

RESIDENT SELECTION CRITERIA
(Available at the Rental Office)
Cedar Street Apartments

The purpose of this document is to establish fair, equitable, and easily understood practices for accepting and rejecting applicants for occupancy in Cedar Street Apartments. These criteria are in compliance with requirements of the Federal Low Income Housing Tax Credit Program and the Tax Credit Allocation Committee of the State of California.

POLICY ON NON-DISCRIMINATION AND FAIR HOUSING

With respect to the treatment of applicants, the Management Agent will not discriminate against any individual or family because of race, color, creed, national or ethnic origin or ancestry, religion, sex, sexual preference, gender identity, age, disability, handicap, military status, source of income, marital status or presence of children in a household, acquired immune deficiency syndrome (AIDS) or AIDS-related conditions (ARC), or any other arbitrary basis. No criteria will be applied or information considered pertaining to attributes of behavior that may be imputed by some to a particular group or category. All criteria shall be applied equitably and all information considered on an applicant shall be related solely to the attributes and behavior of individual members of the household as they may affect residency. A Limited English Proficiency and Language Access Plan is in place to ensure effective communication for persons with limited English proficiency.

APPLICATION PROCESSING PROCEDURES

Referral Units

A total of four (4) one-bedroom project-based voucher (PBV) units will be set aside to serve homeless veterans through the HUD-VASH program, who will be authorized and referred by the United States Department of Veterans Affairs.

A total of four (4) two-bedroom PBV units will be set aside for referrals through the County's Coordinated Entry System (CES), a referral service offered as part of the Continuum of Care (COC) that provides housing and service opportunities based on highest need for persons experiencing homelessness to fill all units designated for Chronically Homeless and Homeless persons. Referrals for these four PBV units will be accepted by the Housing Authority in accordance with an approved and executed Memorandum of Understanding (MOU) between the County Human Services Department (HSD) and the property owner.

An additional nine (9) one-bedroom non-PBV units will be referred by the County's Coordinated Entry System (CES), a referral service offered as part of the Continuum of Care (COC) that provides housing and service opportunities based on highest need for persons experiencing homelessness to fill all units designated for Chronically Homeless and Homeless persons.

In addition to the referring agency's process, the applicant will be required to complete the application and income certification process for acceptance at the property.

Non-Referral Units

For the remaining forty-seven (47) affordable units, the method for selecting initial residents will be from a waiting list lottery system. A waiting list will be established in order of lottery ranking.

Anyone who qualifies for affordable housing may apply for residency, but a preference for occupancy is given to those applicants who live and work in the City and County of Santa Cruz. After the lottery ranking the waiting list will be prioritized by preference in the following order:

- 1) Applicants who have resided in the City of Santa Cruz for at least one year.
- 2) Applicants who are employed in the City of Santa Cruz.

- 3) Applicants who have resided in the County of Santa Cruz for at least one year.
- 4) Applicants who are employed in the County of Santa Cruz.
- 5) Applicants who do not reside or work in the City or County of Santa Cruz.

Applications to be considered for the lottery can be completed on the Cedar Street web site at www.525Cedar.com or obtained in person at the management office. To request the application be mailed during the published period of the waiting list opening you may send an email to cedarstreet@jsco.net.

The lottery list and waitlist will track applicant name, age, contact information, household size, city of residency, city of employment, county of residency and county of employment household income or Area Median Income (AMI), status of application, regulatory agency preferences, and any other information deemed necessary for the property or specified in regulatory agency requirements.

Applicants will be invited for an interview in the order of the waiting list, or in order of referral and in accordance to regulatory agency preference. After interview, applicants will have ten (10) business days to complete a full application and submit required documentations with a possible five (5) day extension if efforts are being made to obtain necessary documentation at Property Management's discretion. However, eligible applicants will be offered an apartment in the order in which their full applications have been approved by our Compliance Department and readiness to move-in. In other words, on a first qualified, first offered basis. Interviews will continue until the maximum number of applicants to fill the affordable units has been reached. Those who did not get a unit will be placed on waiting list established by the Property according to their lottery ranking order.

RESIDENT ACCEPTANCE

Applicants will be offered only one apartment based upon the time of their approval and readiness to move. They will be offered the first appropriately sized unit for the household's income (see Maximum Tenant Income or AMI below). All offers of units will be made in writing. Upon notice of qualification, the approved applicant will have ten (10) business days to execute a lease agreement and sign the Tenant Income Certification (TIC).

If an applicant has been unable to accept a unit due to a disability or mitigating circumstances (i.e. medical reasons), the applicant shall retain his/her position on the waiting list and will be referred to JSCo's "Reasonable Accommodation Policy – Notice to All Applicants and Residents".

Detailed records of all units offered and refused will be kept by the Management Agent.

Agent will respect the bedroom size option chosen by the applicant unless such choice is contrary to the development's occupancy standards. Persons with a disability that require an adaptable or accessible unit may select a standard unit or an accessible unit, at their discretion.

Periodically, letters will be sent to applicants to update their information and confirm they remain interested in applying for a unit. Failure to respond to the Agent's notice within 14 days will result in removal from the waiting list. It is the obligation of the applicant to notify management of any changes to their address or phone number.

OCCUPANCY GUIDELINES

The following guidelines are set with regard to number of occupants per dwelling unit. These guidelines are set to avoid overcrowding or underutilization of limited affordable housing opportunities. Section 8305 (b) of the Uniform Multifamily Regulations states that the minimum number of persons in household per the chart below. However, it also states that a sponsor may assign tenant households to units of sizes other than those indicated as appropriate if the Sponsor reasonably determines that special circumstances warrant such an assignment and the reasons are documented in the tenant's file.

All units will be occupied in accordance with the following standards:

No. Bedrooms	Minimum Persons	Maximum Persons
One Bedroom	1	3
Two Bedroom	2	5
Three Bedroom	3	7

These guidelines may also be waived to:

- Conform to Local, State and Federal law regarding Fair Housing and Equal Opportunity.
- Accommodate a household member with a disabling or medical condition.

A household whose composition no longer meets the above guidelines may be required to move.

Every household member regardless of age is to be counted as a person. This includes household members in the military or in school; anyone that will occupy the unit during the upcoming 12 months. In accordance with the Low Income Housing Tax Credit Program and the Tax Credit Allocation Committee of the State of California, unborn children will be counted for family size in determining annual income.

There are eighteen (18) units designed specifically for the mobility, sight and hearing impaired. Of the project-based voucher units, one is accessible to those with mobility impairments, and one is available for those with sight and hearing impairments.

Wherever possible, we will offer an accessible unit to an eligible individual whose disability requires the accessibility features of the particular unit; when offering an accessible rental unit to applicants without disabilities, we will require such applicants to agree to move to a non-accessible unit when the accessible unit is needed by a disabled household.

Twenty-five percent (25%) of the units (the supportive housing units) must be restricted to residents in supportive housing who meet the criteria of the target population (as defined in California Code, Government Code - GOV § 65650) and shall be restricted to households earning 30% AMI or less for a minimum term of 55 years from Certificate of Occupancy. For this property, the supportive housing units shall total 17 units as per California AB-2162 (Chapter 753, statutes of 2018) (noted as “referral units” above). The manager’s unit is included in the calculation and any fractional requirements are rounded up.

UNIT MIX:

Number of Units	Maximum Tenant Income (Expressed as AMI)	Rents*
4 units – One Bedroom PBV, HUD-VASH	30%**	\$2,878
6 units – One Bedroom waiting list	50%	\$1,457
13 units -- One Bedroom waiting list	60%	\$1,766
9 units – One Bedroom PSH (CES) referral	30%**	\$839
4 units -- Two Bedroom PBV	30%**	\$3,786
3 units – Two Bedroom waiting list	50%	\$1,734

6 units – Two Bedroom waiting list	60%	\$2,105
4 unit – Three Bedroom waiting list	30%	\$1,130
5 units – Three Bedroom waiting list	50%	\$1,987
10 units – Three Bedroom waiting list	60%	\$2,415
1 unit – Two Bedroom	Employee unit	

*Approximate rental rates based upon current income limits published by the U. S. Dept. of Housing & Urban Development. Rental rates subject to change. Rents are net of applicable utility allowances. Rents in PBV units are officially determined by the Housing Authority of the County of Santa Cruz.

** Tenant rent portions in PBV units are income-based and will be determined by the Housing Authority of the County of Santa Cruz.

ELIGIBILITY CRITERIA

All applicants must meet the minimum income requirement (to demonstrate rent paying ability) and not to exceed the maximum income limits (as published annually by Tax Credit or HUD regulations).

MINIMUM INCOME– Minimum income limits are not applicable to applicants for the Referral Units. For applicants in Non-Referral Units, the minimum income for this property is set at 2 times the monthly rent including utility allowance (UA).

MAXIMUM INCOME limits for initial eligibility will be adjusted as published by HUD yearly to reflect changes in the Area Median Income. Applicant households whose annual income exceeds the limits published at the time of move in will not be eligible for occupancy. Gross annual income as defined by HUD includes the gross amount (before deductions for taxes, insurance, etc.) of income, including income from assets and all anticipated income being received by all household members in accordance to the Low Income Housing Tax Credit Program.

Income Limits for the Low-Income Housing Tax Credit Program (CTCAC Published Limits)

Number of Household Members	Maximum Income for units at 30% AMI	Maximum Income for units at 50% AMI	Maximum Income for units at 60% AMI
1 person	\$34,590	\$57,650	\$69,180
2 person	\$39,540	\$65,900	\$79,080
3 person	\$44,490	\$74,150	\$88,980
4 person	\$49,410	\$82,350	\$98,820
5 person	\$53,370	\$88,950	\$106,740
6 person	\$57,330	\$95,550	\$114,660
7 person	\$61,290	\$102,150	\$122,580

Limits are based on CTCAC published limits effective 5.15.2023 and are subject to change annually.

Income Limits for the Project-Based Voucher Program (HUD Published Limits)

Number of Household Members	Maximum Income for units at 30% AMI	Maximum Income for units at 50% AMI	Maximum Income for units at 80% AMI
1 person	\$34,600	\$57,650	\$92,500
2 person	\$39,550	\$65,900	\$105,700

3 person	\$44,500	\$74,150	\$118,900
4 person	\$49,400	\$82,350	\$132,100
5 person	\$53,400	\$88,950	\$142,700
6 person	\$57,350	\$95,550	\$153,250
7 person	\$61,300	\$102,150	\$163,850
8 person	\$65,250	\$108,750	\$174,400

Limits are based on HUD published limits effective May 15, 2023, and are subject to change annually.

All PBV units overlap with Low-Income Housing Tax Credit units. Applicant families must meet the lower income limits to qualify for the unit.

The applicant and all household members 18 and older must supply a government-issued photo I.D., birth certificates for all minors, and sufficient information to enable the housing provider to request and receive written third-party verification from all income sources including, but not limited to: a) Employment; b) Public Assistance programs; c) Savings and Checking accounts; d) Pensions; e) Disability income; f) All assets including property, stocks, bonds, annuities, retirement accounts, etc. In order to determine initial eligibility, applicants will also be required to provide three (3) months' worth of current and consecutive paystubs, if employed more than three months, and if appropriate, a copy of most recent tax return (or two most recent tax returns, if self-employed), and six months' worth of checking account statements that show deposit activity, if account has been established that long.

Households comprised entirely of full-time students must meet special eligibility requirements to live in a Tax Credit unit in accordance to IRS Code Section § 42(c)(2).

Housing First principles will apply for all referral applicants, any findings of the following grounds for denial will not on their own be grounds for denial, except where noted. Each finding will be assessed as it relates specifically to tenancy and/or behaviors that indicate "housing readiness."

A credit reference and background check will be required for all household members age 18 or older. Credit check will be run for the purposes of income and asset certification purposes only. There will be no credit criteria requirement for application approval.

A check will be made of criminal conviction records for the past seven years for all adult Applicants of the household. Reports will be obtained from local and/or state records and may also include local Police records. If the Applicant has resided in a state other than California and has a past felony conviction, a report will be required from that state or federal organization.

Serious felony offenses and/or continued and ongoing criminal activity will be grounds for rejection if such offenses involve:

- physical violence to persons or property
- domestic violence
- sexual abuse
- the manufacture or sale narcotics
- possession of an illegal weapon

Generally, public records of this sort are only available for the past seven (7) years. However, criminal background reports will return sex offender database results older than 7 years which can be considered as well as certain convictions with continuances. The Management Agent reserves the right to consider that information. The nature,

severity and recency of such offenses and/or ongoing criminal activity will be considered when reviewing the Applicant and only those potentially impacting the health, safety, security or right to peaceful enjoyment of the property of and by other residents, visitors or employees will be considered.

Applicants will be provided the criminal background record and provided an opportunity to respond and to provide evidence of mitigating factors. Applicants will be given five (5) business days to provide a request for consideration to present mitigating factors before a denial is issued.

Applicants may also be deemed ineligible for the following reasons:

- Failure to present all adult members of the applicants' household at the scheduled interview(s).
- Failure of any household member to behave in an *orderly, non-violent, non-combative* manner during an interview or while on the property.
- Falsification of any information provided on an application.
- Household income exceeds the set Income Limits.
- Household income does not meet the Minimum Income required to ensure ability to pay rent.
- Household size does not fit the Occupancy Standard
- Household cannot meet all qualifications required by the Low-Income Housing Tax Credit Program as determined by IRS Code Section § 42(c)(2)
- Failure to provide requested information and proof of income and assets within the time period specified by the Management Agent as outlined above.

Reasonable Accommodations will be made to meet the needs of disabled applicants.

APPEALS PROCEDURES

If an applicant household is deemed ineligible for occupancy, they will be notified in writing of the determination, and the notification will include the reasons for the determination. All applicants who are determined to be ineligible will also be notified of their right to appeal the determination. This appeal is preferred in writing but verbal appeals will also be accepted. The written or verbal appeal must be received within 14 days from the date that the determination letter was postmarked or emailed. If the applicant(s) does not exercise their appeal right in writing or verbally and within the required period, the applicant(s) will be ineligible for housing and their application removed from the processing list as well as from the waiting list.

Applicants who appeal the initial decision of ineligibility may be asked to meet with the Property and Services Representative within 7 days from the date of the written appeal. The applicant may bring to this meeting any documentation, evidence, or additional information. The Property Representative will also confer with staff and review the applicant's file in its entirety. If the appeal fails and the applicant would like to escalate the review, they can request that a Regional Manager who had no involvement in making the original decision of ineligibility review their file. The Owner's Representative will make a decision based on the merits of all information reviewed. A written decision will be placed in the applicants' file and the applicant will be notified. All decisions on appeals will be made within 20 days from the appeals meeting date. The Owner's Representative decision is final.

PETS

One (1) pet per household is permitted at this housing Community. All pets must be approved in advance by Management before the pet moves on-site. Residents must contact Management to schedule a meeting. Management will meet with the Resident and pet. Following the approval of any pet by Management, the Resident and all adult Household Members will be required to sign and comply with the terms of the Pet Agreement and all Pet Rules described within the Pet Agreement. Residents and their guests may not bring visiting animals or pets to the Property, with the exception of Accommodation Animals. Under no circumstances are aggressive animals allowed on the Property.