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
 2. An elderly family;
 3. A near-elderly family;
 4. A disabled family;
 5. A displaced family; and
 6. The remaining member of a tenant family.

The term “gender identity” means actual or perceived gender-related characteristics.

The term “sexual orientation” means homosexuality, heterosexuality or bisexuality.

Defining Persons with Disabilities

- Any adult having a physical, mental, or emotional impairment that:
- Is expected to be of long-continued and indefinite duration;
- Substantially impedes the person’s ability to conduct the activities of daily living;
- Is such that the person’s inability to conduct the activities of daily living could be improved by more suitable housing conditions.

- A person having a developmental disability, as defined in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act, that is a person with a severe chronic disability which:
 - Is attributable to a mental and/or physical impairment or combination of mental and physical impairments;
 - Was manifested before age 22;
 - Is likely to continue indefinitely;
 - Results in substantial functional limitation in three or more of the following areas of major life activity: self-care, receptive and responsive language; learning; mobility; self-direction; capacity for independent living; and economic self-sufficiency; and,
 - Reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated.
- A person with a chronic mental illness; that is a person who has a severe and persistent mental or emotional impairment that seriously limits his/her ability to live independently, and whose impairment could be improved by more suitable housing conditions.
- Persons infected with the human acquired immunodeficiency virus (HIV) who are disabled as a result of infection with the HIV are eligible for occupancy in the Section 202 properties designed for the physically disabled, developmentally disabled, or chronically mentally ill depending upon the nature of the person's disability.

NOTE: A person whose sole impairment is alcoholism or drug addiction will not be considered to be disabled for the purposes of the Section 202 program.

Reasonable Accommodation

The property will consider requests for reasonable accommodations from applicants/tenants with disabilities, in order that they may benefit from the use and enjoyment of the dwelling units. The applicant/tenant must be able to show that the requested accommodation is necessary, and that there is a strong, identifiable relationship between the requested accommodation and the individual's disability.

If a household requests an accessible feature, policy modification, or other reasonable accommodation, the property will provide the requested accommodation unless doing so would result in a fundamental alteration in the nature of the program, or an undue financial and administrative burden. A fundamental alteration is a modification that is so significant that it alters the essential nature of the operations of the property.

Policy for Unit Transfers

Requests from Tenants

Once an applicant has become a tenant, a transfer of units may be warranted. There are two, three and four bedroom unit sizes at this property. If a tenant has an increase in family size, or has a medical/health condition that warrants a larger unit or a unit that has special design features for a person with disabilities, a transfer may be requested. On occasion there may be other requests for transfers that the property will consider on a case-by-case basis. All transfer requests must be made in writing, and must state the reason for the request. The request will then be forwarded to the property manager/owner for final approval. **When the transfer is at the request of the family, the family may be required to provide third party verification of the need for the transfer.**

Requirement by Owner

On occasion an owner may require a tenant to transfer to a smaller unit size. This may occur when the family composition decreases and the family no longer qualifies for the unit size in which they are dwelling. If a unit of appropriate size is not available, the owner will not evict the family and will not

increase the family's rent to the market rent. However, if an appropriately sized unit is available and the family refuses to move, the family may stay in their current unit and pay the HUD-approved market rent. The owner may evict the family if the family fails to pay the market rent in accordance with the lease.

Acceptable Reasons for Transfers

Current tenants may qualify for a unit transfer for one of the following conditions:

- Medical/health conditions, including inability to use stairs, or the need for a live-in attendant;
- Family size increases or decreases, or composition changes;
- There is a need for a unit with special design features for a person with disabilities; or
- Other potential conditions not related to health, which will be reviewed on a case-by-case basis by the owner.

Current tenants requesting a unit transfer for any other reason will be added to the waiting list of applicants if:

- There is no record of consistent late or unpaid rental obligations,
- There is no record of police activity;
- The family must be in compliance with their lease;
- The family is current in all payments to the property,
- Inspection of the tenant's current unit indicates there is no damage to the property or poor housekeeping habits resulting in health or safety hazards.

Processing Transfers

Upon offer and acceptance of a unit, the family will execute all lease up documents and pay any rent and/or security deposit within two (2) calendar days of being informed the unit is ready to rent. The family will be allowed fourteen (14) calendar days to complete a transfer. The family will be responsible for paying rent at the old unit as well as the new unit for any period of time they have possession of both. The prorated rent and other charges (key deposit and any additional security deposit owing) must be paid at the time of lease execution.

The following is the policy for the rejection of an offer to transfer:

- If the transfer is being made at the request of the Dakota Square Apartments and the family rejects the offer without good cause, the Dakota Square Apartments will take action to terminate their tenancy. If the reason for the transfer is that the current unit is too small to meet the Dakota Square Apartment's optimum occupancy standards, the family may request in writing to stay in the unit without being transferred so long as their occupancy will not exceed two people per living/sleeping room.

Cost of the Family's Move

The cost of the transfer will be borne by the family in the following circumstances:

- When the transfer is made at the request of the family or by others on behalf of the family (i.e. by the police);
- When the transfer is needed because action or inaction by the family caused the unit to be unsafe or uninhabitable.

The cost of the transfer will be borne by the owner in the following circumstances:

- When the transfer is needed to move the family to an appropriately sized unit, either larger or smaller;
- When the transfer is necessitated because a family with disabilities needs the accessible unit into which the transferring family moved. (The family without disabilities signed a statement to this effect prior to accepting the accessible unit); or
- When the transfer is needed in order to carry out rehabilitation activities; or

- When action or inaction by the Dakota Square Apartments has caused the unit to be unsafe or uninhabitable.

The responsibility for moving costs in other circumstances will be determined on a case by case basis.

Procedures for Filling Vacancies

If a request for a transfer to a different unit is approved, the tenant agrees to pay all transfer costs. Costs may include damages that are beyond normal wear and tear. However, if a tenant is transferred as an accommodation to a household member's disability, then the owner may be obligated to pay the costs associated with the transfer as discussed under Section 504 of the Rehabilitation Act of 1973 of Chapter 2 of HUD Handbook 4350.3 REV-1.

Priority for Filling Vacancies

The property will fill its vacant units with current tenants awaiting transfers after applicants from the property's waiting list. **Tenants will be added to waiting lists as of date and time of tenant request.** Unit transfers that are required by management will take priority over tenant requested transfers.

Eligibility for Emergency Transfers

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L is eligible for an emergency transfer, if: the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault, the tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.

A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan.

Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

Emergency Transfer Request Documentation

To request an emergency transfer, the tenant shall notify Dakota Square's management office and submit a written request for a transfer to 1902 N. Dakota Street #320, Aberdeen, SD 57401. Dakota Square Apartments will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:

- A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under Dakota Square Apartments' program; OR\
- A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.

Preferences

Violence Against Women Act

Families who are victims under VAWA will receive a preference in Dakota Square Apartments' housing assistance programs. Families who have been victims of domestic violence, dating violence or stalking shall provide: a) documentation signed by the victim and an employee, agent, or volunteer of a victim service provider, an attorney, or a medical professional from whom the victim has sought assistance in addressing domestic violence, dating violence or stalking or the effects of the abuse, in which the professional attests under penalty of perjury (28 U.S.C. § 1746) to the professional's belief

that the incident(s) in question are bona fide incidents of abuse; or b) a federal, state, tribal, territorial or local police or court record to establish their victim status.

Victims of Disaster

A preference will be given to applicants who have vacated housing as a result of a disaster (fire, flood, etc.). Verification of involuntary displacement will be made by certification from a unit of government concerning displacement due to disaster.

Elderly Election

The property has not made an election to give preference for the elderly as allowed under Title VI, Subtitle D of the Housing and Community Development Act of 1992, and as explained in HUD Handbook 4350.3 REV-1, Par 3-18.

5. Qualifying for Admission under the Property's Standards

Property Standards for Occupancy

Being eligible for federal rental housing is not an entitlement. Every applicant must meet the tenant selection criteria set in place at the property. These standards are used to demonstrate the applicant's suitability as a tenant. They are determined by verifying information on past behavior to document the applicant's ability, either alone or with assistance, to comply with essential lease provisions and any other rules governing tenancy.

Two Persons per Bedroom

The property has adopted a bedroom size standard of two persons per bedroom. This standard serves to prevent the over-utilization or under-utilization of units that could result in an inefficient use of housing assistance. This standard also ensures that tenants are treated fairly and consistently in order to receive adequate housing space. The property will not make social judgments on a family's sleeping arrangement.

Families with Children

The Fair Housing Act prohibits properties receiving Federal assistance from discriminating on the basis of familial status, defined by Congress as children under the age of 18, making it illegal to discriminate against families because of the presence of children. The property will neither exclude families with children, nor will they develop policies or procedures that have the purpose or effect of prohibiting children. The property will not exclude eligible elderly families because of the presence of children, or because of the anticipated presence of children.

Counting Family Members

In order to determine the size of unit that would be appropriate for a particular family, the property will count all full-time members of the family including live-in aides and foster persons who will reside in the unit. In addition, the property will count all anticipated persons including the following:

- Children expected to be born to a pregnant woman;
- Children in the process of being adopted by an adult family member;
- Children whose custody is being obtained by an adult family member;
- Children who are temporarily in a foster home who will return to the family;
- Children in joint custody arrangements who are present in the household 50% or more of the time, see Joint Custody Arrangement below;
- Children who are away at school and who live at home during recesses, see page 19;
- Children that are temporarily in a correctional facility/detention center who will return to the family.

Anticipated Children

Anticipated children that are not currently living in the unit will be taken into consideration when determining unit size, and in some cases when determining income limits. The rules as laid out in Chapter 3 of HUD Handbook 4350.3 REV-1 are as follows:

- Family Addition Adoption: Counts for income limits and unit size.
- Family Addition Pregnancy: Counts for income limits and unit size.
- Family Addition Foster Child: Counts for unit size.

When these anticipated children become a reality and move into the unit, an interim recertification is required including the child as a family member if the addition is due to adoption, pregnancy, or as a household member if the addition is due to a foster child.

If the anticipated children do not become a reality, the tenant will be transferred to an appropriate sized unit per our Unit Transfer Guidelines outlined in this plan.

Joint Custody Agreements

Children in joint custody agreements whose parents both live in assisted housing, may receive a dependent deduction in only one of the assisted units at any given time. The determination of which parent will receive the deduction will remain with the parents. All families with single parents will be asked on their move-in and annual/interim recertification checklists or questionnaires if they are in a joint custody agreement, and if so, does the other parent live in assisted housing. If there is a joint custody agreement and both parents live in assisted housing, a declaration must be made by each parent at each certification which parent will receive the dependent deduction. In order to determine unit size, the property will take into consideration the child being in each household, but only one family will get the dependent deduction.

Children Who are Away at School

Management will not include as a family member a child who is away at school and who has established residency at another address or location as evidenced by a lease agreement. The new address or location is considered the student's principle place of residence.

Remaining Family Members

If the qualifying member of a household leaves the unit, a determination will be made as to whether the remaining member(s) of the household will be eligible to receive assistance. To qualify as a remaining member, individuals must be a party to the lease when the qualifying member leaves the unit, and must be of legal contract age under state law.

Those That are Away in the Military

Management will not count a nonfamily member, such as adult children on active military duty.

Property Standards for Unit Assignment

Assigning a Smaller Unit Than Required

Management will consider assigning a family to a smaller unit size than the standards listed above if the family requests the smaller unit, is eligible for the smaller unit based on the number of family members, and occupancy of the smaller unit will not cause serious overcrowding, or will not conflict with the local codes.

Assigning Units Larger Than Required

Management will consider assigning a family to a larger unit than the standards listed above if no eligible family in need of the larger unit is available to move into the unit within 60 days, the property has the

proper size unit for the family but it is not currently available, and the family agrees in writing to move at its own expense when a proper size unit becomes available. A larger unit may be assigned, upon request, if the family needs a larger unit as a reasonable accommodation for a family member who is a person with a disability.

Change in Size after Initial Occupancy

After a family moves into a unit, if the unit becomes underutilized due to a change in family size, management will require the family to move to a unit of appropriate size, if it is available. If the family refuses to move to the correct size unit, the family may stay in the current unit and pay the market rent. Management will not evict the tenant for refusing to move, but will evict the family if it fails to pay the market rent in accordance with the lease.

Change in Need for Accessible Features

If a family is in an accessible unit but no longer needs the accessible features, management may request that the family move to another unit in the property.

Property Standards for Behavior

The applicant family will be judged on past habits and practices related to tenancy and not on any attribute or behavior which may be imputed to a particular group or category of persons of which an applicant may be a member.

6. Screening to Determine Applicant Eligibility

Applicant Screening Policy

All applicants for assisted housing will be screened according to the criteria set forth in HUD's Occupancy Handbook, HUD Handbook 4350.3 REV-1. Certain key questions relating to the applicant's eligibility and tenant history will be asked, including Social Security numbers, and the names, addresses and telephone numbers of current and former landlords. Failure to provide this information will result in cessation of application processing. Property staff will assist applicants, as needed, in understanding the application process and completing forms. Applicants will be instructed on what aspects of their background will be checked. An applicant has the right to voluntarily withdraw from the application process at any time.

Things the Property will Check

- Past performance in meeting financial obligations, especially rent;
- A record of disturbance of neighbors, destruction of property, or housekeeping habits at prior residences which may adversely affect the health, safety or welfare of other tenants, or cause damage to the unit or development;
- Involvement in criminal activity on the part of any applicant family member which would adversely affect the health, safety or welfare of other tenants;
- A record of eviction from housing, or termination from residential programs;
- An applicant's ability and willingness to comply with the terms of the property's lease;
- An applicant's misrepresentation of any information related to eligibility, allowances, family composition or rent.

Things the Property will Not Check

- The property is not allowed to require physical examinations or medical testing as a condition of admission;
- The property will uniformly require all applicants to furnish evidence of ability to meet the obligations of tenancy, but will not impose greater burdens on persons with disabilities. Persons with disabilities may meet the requirements of the lease with the assistance of others such as attendant care providers;

- The property will not require a donation, contribution or membership fee as a condition of admission;
- It is unlawful for the property to make an inquiry to determine whether an applicant has a disability, or to make inquiry as to the nature or severity of a disability.

Procedures to Determine an Applicant's History

Past Performance

- Past performance for meeting financial obligations will be checked by contacting at least one prior landlord or current landlord if tenant has no prior landlord. If the current landlord is a relative additional information on the applicant's ability to comply with lease terms may be collected from other sources by the property.
- An applicant who applies owing a balance consisting of uncollected rent and/or miscellaneous charges may not be placed on the Waiting List until that balance is paid.
- The property will run a criminal background check. If it is determined by the owner that the applicant is not eligible, the applicant will be rejected.

Record of Disturbance

- The property will check with at least one prior landlord or current landlord if tenant has no prior landlord for potential problems regarding disturbance of neighbors, destruction of property, or housekeeping habits that would pose a threat to other tenants.
- If the applicant is not currently living under a lease with a landlord, the current housing provider will be asked to verify the applicant's ability to comply with lease terms.
- Documentation of current use of illegal drugs on the part of any applicant family member will be sufficient grounds to reject the applicant family.
- An applicant's behavior toward property staff will be considered in relation to future behavior toward neighbors. Physical or verbal abuse or threats by an applicant toward staff will be noted in the file.

Involvement in Criminal Activity

- Involvement in criminal activity by any member of an applicant family that would adversely affect the health, safety or welfare of other tenants will be verified. In addition, the current or former landlord will be asked to indicate problems in this area during the applicant's tenancy.

Record of Eviction

- Staff will check property records, landlord records and other court records to determine whether the applicant has been evicted from any other property in the past.
- An applicant may or may not be held accountable by the property for the rental delinquency or other problems of a former household of which the applicant was a member, but not the head or spouse.
- Staff will consider the date and circumstances of any past eviction or termination in determining its relevance to property tenancy.

Complying with the Lease

- If an applicant is able to document through landlord references that she/he is complying with lease terms in current residences, and has so in former residences, this criterion will be considered to have been satisfied. Ability to comply with the property lease terms will be checked only in the absence of satisfactory landlord's documentation.

Misrepresentation of Information

- If, during the course of processing an application, it becomes evident that an applicant has falsified or otherwise misrepresented any facts about his/her current situation, history, or behavior in a manner that would affect eligibility, applicant selection criteria qualification, allowances or rent, the application shall be rejected.

Review of Information

If the owner's review of information about the applicant indicates that the applicant will not be a suitable tenant, the owner may reject the application for tenancy.

Screening for Rental History

- Consistent late or unpaid rental obligations;
- History of disturbing neighbors or destroying property.

Screening for Housekeeping Habits

- All landlords contacted for rental history will also be questioned regarding the applicant's housekeeping habits, to determine the maintenance of the present home in regards to sanitary conditions.

Screening for Drug Abuse and Other Criminal Activity

- The management company will conduct a criminal background check on each adult member of an applicant household. An adult means a person 18 or older or a person convicted of a crime as an adult under federal, state, or tribal law.
- If the criminal background report reveals negative information about a household member and the management company proposes to deny admission due to the negative information, the subject of the record (and the applicant, if different) will be provided notice of the proposed adverse action and an opportunity to dispute the accuracy and relevance of the record. The notice will also provide the opportunity for the applicant to request a copy of the criminal record report.
- If the applicant does not contact the management company to dispute the accuracy of the criminal record within 10 days, the management company will send a written notice of ineligibility to the applicant stating the specific reason for denial. If the applicant did not contact the management company within the specified time period due to a disability, the management company may provide a reasonable accommodation extending the dispute period as is reasonable.

Admission Process

- If a member of an applicant household is subject to a State Lifetime Sex Offender registration requirement, the management company:
 - Will deny admission based on the household member's eligibility for or actual inclusion on the list.
- If a member of an applicant household has been convicted of a felony offense involving the manufacture or distribution of a controlled substance, the management company:
 - Will deny admission based on the conviction of any person convicted of the illegal manufacture or distribution of a controlled substance as defined in section 102 of the Controlled Substance Act (21 U.S.C 802); as permitted by Section 807(b)(4) of the Fair Housing Act.
- If a member of the applicant household has been evicted from federally assisted housing for drug related criminal activity in the past three (3) years, the management company:
 - Will deny admission based on this eviction. If the evicted household member who engages in drug-related criminal activity has successfully completed a supervised drug rehabilitation program or circumstances leading to the eviction no longer exist, the owner may, but is not required to, admit the household.

- If the member of an applicant household is currently engaged in illegal use of drugs or for which the owner has 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 tenants.
 - Will deny admission based on evidence of use.
- The owner determines that there is reasonable cause to believe that a 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 tenants. The screening standards must be based on behavior, not the condition of alcoholism or alcohol abuse.
 - Will deny admission
- If a member of an applicant household has been convicted of a violent felony offense involving crimes of physical violence to persons or property or the nature of which would be detrimental to the safety or welfare of other residents or their peaceful occupancy of the premises, the management company:
 - May deny admission if the conviction, or exit from incarceration, occurred more than 5 years before application.
- If a member of an applicant household has been convicted of a nonviolent felony offense, the management company:
 - May deny admission if the conviction, or exit from incarceration, occurred within 5 years of application;
- If a member of an applicant household has been convicted of a violent misdemeanor, the management company:
 - May deny admission if the conviction, or exit from incarceration, occurred more than 5 years before application.
- If a member of an applicant household has been convicted of a nonviolent misdemeanor offense, the management company:
 - May deny admission if the conviction, or exit from incarceration, occurred within 5 years of application; and
- The management company will not consider an arrest or charge that was resolved without conviction. In addition, the management company will not consider expunged or sealed convictions. The management cannot deny admission or terminate housing solely on the basis of an arrest, although an arrest may be the basis for further inquiry and a decision can be made on the conduct and other supporting information such as police reports detailing the circumstances of the arrest, witness statements, and other relevant documentation.
- Where the management company “may deny” admission to a household, the management company will conduct an individualized assessment of the criminal record and its impact on the household’s suitability for admission. This individualized assessment will include consideration of the following factors:
 - the seriousness of the criminal offense;
 - the relationship between the criminal offense and the safety and security of residents, staff, or property;
 - the length of time since the offense, with particular weight being given to significant periods of good behavior;
 - the age of the household member at the time of the offense;
 - the number and nature of any other criminal convictions;
 - evidence of rehabilitation, such as employment, participation in a job training program, education, participation in a drug or alcohol treatment program, or recommendations from a parole or probation officer, employer, teacher, social worker, or community leader; and
 - tenancy supports or other risk mitigation services the applicant will be receiving during tenancy.

Screening of Live-in Aides or Persons Added to the Unit

Live-in Aides, at initial occupancy as well as if added to the household after initial occupancy, will be screened for the same criteria as any other applicant.

Compliance with Requirements Outlined in the Violence Against Women Act (VAWA)

In accordance with the Violence Against Women Act (VAWA), the owner/agent will not penalize victims of domestic violence, dating violence, sexual assault or stalking (herein identified as VAWA crimes). The Violence Against Women Act was promoted to make the lives of victims of abuse easier and to prevent homelessness. VAWA protections are not only available to women, but they are available equally to all individuals regardless of sex, gender identity, or sexual orientation.

An incident(s) of actual or threatened domestic violence, dating violence, or stalking will not be construed as serious or repeated violations of the lease by the victim (or threatened victim), and will not be “good cause” for the termination of the assistance, tenancy, or occupancy rights of a victim of such violence.

We must keep confidential any information you provide related to the exercise of your rights under VAWA, including the fact that you are exercising your rights under VAWA, however, this does not limit our duty to honor court orders or court proceedings about eviction, access to or control of the property.

Victims must certify their status as victims and that the incident in question was a bona fide incident of domestic violence by presenting appropriate documentation to the owner/agent if this information is requested in writing by the owner/agent.

Tenants can be evicted or their assistance can be terminated for serious or repeated lease violations that are not related to a VAWA crime committed against them. However, we cannot hold tenants who have been victims of a VAWA crime to a more demanding set of rules than it applies to tenants who have not been victims of VAWA crimes.

Protections for Applicants

If you otherwise qualify for assistance under the Section 8 program, you cannot be denied admission or denied assistance because you are or have been a victim of a VAWA crime.

Protections for In-Place Tenants

If you are currently receiving assistance under the Section 8 program, you may not be denied assistance, terminated from participation, or be evicted from your rental housing because you are or have been a victim of a VAWA crime.

Also, if you or an affiliated individual of yours is or has been the victim of a VAWA crime by a member of your household or any guest, you may not be denied rental assistance or occupancy rights under the Section 8 program solely on the basis of criminal activity directly relating to that VAWA crime.

Affiliated individual means your spouse, parent, brother, sister, or child, or a person to whom you stand in the place of a parent or guardian (for example, the affiliated individual is in your care, custody, or control); or any individual, tenant, or lawful occupant living in your household.

Key Points Provided in the Act:

- An applicant who certifies they were the victim of a VAWA crime may be allowed to be admitted even with poor credit and poor landlord evaluations if he/she can show these negative factors were caused by domestic violence.
- It assures that victims of VAWA crimes can have access to the criminal justice system without facing eviction.
- Where someone is abusive to other members of the household, the abuser may be evicted while allowing the rest of the household to remain in the unit (lease bifurcation).

- Tenants in Section 8 assisted housing facing violence may be allowed early lease termination for a matter of safety.
- A tenant who is a victim of a VAWA crime may request an emergency transfer when further violence or harm is imminent, or if the tenant was a victim of a sexual assault occurring on the property within 90 days prior to the transfer request. Our Emergency Transfer Plan is available to anyone requesting to see it.
- All rejected victims of a VAWA crime may request an emergency transfer when further violence or harm is imminent, or if the tenant was a victim of a sexual assault occurring on the property within 90 days prior to the transfer request. Our Emergency Transfer Plan is available to anyone requesting to see it.
- All rejected applicants will receive the VAWA Notice of Occupancy Rights.
- All newly admitted tenants will receive the VAWA Notice of Occupancy Rights upon move-in.
- All in-place tenants will receive the VAWA Notice of Occupancy Rights no later than their 2017 annual recertification

Form HUD-91066, *Certification of Domestic Violence, Dating Violence or Stalking*

All current tenants will be provided the option to complete form HUD-91066, *Certification of Domestic Violence, Dating Violence or Stalking*. This form will also be made available to all families at the time of admission.

Form HUD-91067, *Lease Addendum for VAWA*

Form HUD-91067, HUD’s lease addendum for the VAWA provisions, is a required addendum to every lease. If it is determined that physical abuse caused by a tenant is clear and present, the law provides management the authority to bifurcate the lease, and remove, evict, or terminate housing assistance to that individual, while allowing the victim, who lawfully occupies the home, to maintain tenancy. The eviction of, or termination action against the individual, will be done in accordance with the procedures prescribed by federal, state, and local law. If such action is deemed necessary, an interim recertification will be processed reflecting the change in household composition.

Notification

An applicant that is rejected will be given prompt written notification and will be advised of the grounds for rejection.

7. Marketing

Fair Housing Requirements

The property enforces a marketing effort that attracts a broad cross-section of the eligible population without regard to race, color, sex, religion, age, handicap, disability, familiar status, national origin, creed, ancestry, perceived sexual orientation, gender identity, marital status, source of income, or any other arbitrary basis.

Filling Available Units

Whenever additional applicants are needed to fill available units, advertising will be carried out in accordance with the HUD-approved AFHMP, and as indicated below.

Race and Ethnic Data Reporting

The property will offer all members of an applicant/tenant family the option of completing Form HUD-27061-H, Race and Ethnic Data Reporting Form. This form is used for gathering race and ethnic data in assisted housing programs. The form will be offered for completion at initial application or at lease signing. In-place tenants who have not completed the form will be offered the opportunity to complete

the form. There is no penalty for persons who do not complete the form. The property will place a note in the file of any family member who chooses not to complete the form.

Affirmative Fair Housing Marketing Plan (AFHMP)

The property complies with the requirements of the HUD-approved AFHMP established for the property, which is designed to promote equal housing choice for all prospective tenants regardless of race, color, sex, religion, age, handicap, disability, familiar status, national origin, creed, ancestry, perceived sexual orientation, gender identity, marital status, source of income, or any other arbitrary basis. The purpose of the plan is to ensure that eligible families of similar income levels will have a similar range of housing opportunities. The plan outlines marketing strategies the owner will use. Special efforts will be made to attract persons who are least likely to apply due to such factors as the racial or ethnic composition of the neighborhood. Marketing will also seek to reach potential applicants outside the immediate neighborhood if marketing only within the neighborhood would create a disparate impact against certain classes, such as the case of an entire neighborhood that includes no minorities.

Monitoring and Documenting Marketing Activities

The property will keep copies of media and marketing materials and documentation of any special marketing activities conducted in accordance with the property's approved AFHMP.

Five-year Review of Plan

The property will review the AFHMP every five years and update it as needed to ensure compliance with HUD regulations. If the demographics of the area have changed, the property will determine whether advertising efforts should be targeted to different groups. The AFHMP will be revised whenever a substantial change takes place, or the local Consolidated Plan is updated, and be submitted to HUD for approval.

Advertising

Form of Advertisement

All advertising for this property includes the HUD-approved Equal Housing Opportunity logo, the Equal Housing Opportunity slogan, or an equal housing statement. All visual advertising will depict members of all eligible protected classes including individuals from both majority and minority groups, and will attempt to reach out to applicants who are least likely to apply.

Source of Advertising

The property will display "NOW LEASING" sign when needed; be listed on Dakota Square Apartment website.

Fair Housing Poster

The property has posted the required Equal Housing Opportunity poster.

8. Waiting List Management

Anyone who wishes to be admitted to the property or to be placed on the property's Waiting List must complete an application. The application must include a signature certifying the accuracy and completeness of information provided. If the applicant is placed on the property's Waiting List, the list will note the name of the applicant, the date and time of application, the type of income, the size of unit eligible for, and any other pertinent information.

Selecting Names from the Waiting List

The property will select names from the waiting list in chronological order to fill vacancies, unless an extremely low-income applicant is needed to achieve targeting requirements, and the next applicant on the

waiting list has income above the extremely low-income limit. In such a case, a notation will be made on the waiting list to indicate why this applicant was skipped for an extremely low-income applicant. Please note the paragraph on Income-Targeting on Page 9 of this Tenant Selection Plan.

Applicant's Refusal to Accept a Unit

If the family rejects a unit offered without a reason, the family's name will be moved to the bottom of the waiting list, and the date and time of the application will be changed to the date and time the offer of the unit was rejected. The family's name will be removed from the waiting list after rejection of the 3rd offer of any unit.

Maintaining the Waiting List

In order to maintain a balanced application pool, the property may, at its discretion, restrict application taking, suspend application taking, and close waiting lists in whole or in part. Decisions about closing the waiting list will be based on the number of applications available, and the ability of the property to house an applicant within a reasonable period of time. Closing the waiting lists, restricting intake, or opening the waiting lists will be posted in the Dakota Square Apartments' office lobby.

Opening and Closing the Waiting List

The waiting list may be closed for one or more unit sizes when the average wait is excessive (e.g., one year or more). When the owner closes the list, the owner will advise potential applicants that the waiting list is closed and will not take additional applications. When the owner decides to no longer accept applications, the owner will also publish a notice to that effect in a publication likely to be read by potential applicants. The notice will state the reasons for the owner's refusal to accept additional applications.

When the owner agrees to accept applications again, the notice of this action will be announced in a publication likely to be read by potential applicants in the same manner (if possible, in the same publications) as the notification that the waiting list was closed. The notifications will be extensive, and the rules for applying and the order in which applications will be processed will be stated.

Advertisements will include where and when to apply and will conform to the advertising and outreach activities described in the Affirmative Fair Housing Marketing Plan.

Updating the Waiting List

The applicant is responsible to update the application with any changes that may occur to remain active on the current waiting list.

Removal of Applications from the Waiting List

The property will not remove an applicant's name from the waiting list unless:

- The applicant requests that the name be removed.
- The applicant was clearly advised of the requirement to tell the property of his/her continued interest in housing by a particular time and failed to do so. Those applicants failing to respond within the required time frame will be removed from the list. They may reapply at any time, but will not assume their old position on the list.
- The property made a reasonable effort to contact the applicant to determine if there is continued interest in housing, but has been unsuccessful.
- The property has notified the applicant of its intention to remove their name because they no longer qualify for assisted housing.
- The applicant does not meet either the eligibility or suitability criteria for the program.

Notification of Negative Action

Any applicant whose name is being removed from the waiting list will be notified by the property, in writing, that they have ten (10) calendar days from the date of the written correspondence to present mitigating circumstances or request an informal review. The letter will also indicate that their name will be removed from the waiting list if they fail to respond within the timeframe specified. The property's system of removing applicant names from the waiting list will not violate the rights of persons with disabilities. If an applicant claims that their failure to respond to a request for information or updates was caused by a disability, the property will verify that there is in fact a disability and the disability caused the failure to respond, and will provide a reasonable accommodation. An example of a reasonable accommodation would be to reinstate the applicant on the waiting list based on the date and time of the original application.

Purging the Waiting List

The property will update and purge its waiting list as needed to ensure that the pool of applicants reasonably represents the interested families for whom the property has current information, i.e. applicant's address, family composition and income category.

9. Application Intake and Processing

Application Intake

All persons wishing to be admitted to the property, or placed on the property's waiting list, must complete an application. All applications will be taken at the Dakota Square Apartments office located at 1902 N. Dakota Street #320, Aberdeen, SD 57401.

Communications with Applicants

All communications with applicants will be by first class mail or by telephone. Failure to respond to letters or phone messages may result in withdrawal of an application from further processing. The property will make exceptions to these procedures to take into account circumstances beyond the applicant's control, such as medical emergencies or extreme weather conditions.

Race/Ethnicity Data Collection

The applicant provides self-certification of their race and ethnicity for data collection by using form HUD-27601-H, Exhibit 4-3 of HUD Handbook 4350.3 REV-1. Completing this form is optional and there is no penalty for not completing it.

Written and Signed Applications

Written applications will be accepted from anyone who wishes to apply. Every application must be completed and signed by the applicant. A two-step application process is used. Under the two-step application process, the families will be required to provide only the information needed to make an initial assessment of the family's eligibility, and to determine the family's placement on the waiting list.

When the families name reaches the top of the waiting list, the family will be required to fill out a complete application. The information requested on the application form includes:

- Household characteristics such as name, sex, age, disability status (only where necessary to establish eligibility), need for an accessible unit, and race/ethnicity;
- General household contact information such as address, phone number, etc.;
- Sources and estimates of the household's anticipated annual income and assets;
- Social Security number(s);
- Citizenship declaration and consent form(s);
- Higher education student status (only if a member of the household is a student in higher education);

- Identification of preferences for which the household qualifies (only if preferences are used at the property);
- Screening information, which may include prior landlord and drug/criminal history;
- Marketing information regarding how the applicant heard about the property; and
- Certification from the applicant stating the accuracy and completeness of information provided, and an acknowledgement that the applicant has read the Privacy Act and understands the disclosure requirements.

Staff will be prepared to assist any applicants who might have trouble completing the application form. This assistance might take the form of answering questions about the application, helping applicants who might have literacy, vision or language problems and, in general, making it possible for interested parties to apply for assisted housing.

Determining an Applicant's Eligibility

Placement on a Waiting List

If a preliminary screening indicates that a family is eligible for tenancy, but units of appropriate size are not vacant, the owner will place the family on a Waiting List according to the date and time the application was received in the rental office. The family will be notified when a suitable unit becomes available.

Verification Interview

As applicants approach the top of the waiting list they will be contacted to bring in their information to verify all information given on the application. The interview will be conducted in accordance with HUD's Occupancy Handbook, HUD Handbook 4350.3 REV-1. The property will confirm and update all information provided on the application, and will explain program requirements, verification procedures, and penalties for false information, which include eviction, loss of assistance, fines up to \$10,000, and imprisonment up to five years. The applicant will be asked to sign the release of information consent portion of the Authorization for Release of Information (Forms HUD 9887 and 9887-A) and any other necessary verification requests.

Ineligible Applicants

At the completion of the verification process, applicants will be ineligible to move into the property for any one of the following reasons:

- The applicant's gross annual income changes by the time they reach the top of the waiting list, and exceeds the income limit for the property;
- Household members have failed to meet disclosure requirements for Social Security numbers;
- Household members have failed to declare citizenship/non-citizenship status;
- Household members have failed to sign the release of information forms; and,
- Landlord reference checks reveal that the applicant has a history of nonpayment of rent, eviction for nonpayment of rent, history of disruptive behavior, or history of damaging site property.

10. Verification Requirements

Required Consent Forms

Adult members of assisted families must authorize owners to request independent verification of data required for program participation. To provide owners with this authorization, adult family members must sign two HUD-required consent forms, plus the owner's specialized verification forms.

Form HUD-9887, Notice and Consent to the Release of Information to HUD.

Each member of the family who is 18 years of age and older must sign this form regardless of whether s/he has income. The consent allows HUD to verify information with the IRS, the Social Security Administration, and with state agencies that maintain wage and unemployment claim information.

Form HUD 9887-A, Applicant's/Tenant's Consent to Release of Information – Verification by Owners of Information Supplied by Individuals Who Apply for Housing Assistance.

Owners and all family members 18 years of age and older, regardless of whether they have income, must sign this form. The consent allows owners to request and receive information from third-party sources about the applicant/tenant.

Required Information

All information relative to the following items must be verified:

- Income, assets, family composition, Social Security numbers, and proof of age;
- Deductions for such things as age, disability, disability expenses, and medical costs;
- Documented ability and willingness to abide by lease requirements, previous history of tenancy, rent paying, caring for a home, and criminal activity of any family member.

All of the above information must be documented, and appropriate verification forms or letters placed in the applicant or tenant file. No decision to accept or reject an application will be made until all verifications have been collected.

Certification Checklist/Questionnaire

Each member of an applicant/tenant family who is 18 years of age and older will be required to complete a checklist/questionnaire at move-in and each recertification certifying to any of the above income, assets, deductions or level of eligibility.

Utilizing HUD's EIV System

The Enterprise Income Verification (EIV) system is an upfront income verification tool available to owners to validate tenant reported wage, unemployment and social security income during annual and interim recertifications of income. It is a web-based application available to authorized program administrators of HUD's rental assistance programs that allows the administrator to verify income through an independent source that systematically and uniformly maintains income information in computerized form for a large number of individuals. It is also known as "automated written third party verification." Management is currently in compliance with the EIV system and has taken steps to ensure technical, administrative and physical safeguards to ensure the privacy of all applicants/tenants, including ensuring that there is a current signed copy of form HUD-9887 on file for all adult tenants.

EIV Reports

Monthly:

Income Report
Income Discrepancy Report
No Income Report
New Hires Report
Multiple Subsidy Report
Identity Verification Reports
Deceased Tenants Report

Prior to Admission:

Existing Tenant Search

Preferred Forms of Verification

Verifications shall be attempted in the following order:

- Utilizing the EIV system, when applicable;
- Third party written;
- Third party oral with a record kept in the file;
- Review of documents provided by the family, or affidavits from the family.

For every file that it is appropriate to use the EIV system, EIV will be the first choice of verification. If the tenant disputes the information obtained in EIV, management will request written 3rd party verification.

Each file where EIV is not used will be documented to show that management attempted to obtain third party written documentation before relying on some less acceptable form of information.

Verification Documentation

Documentation used as part of the verification process may include:

- Checklists completed as part of the interview process and signed by the applicant;
- Verification forms completed and signed by third parties;
- Reports/letters of interviews; and
- Notes of telephone conversations with reliable sources.

At a minimum, such reports will indicate the date of the conversation, source of the information, name and job title of the individual contacted, and a written summary of the information received. Management staff will be the final judge of the credibility of any verification submitted by an applicant. If a staff member considers documentation to be doubtful, the property manager/owner will review it before making a ruling about its acceptability. Staff will continue to pursue credible documentation until it is obtained or the applicant is rejected for failing to produce it.

Source of Information

Sources of information to be checked may include, but are not limited to:

- Present and former landlords, or housing providers;
- Present and former employers;
- Credit checks and landlord record services;
- Schools and Colleges
- Utility Companies
- Banks & other financial institutions;
- Family social workers, parole officers, court records, drug treatment centers, clinics, physicians, clergy and;
- Police departments.

Verifications and Rent Computations

Annual Income, which is used to determine eligibility, and Adjusted Income, which is the income upon which the rent is based, will be computed in accordance with the definitions and procedures established in Federal Law and set forth in the applicable HUD regulations, as found in HUD Handbook 4350.3 REV-1.

Verifying Annual Income

Annual Income will include estimates for each income recipient, and will be based on the best available information, considering the past year's gross income, and for employed families, the current income rate, and any potential rate increase, bonus, or possibility of overtime. The income of irregular workers will be estimated on the basis of the best information available, considering earning ability and work history.

Overtime income will be computed in accordance with verification obtained from the employer, in the absence of more reliable or accurate information.

Methods of Verifying Income

Income is the most important factor in determining a family's eligibility and rent. The property has established methods of verifying income which include:

- Written third party verification (with an appropriate release) through an employer or public agency. Property staff may update this verification by phone provided a memorandum to the file is prepared.
- Property review of documentation provided by the family such as benefit checks, income tax returns, and W-2 forms.

In the absence of any of the above, affidavits from the family describing the amount and type of income is acceptable documentation.

Attempted Fraud

Any information provided by the applicant that verification proves to be untrue may be used to disqualify the applicant for admission on the basis of attempted fraud. The property considers false information about the following items to be grounds for rejecting an applicant:

- Income, assets, family composition; Social Security numbers; allowances; and
- Previous resident or criminal history

Unwitting errors that do not secure an advantage with regard to program eligibility, preferences, or rent will not be used as a basis to exclude applicants.

11. Making an Occupancy Determination

Non-Discrimination

The following list of factors will not be considered in making a decision to admit or reject an application:

- Race
- Color
- Religion
- Ancestry
- National origin
- Age
- Sex
- Marital status
- Receipt of Public Assistance
- Parental status
- Political ideology
- Handicap or disability, including mental or emotional illness
- Creed
- Perceived Sexual Orientation
- Source of Income
- Medical Condition
- Or any other arbitrary basis

Applicants with Disabilities

It is illegal to reject an applicant because s/he has a handicap or disability, or for reasons that could be overcome by the property's reasonable accommodation of the applicant's disability or handicap. If, even with a reasonable accommodation, applicants with disabilities or handicaps cannot meet essential program

requirements, it is permissible to reject them. Such insurmountable problems might arise because of behavior or performance in past housing, inability to comply with the terms of the property's lease, or needed services from property staff that represent an alteration in the fundamental nature of the property's program.

Determining Program Eligibility

An applicant who happens to have a disability or handicap but who is able to demonstrate a history of meeting financial obligations, caring for a rental unit, avoiding disturbing neighbors and destroying property, eschewing criminal behavior, and if necessary, ability to comply with the property's lease, would be recommended for admission with no further reference to or consideration of any disability or handicap.

Authorizing Admission

If an applicant is clearly eligible and passes the screening criteria, admission will be authorized.

12. Rejection of Ineligible Applicants

Applicants who do not pass the eligibility requirements will immediately be sent a letter of rejection. This written rejection notice will specifically state one of the reasons listed below for the rejection, and will inform the applicant of her/his right to respond to the owner in writing, or to request a meeting within 10 days to dispute the rejection. Appeal must be in writing and sent to Dakota Square Apartments, 1902 N. Dakota Street #320, Aberdeen, SD 57401.

Reasons for Rejection

The property will reject an applicant if s/he:

- Is ineligible for occupancy based on HUD's guidelines as indicated in HUD Handbook 4350.3 REV-1;
- Is unable to disclose and document a SSN, or does not execute a certification stating that no SSN has been assigned;
- Does not sign and submit verification consent forms or the Authorization for Release of Information (Forms HUD-9887 and HUD-9887-A);
- Has household characteristics that are not appropriate for the unit sizes that are available;
- Has not declared citizenship or non-citizenship status, or signed a statement electing not to contend noncitizen status; or
- Does not meet the property's tenant screening criteria as set forth in this Tenant Selection Plan. If this item is the cause for rejection, the letter of rejection will specifically state in which area the applicant did not pass the screening criteria, as indicated below.

Failing the Screening Criteria

Reasons for failing the property's tenant screening criteria may include:

- A family member was, or is, engaged in criminal activity that involves crimes or physical violence to persons or property, or that disturbs the peaceful enjoyment of the premises;
- There is evidence of acts of violence or any other conduct that constitutes a danger or disruption to the peaceful enjoyment of the premises;
- There is confirmed drug addiction or alcohol abuse, such as a conviction for possession, trafficking or use of narcotics or controlled substances, a record of conviction for activity relating to the misuse of alcohol, or written reports from a probation officer, a social agency, or the family itself to the effect that the individual is addicted to, or is misusing drugs or alcohol;
- A family member was evicted in the past three (3) years from federally assisted housing for drug and criminal activity;

- A family member has a conviction for the offense of rape, prostitution, indecent exposure, sodomy, carnal abuse, impairing the morals of a minor or similar crimes indicating sexual deviation;
- There is evidence of grossly unsanitary or hazardous housekeeping habits, which includes the creation of health or safety hazards through acts of neglect, or causing, or permitting to cause any damage to or misuse of the premises. This includes causing or permitting infestation, foul odors or other problems injurious to other persons' health, welfare or enjoyment of the premises; depositing garbage improperly; failing to use in a reasonable and proper manner all utilities, facilities, services, appliances and equipment within the dwelling unit, or failing to maintain them in good and clean condition; or any other conduct or neglect which could result in health or safety problems or in damage to the premises.

Report from Qualified Agency

In cases where a qualified agency, such as F.I.A. or Protective Services, reports that a family shows potential for improvement in the area of housekeeping, an eligibility decision will be reached after receiving such a referral or recommendation from such an agency.

Appeal Process

All denied applicants have 14 days to respond in writing or to request a meeting to discuss their rejection. Appeal letters should be sent to the address on the cover page of this Tenant Selection Plan. A member of the owner's staff who was not involved in the initial decision to deny admission will conduct any meeting with the applicant. A written response will be sent to the applicant following the review meeting with the final decision.

13. Acceptance of Eligible Applicants

Offering a Unit

When a unit becomes available for occupancy, it will be offered either to the first Extremely Low-income applicant on the Waiting List, or, if the income-targeting percentage has already been met, to the first applicant at the top of the Waiting List. If the applicant cannot be contacted within 7 to 10 calendar days, the offer will be canceled and the unit will be offered to the next applicant on the Waiting List.

Preparing to Move In

- The applicant and Program Manager will inspect the unit, and will both sign the Move-In Inspection Form;
- All applicants will sign the lease and related documents;
- The applicant will pay the security deposit by personal check, bank check, cashier's check or money order;
- The applicant will pay the pet deposit (if applicable) by personal check, bank check, cashier's check or money order;
- The applicant will pay the rent for the first month or partial month of occupancy by personal check, bank check, cashier's check or money order;
- The applicant will be given a copy of the lease, the HUD-50059 Form used to certify the rent, the Initial Notice for next year's Annual Recertification, the Move-In Inspection Form, House Rules, Pet Rules (if applicable), a *Resident Rights and Responsibilities* brochure, the Lead-Based Paint Disclosure Form, a HUD Fact Sheet describing the program and how the property determined the rent, and the receipt for the security deposit and first month's rent.
- EIV & You Brochure
- Receipt for Security Deposit and 1st month's rent

Move-In Inspection

Before executing the lease the owner's representative and the tenant will jointly inspect the unit. The move-in inspection form will be used to indicate the condition of the unit. The condition of the unit must be decent, safe, sanitary, and in good repair. If cleaning or repair is required, the owner will specify on the form the date by which the work will be completed, which will be no later than 30 days after the effective date of the lease. The inspection form must be signed and dated by both the owner and the tenant.

Initial and Renewal Leases

Applicants will be required to sign a lease for the program under which they are being admitted, in accordance with Figure 6-2 of HUD's occupancy handbook, HUD Handbook 4350.3 REV-1. The initial lease term and any renewal lease terms will be determined in accordance with Figure 6-3 of the handbook.

Determination of Security Deposit

Security deposit amounts will be determined in accordance with Figure 6-6 of HUD's occupancy handbook, HUD Handbook 4350.3 REV-1.

Pet Deposit (if applicable)

Pet deposit amounts will be determined in accordance with Figure 6-7 of HUD's occupancy handbook, HUD Handbook 4350.3 REV-1. The pet deposit will not exceed \$300, per HUD rules.

Rent Calculation

Monthly rent will be determined in accordance with the tenant rent formulas indicated in Exhibit 5-8 of HUD's occupancy handbook, HUD Handbook 4350.3 REV-1.

Failure to Move In on Time

If an applicant fails to move in on the agreed date, the applicant will be contacted to determine if extenuating circumstances exist. If the property determines that extenuating circumstances do exist, and the applicant cannot immediately move into the property, the application will be returned to its current spot on the waiting list, and the unit will be offered to the next household on the Waiting List. If the property does not find that there are extenuating circumstances, the application will be withdrawn.

Charges for Facilities and Services

Checks Returned for Insufficient Funds

Dakota Square Apartments upon learning that a check has been returned as a Non-sufficient Funds (NSF) check will follow these guidelines:

- When a check is returned to Dakota Square Apartments as non-sufficient funds (NSF), the tenant's account will be charged for the amount of the check. If it is a payment for rent, a \$1 per day late fee will be charged retro back to the first of the month thru the end of the month or up to the date the check is made good.
- Dakota Square Apartments will accept a money order or cashier's check only for payment on NSF checks.
- A tenant who has an NSF check returned to Dakota Square Apartments will be assessed any bank charges charged to the property, project, or Dakota Square Apartments for the return of the NSF check. Total bank and accounting fee will not exceed \$40.
- After one NSF check, management may require tenant to pay future rent payments with money order or cashier's check.

Damages

Whenever damage is caused by carelessness, misuse, or neglect on the part of the tenant, household member, or visitor, the tenant is obligated to reimburse the owner for the damages within 30 days after the tenant receives a bill from the owner. The property will deduct accrued, unpaid damage charges from the tenant's security deposit at the time of move-out, as allowed by the laws of this state.

Special Management Services

The property will charge for special services such as responding to lockout calls and providing extra keys. At the time of move-out the property will charge the tenant for each key not returned.

Court Filing, Attorney, and Sheriff Fees

The property will accept fees from tenants who wish to avoid or settle an eviction suit as permitted by state and local laws.

Unit Inspections After Move-In

In addition to the unit inspection at move-in, there will also be an annual inspection for repairs and monitoring of housekeeping habits. If a tenant is written up for poor housekeeping habits, s/he must clean their unit within a specified time limit for a re-inspection. If a tenant has three (3) unsatisfactory inspections, s/he may be required to move out of the property.

14. Tenant Responsibilities after Move-In

Annual Recertification Requirements

Once a tenant has moved into assisted housing and has gone through the process of having his/her income, assets, and allowances verified, HUD requires the owner to go through that same process of certification on an annual basis to ensure tenants are paying rent based on their ability to pay. This system of annually re-verifying income is called Annual Recertification.

The owner will initiate the annual recertification process by first notifying the tenant at the signing of each lease of their obligation to recertify next year. One hundred twenty days before the new recertification effective date, the owner will send the tenant a reminder notice of their need to report for an Annual Recertification. The tenant is then obligated to respond to these notices by reporting to the owner at the requested time, to complete the recertification process.

Interim Recertification Requirements

If circumstances occur in a tenant's life that affect his/her ability to pay their rent, a recertification of income, assets, allowances, or household composition should take place before the next scheduled annual recertification is due. This action is called an Interim Recertification. Owners and tenants both have certain responsibilities under HUD regulations to initiate interim re-certifications to ensure that an assisted tenant continues to pay rent according to his/her ability to pay.

Owner Responsibility

The owner will process interim re-certifications when the tenant reports circumstances which would decrease the rent, as indicated in Chapter 7 of HUD's occupancy handbook, HUD Handbook 4350.3 REV-1.

Tenant Responsibility

If an assisted tenant experiences certain changes in their income or household composition at a time other than their scheduled annual recertification, HUD requires them to immediately report these changes to the owner, so that an interim recertification can be processed.

Reporting Changes

It is the tenant's responsibility to report to Dakota Square within ten (10) days, using a Tenant Change Form, income changes, family composition changes, childcare expense changes, etc.

Timing of Notification:

Tenants must receive approval before a new household member moves in to a unit. Failure to notify the owner/agent is considered a material violation of the lease which may result in termination of assistance and/or residency. All household members must be eligible and must meet current screening requirements in order to be approved to move in to the unit.

Other changes must be reported to management within 10 days of the effective date of the change. Failure to report changes that create a rent increase, within 10 days, will result in a retroactive rent increase effective the first day of the month following the date of the change. The tenant will be responsible for returning any assistance paid in error. The owner/agent must return assistance paid in error to the Department of Housing and Urban Development. Failure to report changes, within 10 days that result in an increase of assistance and a reduction of rent will result in a rent change effective the first day of the month following the discovery/notification of the change. The reduction in rent will NOT be retroactive.

House Rules

The property has House Rules that are attached to the Lease. These rules are reviewed annually and may be modified. Tenants will be notified of any modifications to the House Rules 30 days before they become effective. All tenants will be given the opportunity to accept the changes in writing. If a tenant chooses to reject any House Rule changes, s/he will be required to move out of the property within 60 days.

15. Termination

Termination of Assistance

The owner will terminate a tenant's assistance if:

- The tenant fails to provide required information at the time of recertification, including changes in family composition, or changes in income or Social Security numbers for new family members;
- The tenant fails to sign/submit required consent and verification forms;
- An annual or interim recertification determines that the tenant has an increased ability to pay the full contract rent;
- The tenant fails to move to a different-sized unit within 30 days after the owner notifies him/her that a transfer is required, and that the unit of the required size is available;
- The tenant has begun receiving assistance, the owner is unable to establish citizenship or eligible immigration status for any family members from the information provided by the tenant, and determines that the tenant does not meet the citizenship requirement;
- Actions to terminate assistance will be based only on a change in the tenant's eligibility for assistance or a tenant's failure to fulfill specific responsibilities under program requirements.
- A student enrolled at an institution of higher education does not meet the eligibility requirements for Section 8 assistance
- The tenant does not sign the required HUD-50059 or HUD-50059a form.

Termination of Tenancy by Owner

Grounds for Termination of Tenancy

Owners are expected to enforce program requirements under the terms of the lease. Similarly, HUD expects tenants to comply with the program requirements as established in the lease. Dakota Square Apartments will enforce the lease and house rules, and if lease obligations are not fulfilled, Dakota Square Apartments will initiate termination proceedings to guarantee the other residents' health, safety, and peaceful enjoyment of the property.

Termination of tenancy is the first step in the eviction process and is often used interchangeably with the term eviction. When terminating tenancy, the owner gives the resident notice to vacate the unit because of a lease violation(s). A tenant who fails to vacate the unit after receiving notice from the owner may face judicial action initiated by the owner to evict the resident.

The authority to terminate tenancy of tenants is in accordance with the HUD model lease and the state/local Landlord/Tenant Act. The owner will terminate a tenant's tenancy for the following reasons:

Material Noncompliance with the Lease

The owner will terminate tenancy when a tenant is in material noncompliance with the lease, including:

- Failure of the tenant to submit in time all required information on household income and composition (examples: evidence of citizenship, or eligible immigration status; disclosing and verifying social security numbers; or signing and submitting consent forms allowing verification of information regarding the resident's income and eligibility).
- Extended absence or abandonment of the unit;
- Fraud, which is when a tenant knowingly provides inaccurate or incomplete information;
- Repeated minor violations that: Disrupt the livability of the property, adversely affect the health or safety of any person, or the right of any tenant to the peaceful enjoyment of the property; Interfere with the management of the property, or have an adverse financial effect on the property.
- Nonpayment of rent due under the lease or repayment agreement, including any portion thereof.

Drug Abuse and Other Criminal Activity

Owners may terminate residency and evict tenants for criminal activity by a covered person (a tenant, household member, guest, or other person under the tenant's control) if they determine that the covered person has engaged in the criminal activity, regardless of whether the covered person has been arrested or convicted for such activity and without satisfying a criminal conviction standard or proof of the activity. Dakota Square Apartments may terminate tenancy for any of the following types of criminal activity by a covered person:

- The owner will terminate tenancy for any type of criminal activity;
- The owner will evict a family if it is determined that a household member is illegally using a drug, or if the owner determines that a pattern of illegal use of a drug interferes with the health, safety, or right to peaceful enjoyment of the premises by other tenants;
- The owner will terminate tenancy if it is determined that a household member's abuse or pattern of abuse of alcohol threatens the health, safety, or right to peaceful enjoyment of the premises by other tenants;
- The owner will terminate tenancy during the term of the lease if a tenant is fleeing to avoid prosecution.

Material Failure to Carry Out Obligations under a State or Local Landlord and Tenant Act

- State and local laws impose obligations on a landlord and tenant. These laws provide that violations of the tenant's obligations constitute grounds for eviction.

Other Good Cause

- The owner will terminate tenancy for other good cause, which is defined by state and local laws.
- The conduct of a tenant may be deemed good cause, provided the owner has given the tenant prior written notice and stated the conduct would constitute a basis for termination of occupancy in the future.

Termination of Tenancy by Tenant

In order to terminate tenancy, the tenant must provide the owner with a written 30-day notice to vacate the unit, as required in the lease.

Required HOTMA Policies and Dakota Square Apartments'

Discretionary HOTMA Policies

- Required: MFH Owners must take corrective action to credit or repay a family if the family was overcharged tenant rent because of de minimis errors in calculating family income.
- Required: MFH Owners may not implement policies to require families to repay in instances resulting in a family being undercharged for rent where the MFH Owner miscalculated the family's income.
- Discretionary: Dakota Square Apartments will repay or credit a family the amount, according to the wishes of the family, that the family was overcharged retroactive to the effective date of the action the error was made.
- Required: MFH Owners must determine if the family's total net family assets are equal to or less than \$50,000, and they must determine the actual income earned from the asset(s)
- Discretionary: The Dakota Square Apartments will accept a family's self-certification of net family assets equal to or less than \$50,000 (adjusted annually for inflation), and anticipated income earned from assets without taking additional steps to verify accuracy, at admission and at re-examination. The Dakota Square Apartments, at re-examination, will fully verify net family assets every three years.
- Required: MFH Owners must provide hardship relief to a family that demonstrates its eligible health and medical care expenses, or reasonable attendant care and auxiliary apparatus expenses exceed 5 percent of the family's annual income. To meet the requirements for the health and medical care expense hardship exemption, the family must have expenses that meet the definition of health and medical care expenses as provided by 24CFR 5.603(b). To meet the requirements for the reasonable attendant care and auxiliary apparatus expenses hardship exemption, the family must have expenses that meet the definition of reasonable attendant care and auxiliary apparatus expenses at 24 CFR 5.603(b). All families who received a deduction for unreimbursed health and medical care and/or reasonable attendant care or auxiliary apparatus expenses based on their most recent income review prior to January 1, 2024, will begin receiving the 24-month phased-in relief

at their next annual or interim re-examination, whichever occurs first on or after the date the MFH Owner complies with HOTMA. Families who receive phased-in relief will have eligible expenses deducted as follows: 1st twelve months – in excess of 5% of annual income; 2nd twelve months – in excess of 7.5% of annual income; After 24 months – in excess of 10% threshold will phase in and remain in effect unless the family qualifies for General Relief. Once a family chooses to obtain general relief, a family may no longer receive the phased-in relief.

- Discretionary: The Dakota Square Apartments will extend the hardship relief for one or more 90-day intervals, while the family's hardship condition exists. The Dakota Square Apartments will conduct third-party verification of the hardship or will document in the file the reason that third-party verification was not available. Third-party verification will be obtained prior to the end of the 90-day hardship period. The Dakota Square Apartments will continue the phased-in relief for a new admission who was receiving the phased-in relief at their prior assisted housing at the time that the family is admitted to their current unit.
- Required: MFH Owners must develop written policies to define what constitutes a hardship, which includes the family's inability to pay rent, for the purposes of the childcare expense hardship exemption. MFH Owners must obtain third-party verification of the family's inability to pay rent or must document in the file with the reason third-party verification was not available. MFH Owners must attempt to obtain third-party verification prior to the end of the 90-day period.
- Discretionary: The Dakota Square Apartments defines hardship as the family's inability to pay rent for the purposes of the childcare expense hardship exemption. The Dakota Square Apartments will extend the hardship relief for one or more additional 90-day periods while the family's hardship condition continues.
- Required: MFH Owners are required by HUD to process interim re-examinations for all decreases in adjusted income when a family member permanently moves out of the unit.
- Discretionary: The Dakota Square Apartments will decline to conduct an interim re-examination of family income if the family's annual adjusted income will decrease by an amount that is less than ten percent of the family's annual adjusted income.
- Required: MFH Owners must conduct an interim re-examination of family income when they become aware that the family's annual adjusted income has changed by an amount that would result in an estimated increase of ten percent or more in annual adjusted income or another amount established through a HUD notice, except MFH Owners may not consider any increases in earned income when estimating or calculating whether the family's adjusted income has increased, unless the family has previously received an interim reduction during the same re-examination cycle.
- Discretionary: The Dakota Square Apartments will not to conduct an interim re-examination if a family reports an increase in income within three months of their next annual re-examination effective date. The Dakota Square Apartments will not include earned income increases in determining whether the ten percent threshold is met for

increases in adjusted income when the family previously had an interim re-examination performed for a decrease in annual adjusted income (earned, unearned, or combined) since the last annual re-examination.

- Required: Families must report household composition changes and changes to adjusted income consistent with HOTMA's requirements; however, MFH Owners determine the timeframe in which reporting must occur to be considered "timely." If the MFH Owner has adopted a retroactive rent decrease policy, it may not be applied prior to the later of: The 1st of the month following the date of the actual decrease in income; or the 1st of the month following the most recent previous income examination.
- Discretionary: The Dakota Square Apartment require Household composition changes or adjusted income changes, within ten percent threshold in adjusted income, within 10 days of occurrence. Change forms are available online or can be picked up from the office. The Dakota Square Apartment has adopted a retroactive rent decrease policy as outline in the prior bullet.
- Required: The executed consent form will remain effective until the family is denied assistance, the assistance is terminated, or the family provides written notification to the MFH Owner to revoke consent. Families have the right to revoke consent by notice to the MFH Owner; however, revoking consent can result in termination or denial of assistance if the MFH Owner has established an admission and occupancy policy that the revocation of consent will result in termination of assistance or denial of admission. MFH Owners may not process interim or annual re-examinations of income, including when a family's income decreases and the family requests an interim re-examination to decrease tenant rent, without the family's executed consent form(s). MFH Owners must explain to families the consequences, if any, of revoking their Consent. MFH Owners must notify their local HUD office when an applicant or participant family member revokes their consent.
- Discretionary: The Dakota Square Apartments will terminate assistance and deny admission if the executed consent form is revoked.
- Required: MFH Owners may determine the family's income prior to the application of any deductions based on income determinations made within the previous 12-month period for purposes of the following means-tested forms of Federal public assistance: The Temporary Assistance for Needy; Families block grant (42 U.S.C. 601, et seq.); Medicaid (42 U.S.C. 1396 et seq.); The Supplemental Nutrition Assistance Program 42 U.S.C. 2011 et seq.); The Earned Income Tax Credit (26 U.S.C. 32);The Low-Income Housing Tax Credit (26 U.S.C. 42); The Special Supplemental Nutrition for Woman, Infants, and Children (42 U.S.C. 1786); Other programs administered by the Secretary. Other means-tested forms of Federal public assistance for which HUD has established a memorandum of understanding. Other Federal benefit determinations made by other means-tested Federal programs that the Secretary determines to have comparable reliability and announces through a Federal Register notice. MFH Owners are not required to accept or use determinations of income from other Federal means-tested forms of assistance. Safe Harbor verification must be obtained by means of third-party verification and must state the family size, must be for the entire family (i.e., the family members listed in the documenting must match the family's composition in the assisted unit, except for

household members) and must state the amount of the family's annual income. Safe Harbor verification must not be mixed and matched with other income verifications, including other Safe Harbor income determinations.

- Discretionary: Dakota Square Apartments will accept Safe Harbor income determinations at admission and re-examination) for which programs outlined in the prior bullet. Dakota Square Apartments, when multiple verifications are rendered, will use the income determination most favourable to the family.
- Required: MFH Owners must use HUD's EIV system in its entirety, in accordance with 24 CFR 5.233. MFH Owners must update their EIV policies and procedures to reflect their discretionary use of EIV reports (e.g., Income Report, zero income reports, New Hires Report, etc.) under HOTMA.
- Discretionary: The Dakota Square Apartments does not include earned income increases in determining whether the ten percent threshold is met for increases in adjusted income when the family previously had an interim re-examination performed for a decrease in annual adjusted income (earned, unearned, or combined) since the last annual re-examination. EIV is not used during interim re-examinations and EIV Income Report, EIV Income Discrepancy Report or New Hires Report at annual re-examination are not used if Safe Harbor verifications are utilized.