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TENANT SELECTION PLAN

160 Freelon Street
San Francisco, CA 94107
August 2026

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EQUAL HOUSING OPPORTUNITY

TENANT SELECTION PLAN
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Introduction

The objective of this Tenant Selection Plan is to consolidate relevant policies and procedures affecting tenant selection pursuant to applicable federal and state laws and affordable housing and/or subsidy program rules and requirements. The Plan sets out a procedure for processing and selecting applicants, including the establishment of preferences and priorities, occupancy standards, disqualification standards, reviews and appeals of disqualification decisions, and notice requirements.

The Plan is designed to promote fairness and uniformity in tenant selection. It is also designed to promote efficiencies in the procedure by which applications are processed. One of the principle elements of this plan is that it allows management agents to make a preliminary determination of eligibility based on the applicant's self-certification of income and lottery preference. Initial acceptance of applicant self-certification generally allows the management agent to focus on other administrative duties rather than investing significant staff time in verifying such information at initial application and once again when the applicant is accepted from the waiting list.

Right to Apply

No person may be refused the right to apply for housing unless the development's waiting list is closed and notice of the closed waiting list has been announced in a publication likely to be read by potential applicants in accordance with HUD regulations.

Statement of Non-discrimination

It is the policy of RA Management, LLC, hereinafter referred to as the Agent, to promote equal opportunity and non-discrimination in compliance with, but not limited to, the federal and state constitutions and legislative enactments addressing discrimination in housing including, The Fair Housing Amendments Act of 1988, Section 504 of the Rehabilitation Act of 1973, and Title VI of the Civil Rights Act of 1964. In furtherance of this policy:

- In carrying out this Tenant Section Plan, the Agent will not discriminate on the basis of race, color, creed, religion, national or ethnic origin, citizenship, ancestry, class, sex, sexual orientation, familial status, disability, military/veteran status, source of income, age, gender identity, marital status, domestic violence status or other basis prohibited by local, state or federal law in any aspect of tenant selection or matters related to continued occupancy.

- Applicants with Disabilities and Reasonable Accommodations - The Agent will make reasonable accommodations in policies or reasonable modification of common or unit premises for all applicants with disabilities (as defined in the above listed Acts or any subsequent legislation) who require such changes to have equal access to any aspect of the application process or to

the development and its programs and services. The Agent will, for example, arrange for sign language interpreters or other communication aids for interviews during the application process.

Selection Criteria

To be considered for selection, applicants must submit a completed application and relevant consent forms. To determine threshold eligibility, the application may be accepted as a selfcertifying statement. No third-party verification will be required until the screening process for occupancy begins and the household is interviewed. Information needed to determine an applicant's eligibility shall be verified within 120 days of formal acceptance for occupancy. Eligibility does not constitute acceptance and further screening is required to determine an applicant's ability to maintain a successful tenancy.

Eligibility will be determined on the following basis:

1. **Maximum Income** -
Household annual income must not exceed current income limits for the program to which application is made. When determining family size for establishing income eligibility, all persons living in the unit will be included except for foster children, foster adults, live-in aides and guests.

2. **Minimum Income** –
The Households annual income must meet the minimum income requirement to afford the unit to which the application is made. Minimum income limits will be set at two (2) times the monthly rent.

3. **Other Eligibility Criteria Pursuant to Program Characteristics** –
Household characteristics, such as the number of family members and/or their ages, must be appropriate to the size of the unit and pursuant to the subsidy program guidelines. In general, a two person per bedroom maximum occupancy standard will be applied. However, additional consideration will be given to households with infants and, if requested, they will be permitted to occupy a smaller unit. Children under six (6) years of age do not count towards the maximum occupancy standard as defined by the San Francisco Housing Code Section 503(b).

4. **Selection Criteria Based on the General Requirements of Tenancy**
This Tenant Selection Plan sets forth the essential requirements of tenancy and the grounds on which tenants will be disqualified for failing to meet such requirements. Disqualification of an applicant is appropriate where the Agent has a reasonable basis to believe that the tenant cannot meet these essential requirements, which may be summarized as follows: a. to pay rent and other charges under the lease in a timely manner;

b. to care for and avoid damaging the unit and common areas, to use facilities and equipment in a reasonable way, and to create no health or safety hazards;

c. not to interfere with the rights and enjoyment of others and not to damage the property of others;
d. to comply with necessary and reasonable rules and program requirements of the housing provider.

5. **Owner has established standards that prohibit admission of**:

a. Any household containing a member(s) who was evicted in the last two (2) years from federally assisted housing for drug-related criminal activity. The owner may, but is not required to, consider two exceptions to this provision:
   - The evicted household member has successfully completed an approved, supervised drug rehabilitation program; or
   - The circumstances leading to the eviction no longer exist (e.g., the household member no longer resides with the applicant household).

b. A household in which any member is currently engaged in illegal use of drugs or for which the owner has reasonable cause to believe that a member's illegal use or pattern of illegal use of a drug may interfere with the health, safety, and right to peaceful enjoyment of the property by other residents;
c. Any household member who is subject to a State sex offender lifetime registration requirement; and
d. Any household member if there is reasonable cause to believe that member's behavior, from abuse or pattern of abuse of alcohol, may interfere with the health, safety, and right to peaceful enjoyment by other residents. The screening standards must be based on behavior, not the condition of alcoholism or alcohol abuse.

The conditions described in paragraphs (b) and (d) above are assessed based on information provided by the applicant during application processing and the eligibility interview, together with the screening sources described under Screening Procedures below.

6. **An applicant with a history of criminal conviction(s)** will always have his/her conviction history individually assessed and will not be denied housing solely as a result of having a conviction(s) on his/her record in compliance with Article 49 of the San Francisco Police Code: Fair Chance Ordinance.

   a. The individualized assessment will take into account: the time which has elapsed since the criminal conviction(s); the age of the person at the time of the conviction(s); the seriousness of the conviction(s); and any information produced by the applicant, or produced on his or her behalf, in regard to rehabilitation and good conduct, including but not limited to, evidence of completion of treatment, rehabilitative programming, history of employment and tenancy, volunteer or community activity, and letters of reference from employers, landlords, community members or others who could speak to the person's conduct since the conviction.
   Note: if, after conducting the assessment, the housing company determines that the household is not eligible, it should be able to articulate its reasoning with specificity.

7. **This plan provides for the consideration of mitigating factors** that rebut the presumption that an applicant will be unable to meet the requirements of tenancy.

Mitigating factors may include a showing of rehabilitation or rehabilitating efforts. Mitigating factors must be balanced against the potentially disqualifying behavior or circumstances. In considering both the disqualifying behavior and mitigating factors, the Agent will determine if there is a reasonable risk that the applicant will be unable to meet the essential requirements of tenancy. Among the factors that should be considered are:

- the severity of the potentially disqualifying conduct;
- the amount of time that has elapsed since the occurrence of such conduct;
- the degree of danger, if any, to the health, safety and security of others or to the security of the property of others or to the physical conditions of the housing development and its common areas if the conduct recurred;
- the disruption, inconvenience, or financial impact that recurrence would cause the housing provider; and
- the likelihood that the applicant's behavior in the future will be substantially improved.

In general, the greater degree of danger, if any, to the health, safety and security of others or to the security of property of others or the physical condition of the housing, the greater must be the strength of showing that a recurrence of behavior (which led to an initial determination that the applicant would not be able to meet the essential requirements of tenancy) will not occur in the future.

Eligibility Criteria

The Agent will consider housing applicants for residency who at the time of admission, meet all of the following conditions, as outlined LIHTC, bond, and OCII/MOHCD regulations, and any applicable federal, state, and local guidelines, and who have submitted an application for occupancy. The following criteria shall be utilized to determine an applicant's eligibility:

- eligibility based on income restrictions;
- compliance with unit size standards;
- eligibility based on full-time student status of household members

Income Limits

To determine eligibility based on income limits, the Agent must compare the household's gross annual income to the applicable income limit. If the household's income exceeds the income limit, the household may not qualify for assistance.

This development is administered under Low Income Housing Tax Credit Program (LIHTC) in accordance with IRS regulations, in addition to OCII / MOHCD requirements and the following additional eligibility requirements apply:

This development applies ☒ 25% MOHCD AMI, ☒ 30% MOHCD AMI, ☒ 35% MOHCD AMI ☒ 50% MOHCD AMI, ☒ 30% TCAC AMI, ☒ 40% TCAC AMI, ☒ 50% TCAC AMI income limit(s) to determine income eligibility of applicant households. See posted current rent and income limits.

Self-Certification of Net Family Assets Equal – adjusted annually for inflation

Household assets will be verified at move in as a base line. In accordance with LIHTC program requirements, at annual recertification a self-certification will be accepted if net family assets do not exceed the HUD published threshold, currently equal or less than $52,787.00, adjusted annually for inflation and applied per household regardless of household size. Every **3** years the assets must be fully verified.

Unit Size Standards

To determine compliance with unit size standards, the Agent will follow consistent occupancy guidelines that take into account the size and number of bedrooms needed based on the number of people in the household. Occupancy standards also ensure that tenants are treated fairly and consistently and receive adequate housing space. In general, a two person per bedroom plus one maximum occupancy standard will be applied. Foster children and Foster Adults will be included in the family size for determining appropriate unit size.

Please note that children under 6 do not count towards the maximum occupancy standard as defined by the San Francisco Housing Code Section 503(b).

If a family, based on the number of members, would qualify for more than one unit size, the owner must allow the family to choose which unit size(s) they prefer.

Student Status Restrictions- Tax Credit (Section 42)

Under Section 42 of the Internal Revenue Code, certain households with students are ineligible for occupancy.

A full-time student is (1) a person who is considered to be full-time by the educational organization (usually based on the number of hours or courses) and (2) will be or was a full-time student during five calendar months since the beginning of the calendar year-January 1 through December 31. Students include those attending: public or private elementary schools; middle or junior or senior high schools; college; universities; technical or trade, mechanical schools (but does not include on-the-job training).

A full-time student household is one in which all household members are considered full-time student as defined above.

An otherwise eligible household consisting entirely of full-time students as defined above, are considered ineligible unless the student household meets one of the criteria indicated below:

1. At least one student is receiving assistance under Title IV of the Social Security Act (AFDC/TANF/CalWORKS)

2. At least one student under the age of 24 was previously under the care and placement responsibility of the state agency responsible for administering foster care in the past 6 years.
3. At least one student participates in a program receiving assistance under the Job Training Partnership Act (JTPA), Workforce Investment Act (WIA) or under similar federal, state, or local laws.
4. At least one student is a single parent with child(ren) *and* this parent is not a dependent of another individual *and* the child(ren) is/are not dependent(s) of someone other than a parent. A copy of the tax return or signed showing dependent status or the Single Parent Full-Time Student Form if custody is shared between parents.
5. At least one student is married and entitled to file a joint tax return.

Student eligibility is determined at move-in/initial certification and at each annual certification. Student eligibility may also be reviewed if student status has changed since the last certification.

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, books and supplies, room and board, and other fees is included in annual income, except:

1. If the student is over the age of 23 with dependent children or
2. 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''.

The definition of tuition is consistent with the definition provided by the Department of Education.

Violence Against Women Act (VAWA)

The Violence Against Women Act (VAWA) protections apply to households applying for or receiving rental assistance under the project-based Section 8 (project and tenant based), 202, 811, 236, 221(d)(3), HOPWA, HOME programs, and public housing as well as Homeless Programs Under Title IV of the McKinney-Vento Homeless Assistance Act. The following nonHUD programs are also subject to VAWA 2013 but do not fall under HUD's Implementation Rules, unless instructed by your governing / monitoring agency: Rural Housing and LIHTC. The law protects women or men who are victims of domestic violence, dating violence, stalking or sexual assault, as well as their affiliated persons from being evicted or being denied housing assistance if an incident of violence is reported or if the victim suffers economic and criminal circumstances as a result of the abuse.

The law also creates emergency transfer options for victims and their affiliates, allowing survivors to transfer to a different unit if they are in fear for their life or safety, and provides for bifurcation of the lease to allow for an abuser to be removed and the victim and other household members to remain in the unit even if for a period of time. In addition:

- HUD requires that a VAWA notice and certification forms be provided to (1) all applicants at move-in (2) applicants at the time of denial of housing, (3) to each household in the event that eviction or termination of assistance actions are commenced against the household no matter the reason – i.e. arrears. Tenants must sign the VAWA lease addendum, form HUD-91067.

- An applicant's status as a victim of domestic violence is not a basis for denial of rental assistance or for denial of admission if the applicant otherwise qualifies for assistance and admission. If an applicant is living in a shelter for victims of domestic violence and crimes protected under VAWA, we may accept verification of this in lieu of additional landlord verification.

- Being a victim of a VAWA crime is not a reason to change the eligibility or applicant screening requirements or to waive the requirements of the HUD Model Lease or other lease unless such requirements interfere with the protections provided under VAWA.

- VAWA 2013 does not limit an owner's agent's right to terminate assistance/tenancy for any violation that is not related to a VAWA crime. However, the owner/agent must not subject the victim or a person affiliated with the victim to a more demanding standard than other residents when determining whether to terminate assistance/tenancy.

- VAWA does not limit an owner/agent's right to terminate assistance/tenancy if the owner/agent can demonstrate an actual and imminent threat would be present if that resident or lawful occupant is not terminated. An actual and imminent threat is a physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm. The threat would be to other tenants, employees of the property, or to vendors providing services at the site.

- An incident or incidents of actual or threatened domestic violence will not be taken as serious or repeated violations of the lease or other "good cause" for terminating the assistance, tenancy, or occupancy rights of a victim of abuse.

- Assistance may be terminated or a lease bifurcated (divided) in order to remove an offending household member from the home. Whether or not the individual is a signatory to the lease and lawful tenant, if he/she engages in a criminal act of physical violence against household/family members or others, he/she stands to be evicted, removed, or have his/her occupancy rights terminated. This action is taken while allowing the victim, who is a tenant or a lawful occupant, to remain. Eviction or termination action against individuals must be in accordance with procedures prescribed by federal, state, and local law.

- In the event that one household member is removed from the unit because he/she engaged in acts of domestic violence, an interim recertification must be processed by staff in a timely manner and in accordance with HUD regulations to reflect the change in household composition. Note: at sites that do not have interim recertifications (i.e. straight tax credit sites), a bifurcated lease addendum must be provided.

- As regards VAWA lease bifurcation: it does not matter if the household member is a signatory on the lease. Bifurcation must be carried out in accordance with Federal, State or local laws. The remaining members must be given 90 calendar days from the date of bifurcation to:
  - establish eligibility under the covered program; or
  - establish eligibility under another covered program; or
  - find alternative housing.

The tenant may be given up to an additional 60 days if allowed by the program.

- VAWA does not require an owner/agent to request that an individual seeking VAWA protections submit documentation of the status of the individual as a victim of domestic violence, dating violence, sexual assault or stalking, however, if such a request is made provide the applicant or resident with a copy of the VAWA Certification form to fill out and process accordingly. Further, at least 14 days must be provided from the date of the request for completion by the applicant/resident.

- Owners/agents may accept the following in lieu of the certification form: a document signed by an employee, agent or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional from whom the victim has sought assistance relating to domestic violence, dating violence, sexual assault or stalking or the effects of abuse; a document signed by the applicant or resident and that specifies, under penalty of perjury, that the professional believes in the occurrence of the incident of domestic violence, dating violence, sexual assault, or stalking that is the ground for protection; a record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency; or, at the discretion of the housing provider, a statement or other evidence provided by the applicant or resident.

- Residents or applicants who are victims of VAWA crimes may request a VAWA accommodation or an emergency transfer and should be provided with HUD-5383 (VET Request) form to fill out.

- Staff must retain all documentation relating to an individual's domestic violence, dating violence, sexual assault, or stalking in a **separate file** that is kept in a secure location. **Important note: this documentation must not be incorporated into the standard applicant or resident file for the household.**

- The identity of the victim and all information provided to owners relating to the incident(s) of domestic violence, dating violence, dating violence, or stalking must be retained in confidence by the owner and must not be entered into any shared database or provided to a related entity except to the extent that the disclosure is:
  - Requested or consented to by the individual in writing; Required for use in an eviction proceeding; or Otherwise required by applicable law
- Nonretaliation: The owner/agent will not discriminate against any person because that person has opposed any act or practice made unlawful by the Violence Against Women Act

or because that person testified, assisted, or participated in any matter related to the Violence Against Women Act or a VAWA crime.

- Noncoercion: The owner/agent shall not coerce, intimidate, threaten, or interfere with, or retaliate against, any person in the exercise or enjoyment of, on account of the person having exercised or enjoyed, or on account of the person having aided or encouraged any other person in the exercise or enjoyment of, any rights or protections under the Violence Against Women Act including:
    - Intimidating or threatening any person because that person is assisting or encouraging a person entitled to claim the rights or protections under the Violence Against Women Act. o Retaliating against any person because that person has participated in any investigation or action to enforce the Violence Against Women Act.
- Protection to Report Crimes from Home: Owner/agents, residents, occupants, service providers, guests and applicants:
    1. Shall have the right to seek law enforcement or emergency assistance on their own behalf or on behalf of another person in need of assistance; and
    2. Shall not be penalized based on their requests for assistance or based on criminal activity of which they are a victim or otherwise not at fault under statutes, ordinances, regulations, or policies adopted or enforced by covered governmental entities. Prohibited penalties include:
- Actual or threatened assessment of monetary or criminal penalties, fines, or fees.
- Actual or threatened eviction.
- Actual or threatened refusal to rent or renew tenancy.
- Actual or threatened refusal to issue occupancy permit or landlord permit.
- Actual or threatened closure of the property, or designation of the property as a nuisance or a similarly negative designation.

Application to Housing

The application for housing will be done by lottery as established by MOHCD utilizing the San Francisco Housing Portal (DAHLIA). Lottery application numbers are assigned randomly via the electronic lottery process.

After the initial lottery applicants will be contacted by the leasing agent in lottery rank and preference order until vacancies are filled. All of the information provided on the rental lottery application will be verified to confirm eligibility. If the leasing agent cannot verify a housing lottery preference that has been claimed, the applicant will not receive the preference but will not be otherwise penalized. A more detailed rental application will be completed by the applicant as part of the initial interview process.

Failure to respond to the Agent's reasonable requests for documentation or information to process the application may result in disqualification of an application from further processing. The Agent may make exceptions to the procedures described herein to take into account circumstances beyond the applicant's control, including medical problems or extreme weather conditions.

The Agent will make reasonable accommodations in policies for all applicants with disabilities (as defined in the above listed Acts or any subsequent legislation) who require such changes to have equal access to any aspect of the application process. The Agent will offer aid to the applicant in completing the application, explaining the tenant selection process, and explaining the verification process with respect to preferences.

The detailed application to be completed as part of the post-lottery interview process must be completed by the head of household and signed by each adult member of the household. Household members 18 years or older, including members added at a later time and/or Live-in Aide, must sign a release to conduct criminal, credit, and rental history references, provided that credit information for Live-in Aide is not necessary because their income is not included in the household income calculation. Live-in Aides are defined as a person who resides with one or more elderly persons, near-elderly persons, or persons with disabilities, and who (a) Is determined to be essential to the care and well-being of the persons (b) is not obligated for support of the household member; (c) would not be residing in the unit except to provide such necessary supportive services to the household member. All members of the household must be listed on the application form.

Adult applicant/resident household members who are at least 18 years of age and each family head, spouse or co-head, regardless of age, must sign an authorization consent to release of information.

It is the policy of the Agent to guard the privacy of individuals in accordance with the Federal Privacy Act of 1974 and applicable state laws, and to ensure the protection of records maintained by the property concerning the applicants or tenants.

The Agent shall not disclose any personal information contained in its records to any persons or agencies other than authorized government agency unless the individual about whom information is requested has given written consent to such disclosure, unless disclosure is otherwise in accordance with provisions in the state or federal privacy acts.

This privacy policy in no way limits the property's ability to collect such information as it may need to determine eligibility, compute rent, or determine an applicant's suitability for tenancy or to gather information to process reasonable accommodations requests under Section 504 of the Rehabilitation Act of 1973 and the Fair Housing Act.

The above policies in no way limit the right or duty of the Agent to report suspected abuse, neglect or other protective service or emergency reports. Additionally, such policies do not forbid management from sharing information in the public domain with relevant service or government agencies.

Application Processing

Lottery applications may be obtained and submitted online through the DAHLIA San Francisco Housing Portal at housing.sfgov.org. Proof of preferences must be submitted with the lottery application. The application submission deadline will be posted on the website.

Applicants must submit a lottery application by a specific deadline for each lottery through the DAHLIA San Francisco Housing Portal, as listed on DAHLIA.

In general, post-lottery applications will be processed in accordance with the following steps:

- Review for completeness – Applications/Preapplication will first be reviewed for completeness. Incomplete applications will be returned to the applicant and will not be evaluated until the application is returned to the Agent with all required information. The Applicant retains their lottery number and processing order while Agent is gathering additional information..

- Preliminary determination of program ineligibility - Completed applications will be reviewed for income eligibility and compliance with any categorical eligibility requirements such as age or disability, if applicable. Applications/Preapplications determined ineligible, pursuant to program guidelines, will be disqualified in accordance with procedures outlined above.

- Preliminary determination of program eligibility - When there are more applicants on the waiting list than units currently available, the Agent will make a preliminary determination of eligibility, based on the applicant's self-certified statement as to his or her income, assets, age, disability status, and lottery preference status. Applicant will be notified of the status of his/her application.

- Formal verification – If, subsequent to the preliminary determination of eligibility, the Agent determines that the formal verification of income, assets, or claimed lottery preference differs from the applicant's self-certification, the applicant may be:

    - noted on the waiting list as needing a different unit size (e.g., smaller or larger bedroom size); or
    - determined to be ineligible.

Screening Procedures

Screening Criteria will be applied in a manner consistent with all applicable laws, including the Federal Fair Credit Act, and program guidelines.

To obtain information about an applicant's ability to meet the essential requirements of tenancy the Agent will attempt to secure background information from the following sources if allowed by state/local laws and governing agencies:

- references from landlords in the last two years; Only documented lease violations and for good cause evictions will be considered.
- record of prior criminal history after applicant has been income qualified (see San Francisco Fair Chance Ordinance below)
- references from a credit bureau per all applicable state/local policies; credit history review is limited to the most recent two (2) years.

Our credit-reporting agency also reviews eviction and court databases to search for both eviction filings and judgments within the past 24 months. No Fault or Dismissed evictions will not be held against the household. If the applicant does not meet this requirement, it could result in the denial of their application and may not proceed with the leasing process. Mitigating circumstances will be considered on a case-by-case basis.
We obtain a credit report on each applicant once income eligibility has been determined. Our creditreporting agency evaluates the most recent 24 months of credit (which may include rent payment history) as an indicator of future rent payment performance. Rental collections totaling $2,500 or more will be a basis for denial. Medical and Student Loan debt will not be considered. Applicants are responsible for ensuring their credit history is accurate. A documented history or pattern of past due consumer debts totaling $2,500 or more within the most recent 24 months may result in a denial based on credit screening results. Applicants that are declined will not be able to proceed with the leasing process. Mitigating circumstances will be considered on a case-by-case basis.

- verification of income either from a present employer, appropriate agency, financial institution or other appropriate party.
- verification of a disability from any qualified third party when the applicant requests a modification to a unit, eligibility for a preference based on disability status, or a reasonable accommodation. Inquiries concerning a person's disability or disabilities in this regard will be limited to verification of the disability and the need for an accommodation or the qualification for a program. The Agent will ask questions about the nature or severity of a disability only as they relate to the specifics of an accommodation request. The Agent will not make inquiries regarding an applicant's ability to comply with the terms of the lease, including caring for the unit, unless past tenancy history or other evidence suggests that applicant is unable to satisfy some term of the lease. Verification of disability is not necessary if the individual's disability is obvious or already known to management.

If an applicant claims that past tenancy-related problems were the result of a disability and that some condition has changed making such behavior unlikely to recur, the Agent will consider evidence supporting such claims. All applicants are responsible for providing verification for such claims. In instances where the applicant claims that some services or treatment will be available to enable the applicant to correct the problem behavior, the development will require verification that such services are available and that the applicant is likely to continue to use such services or treatment.

Mitigating Circumstances

Mitigating circumstances will be verified and the individual performing the verification must corroborate the reason given by the applicant for unacceptable tenancy-related behavior and indicate that the prospect for lease compliance in the future is good because the reason for the unacceptable behavior is either no longer in effect or otherwise controlled.

Where an applicant claims that prior unacceptable tenancy-related behavior resulted from alcohol abuse or use of illegal drugs, acceptable verification of mitigating circumstances would have to establish that:

- (As applicable) There is no current illegal use, within the last year, of controlled substances. If such use is documented, the applicant must present evidence that such use has stopped and is unlikely to recur.

- (As applicable) There is no current abuse of alcohol and abuse is unlikely to recur.

- During the period for which the applicant has claimed no current use, the applicant's behavior in the previously unacceptable tenancy-related area must have been acceptable.

In any case of confirmed, continued, unacceptable tenancy-related behavior, despite the cessation of drug or alcohol use, an applicant may be disqualified.

An Agent may consider an applicant's credit history, primarily in cases where rental history is not available. Where bad credit is the basis for disqualification, mitigating circumstances may include: (i) a representative payer or other reliable third party who would take written responsibility for payment, or (ii) evidence that such poor credit was the result of a disability that is now under control, or (iii) evidence that credit problems were the result of other circumstances that no longer exist and there is reason to believe that applicant will now pay the rent promptly and in full All relevant mitigating circumstances and factor will be clearly documented in the applicant's file.

An applicant's ability and willingness to pay rent must be demonstrated through an identifiable source of sufficient income to pay rent and prior rental history. The lack of credit history, as opposed to poor credit history, is not sufficient justification to disqualify an applicant.

The management agent shall have the right to request information reasonably needed to verify the mitigating circumstances. If the applicant refuses to provide or give access to such further information the management agent may choose not to give further consideration to the mitigating circumstance.

San Francisco Fair Chance Ordinance

On August 13, 2014, San Francisco Police Code Article 49 – Fair Chance Ordinance (FCO) Protections for People with Prior Arrests or Conviction Records took effect. Article 49 precludes affordable housing providers from asking about arrest and conviction records on the application. Criminal background checks will be conducted after the applicant is determined to be eligible. The Agent will first provide the applicant with a copy of the HRC FCO Notice before conducting the criminal screening. If criminal history is revealed, the Agent will provide a copy of the background report and allow the applicant 14 days to respond orally or in writing to provide evidence of rehabilitation, mitigating factors, or inaccuracy in the report, delay any negative action for a reasonable time, and reconsider in light of the applicant's response.

Prohibited Screening Criteria - The Agent may not screen applicants for eligibility on the basis of the following:

- Physical Examinations. The Agent will not require physical examinations or medical testing as a condition of admission.
- Meals and Other Services. The Agent will not require tenants to participate in a meals program.
- Donations or Contributions. The Agent will not require a donation, contribution or membership fee as a condition of admission, except that cooperative housing projects may charge a membership fee. Owners may not require any payments not provided in the lease.
- Disability Status. Except as discussed earlier, it is unlawful to make an inquiry to determine if an applicant for a dwelling unit, a person intending to reside in that dwelling unit after it is rented or made available, or any persons associated with the applicant, has a disability, or to make inquiry as to the nature or severity of an identified disability.

Drug-Free Housing

Management is committed to aiding and supporting drug-free housing; and Medical Marijuana - Categorized as a Schedule 1 substance under The Controlled Substances Act (CSA) and therefore the manufacture, distribution, or possession of marijuana is a federal criminal offense. Because the CSA prohibits all forms of marijuana use, the use of “medical marijuana” is illegal under federal law even if it is permitted under state law, the controlling authority being Section 577 of the Quality Housing and Work Responsibility Act of 1998 (QHW RA). Pursuant to QHW RA, Owner and/or Management will deny admission to this community to any household with a member who is determined, at the time of application for admission, to be illegally using a controlled substance, e.g. marijuana.

Disqualification of Application

Applications shall not be reviewed for eligibility before a lottery, but only after the lottery ranking has been finalized. After the lottery applicants will be required to submit a detailed rental application and supporting documentation to determine eligibility. Applicants not meeting all program or project eligibility requirements and/or not meeting the screening criteria will be disqualified and removed from the waiting list.

Applicants can be disqualified if:

- The applicant no longer meets the eligibility requirements for the property or program;
- The applicant fails to respond to a written notice for an eligibility interview;
- The applicant does not meet the credit, rental, or criminal background history screening criteria.

Written disqualification notices will be emailed or mailed to applicants and will state the reason(s) for disqualification and will notify the applicant that he/she has the right to respond to the owner/agent in writing or to request a meeting within five (5) calendar days from the date of the disqualification letter to appeal the disqualification (applicants disqualified based on criminal background history will have fourteen (14) calendar days from the date of the disqualification letter). Additionally, the notice shall state that the applicant has the right to request a reasonable accommodation if the applicant believes that, with such an accommodation, the applicant would

be eligible for admission and that the applicant was disqualified for a reason arising from the applicant's disability.

Population Served

This site provides Family Housing.

Family includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

(1) A single person, who may be an elderly person, displaced person, disabled person, near-elderly person or any other single person; or

(2) A group of persons residing together and such group includes, but is not limited to:

(i) 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);

(ii) An elderly family;

(iii) A near-elderly family;

(iv) A disabled family;

(v) A displaced family; and

(vi) The remaining member of a tenant family.

Accessible Units

Applicant household with documented need for one or more of the specific accessibility features (accessible units) will have first priority of that available unit. Units with accessibility features will be offered to the first family that includes a household member needing the features of the unit. If there are no applicants with household members needing the features of the accessible unit, the unit will be rented to the next family. In such circumstances, the family must agree in the lease to move to the next available non-accessible unit of the proper size at the Development in the event an application is submitted by a household with a member who needs the accessibility features of the unit.

Lottery Preferences

All individuals and households may enter the lottery for a unit.

160 Freelon includes 15 studios, 24 one-bedrooms, 23 two-bedrooms (including 1 manager unit), and 23 three-bedrooms, for a total of 85 units. Of the 84 units available, 22 units are set aside as LOSP units for formerly homeless families. The 62 units follow lottery preferences, including 5 designated for households where at least one member who is eligible for the Plus Housing Program.

Certificate of Preference Holders who meet eligibility for HSH's LOSP units will have priority status over other LOSP applicants. Certificate holders will be required to apply for the LOSP units by going through the HSH designated Access Sites/Points for LOSP eligibility screening.

As approved by a regulatory agency, the following lottery preferences apply to 160 Freelon in preference order:

Veterans Priority

The Veterans Lottery Priority program is intended to benefit people who served for the U.S. Households with US Military Veterans will get priority within the Certificate of Preference, Displaced Tenant Housing Preference, and Live or Work in San Francisco preference category.

Certificate of Preference

For households in which at least one member holds a Certificate of Preference (COP) from the former San Francisco Redevelopment Agency will be given highest preference in the lottery ranking process. COP holders were displaced by Agency action generally during the 1960s and 1970s.

Displaced Tenant Housing Preference

Households in which one member holds a Displaced Tenant Housing Preference (DTHP) Certificate from the Mayor's Office of Housing and Community Development will be given second highest preference in the lottery ranking process, for up to 20% of the units in this project (*12 units*).
DTHP certificate holders will also be included in the Live/Work preference regardless of their current live/work location.

Neighborhood Resident Housing Preference
Twenty-five percent of the units available to rent (15 units) will be available to income-eligible households in which at least one household member either lives within Supervisor district of the project District 6, or within a half-mile of the project. Requires submission of proof of address.
Live or Work in San Francisco

Households that submit acceptable documentation that at least one member livea or works in San Francisco will be given the fourth highest preference in the lottery ranking process.

General Pool

If the number of units available exceeds the number of qualified applicants in the above listed preference, the units will become available to other qualified applicants outside of San Francisco.

Applicants in each preference category must meet program requirements in order to complete the rental.

If eligibility for a preference cannot be verified or acceptable documentation to prove eligibility for a preference is not submitted, your Household will not receive the preference for which you indicate eligibility.

Selection of Families for Participation

- An eligible applicant who qualifies for a preference will receive housing before any other applicant who is not so qualified. These preferences take precedence over other applicants placed on the waiting list.
- Applicants will be informed of the availability of preferences, and will be given an opportunity to certify that they qualify for a preference. Applicants must claim a preference at the time of lottery application.

When a Preference Is Denied

- If it is determined that an applicant does not meet the criteria for receiving a preference, the applicant will promptly receive a written notice of this determination from Management. The notice will contain a brief statement of the reasons for the determination, and state that the applicant has the right to meet with Management's designee to review this decision.
- Denial of a preference does not prevent the applicant from exercising any legal rights the applicant may have against Management and/or Owner.

Preferences are not permitted if they in any way negate affirmative marketing efforts or fair housing obligations. In filling vacancies, the Owner shall process current residents from the internal transfer list on an alternating basis with applicants on the external waiting list; for every one internal transfer, one external applicant move-in will be processed to ensure equal housing opportunities.

Waiting Lists

The Agent will administer its waiting lists in accordance with the following policies.

- Waiting lists will be maintained as an electronic file and historical record.

- Waiting lists will be organized in lottery and preference rank order. A separate tab on the waiting list identifies households that have requested accessible features.

- Each applicant will be placed on the waiting list in lottery and preference rank order. Nonpreference (general pool) applicants will be placed on the waiting list after all preference categories, in lottery rank order.

- If an applicant is eligible for tenancy, but no appropriately sized unit is available, the Agent will place the family on a waiting list for the development. Households that are eligible for more than one size of unit (by bedroom size) may indicate their desired unit size(s), which will be noted on the waiting list, and the Agent will respect the bedroom size option chosen by the applicant unless such choice is contrary to the development's occupancy standard. Persons using a wheelchair or requiring similar accommodations may apply for a standard unit, as well as an accessible unit, at their discretion.

- The Agent's records will indicate the date the applicant is placed on the waiting list. All applicant file records, including the application, must be retained for a period of three (3) years.

- Agent will contact applicants by email or mail at least once every twelve (12) months to determine if applicant wishes to remain on the waiting list. Upon failure to respond to the Agent's notice to contact the project, the applicant may be removed from the waiting list.

- Waiting lists will be closed to ensure that the wait for a unit does not become excessive. Generally a waiting period that exceeds three years will be considered excessive. The Agent will follow MOHCD guidelines regarding waiting list size and will refresh the waiting list through a new marketing plan and lottery when directed by MOHCD.

- Waiting lists will be closed to ensure that the wait for a unit does not become excessive. When the decision is made to close the waiting list, the Agent will publish a notice to that effect in a publication likely to be read by potential applicants. Announcements will be compliant with the approved marketing plan.

- When an applicant pool is no longer adequate due to the closure of the waiting list, the list shall be re-opened and a new lottery will be conducted. Households that are already on the waitlist will remain in their ranks. New households added to the waitlist as part of the new lottery will be added below them. The agent will publish the notice in accordance with the approved marketing plan.
- Agent filling unit vacancies off a waitlist must accept applications from approved COP and DTHP holders at any time, regardless of whether the waitlist is closed to other applicants. If a COP or DTHP holder is found eligible for a Low Income Unit in the building, they shall be placed at the top of the waitlist.

- On an annual basis and each time a new waitlist is established, MOHCD shall be provided with a complete list of all applicant names, rank on the waitlist, and whether they hold a COP or DTHP upon finalization of the waitlist.

Transfer Procedure for Existing Residents

In filling vacancies, the Owner shall process current residents from the internal transfer list. Residents must be in "Good Standing" for a transfer. Fair Housing accommodation requests are exempt from this requirement. (See Transfer Policy)

The internal transfer list will consist of transfers for reasons listed below. The internal transfer list is maintained separately from the MOHCD lottery waiting list and is not governed by lottery or preference rank order; transfers of existing residents are processed under this transfer policy rather than through the lottery.

Site staff will typically become aware of the need for transfer:

- by remaining aware of the household size/composition of the residents (which should be regularly reviewed/confirmed at the time of each annual or interim recertification)
- by receiving an actual request from the resident him/herself
- Owner/agent initiated emergency transfers, such as due to fire, flood, abatement or other health and safety emergency.

A transfer list should be maintained in the appropriate order based on the following priority guidelines:

- Those households requiring/requesting a transfer because of a disability under the Fair Housing Accommodation program or an emergency transfer under VAWA will take priority over other transfers based on household size/composition. The Owner will pay for a Tenant's move based on a reasonable accommodation transfer for medical reasons or disability.
- Owner/agent initiated emergency transfer due to health and safety
- Those households requiring transfer because of a change in household size and/or composition. Such requests will be granted only in the case of the change causing over or under utilization of units. If a change in household composition does not require a different unit size but the household still requests a transfer to a different unit, the household may be added to the internal transfer list as a voluntary transfer. Voluntary transfers are the lowest transfer priority and are processed after reasonable-accommodation, emergency, and household-size (over- or under-utilization) transfers. Voluntary transfer requests are not processed through the lottery and do not affect the household's current tenancy. If a household becomes underhoused and no appropriate-sized unit exists at the site, the household will be notified. Management will contact the local jurisdiction to ensure no local occupancy regulations are being violated.
- Those households who requested a smaller unit to gain earlier admission to the property because of smaller unit availability will take low priority on the transfer list. (Example: a two-person household that qualified for a 2-bedroom unit requests a 1-bedroom unit because the waiting list is shorter.) Such situation must be documented at move-in. Additionally, those households who requested a smaller unit in order to gain earlier admission to the property must complete their initial lease term in the smaller unit before they will be considered for a transfer to a larger unit, unless other circumstances warrant a transfer prior to the end of the term.
- For LIHTC eligible residents, a transfer to the same size unit would not result in the payment of a higher rent. However, the new unit would still be subject to approved annual rent increases for the site.
- Owner agent will follow the Transfer Policy for Existing Residents

Ongoing Eligibility

Once moved into the property, residents must continue to meet eligibility requirements of the programs.
Management will take into consideration any lease violations, visits from law enforcement and disturbances that interfere with the quiet enjoyment of other residents at the property.

Conclusion

The Agent acknowledges that OCII, MOHCD and the IRS may, from time to time, modify the requirements of their tenant selection regulation or policies. The Agent agrees that, upon reasonable notice, they will amend this plan to satisfy such changes.

Attachment 1

Owner's Selection/Disqualification Screening Criteria

1. Inability or unwillingness to cooperate in all aspects of the application process.
   - Providing false information.
   - Mistreating employees and staff.
   - Missing two or more scheduled interviews and meetings.
   - Appearing for meetings inebriated or under the influence of a controlled substance.

2. Inability or unwillingness to abide by the terms of 160 Freelon's lease; some examples are:
   - Allowing unauthorized persons to live in the residence.
   - Interfering with the right of quiet enjoyment of other tenants.
   - Providing false information.
   - Not able to control the behavior of all members of the household.
   - Not recognizing the landlord's right to entry.
   - Not providing information necessary for processing.

3. Inability or unwillingness to pay rent in a timely manner.
   - Repeated late payments of rent.
   - History of nonpayment of rent.
   - History of other bad credit.

4. History of drug abuse and other criminal activity.
   - A household member evicted from Federally-assisted housing for drug-related criminal activity, for two (2) years from the date of eviction.
   - A household member currently engaged in illegal drug use.
   - Owner's determination that there is reasonable cause to believe that a household member's illegal use or a pattern of illegal use of a drug may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.
   - A household member including a live-in aide is subject to a lifetime registration requirement under a state sex offender registration program. In accordance with Federal law, the Owner has established standards that prohibit admission to any Federally assisted property to sex offenders subject to a lifetime registration requirement under a state sex offender registration program.
   - Owner determination 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 residents.
   - A household member is currently engaging in, or has engaged in drug-related criminal activity; violent criminal activity; other criminal activity that would threaten the health, safety, or right to peaceful enjoyment of the premises by other residents; or other criminal activity that would threaten the health or safety of the Owner or any employee, contractor, subcontractor or agent of the Owner who is in involved in the housing operations.

Owner's Selection/Disqualification
Screening Procedures and Documentation

1. Inability or unwillingness to cooperate in all aspects of the application process.

   Procedure:
   - Conduct interview with all family members present
   - Review of documentation provided

   Documentation:
   - Verification and other information, if applicant appeals
   - Notification to residents

2. Inability or unwillingness to abide by the terms of the lease.

   Procedure:
   - Verify income and eligibility information
   - Verify repayment agreement history
   - Conduct interview with all family members present
   - Review credit history for judgments, etc.
   - Conduct criminal background checks

   Documentation:
   - Interview data sheet
   - Verification and other information, if applicant appeals disqualification
   - Credit and investigator's reports

3. Inability or unwillingness to pay rent in a timely manner.

   Procedure:
   - Review latest twelve months' rent receipts, comparing to lease/rental agreement requirements
   - Review credit bureau report
   - Conduct individual assessment

   Documentation:
   - Lease or rental agreement and rent receipts or canceled checks for most recent twelve months
   - Evidence of full rental subsidy
   - Credit bureau report
   - Utility bills and receipts/canceled checks for most recent six months

- Individual's statements (written or documented in writing by application processor)
- Household members' statements (written or documented in writing by application processor)

4. History of drug abuse and other criminal activity.

   Procedure:
   - Interview applicant household
   - Review public records
   - Review state offender registry that will include a registration check in all states where applicant household members have resided (as listed on the application)
   - Conduct criminal background checks
   - Contact previous/current landlord
   - Contact shelters, caseworkers, etc. as indicated by applicant • Interview and/or review other reliable sources

   Documentation:
   - Application for Occupancy
   - Interview data record
   - Police/court records
   - Law enforcement agency
   - State sex offender registry information that included a registration check in all states where applicant household members have resided (as listed on the application)
   - Investigator's reports
   - Previous landlord statement (written or documented in writing by application processor)
   - Individual's statements (written or documented in writing by application processor)
   - Household members' statements (written or documented in writing by application processor)
   - Record of conversations and/or statements from shelter workers, caseworkers, other reliable sources, etc.
   - Other public communication or internet posting from a government agency.