RESIDENT SELECTION CRITERIA

Building Name: **Natalie Gubb Commons II**
Address: 280 Beale Street San Francisco, CA 94105
Phone: 415.549.0537

Natalie Gubb Commons II Apartments is a 70-unit mixed population affordable housing development that will serve low-income families, regardless of race, color, religion, sex, national origin, disability, familial status, or other protected classifications.
This property falls under the following subsidy program(s): **LIHTC, OCII/MOHCD, AHP**

The program is designed to serve the following population(s).
Everything that applies will be checked:

- ☒ Single person households
- ☐ Senior households (*choose age requirement*):
  - ☐ at least one household member is 55 years old or more
  - ☐ all household members must be 62 years old or more
  - ☐ head, co-head and/or spouse must be at least 62 years old
- ☒ Handicap or disabled households who require the design features of an accessible unit
- ☒ Families
- ☐ Developmentally disabled
- ☐ Mental illness
- ☐ Other Special Needs (*select specific program*):
  - ☐ Domestic violence victims ☐ HIV/AIDS ☐ Foster Care ☐ Homeless
  - ☐ Transient families ☐ Substance Abusers ☐ Ex-offenders ☐ Veterans
- ☒ Low-Income Housing Tax Credit (LIHTC)

THIS PROPERTY HAS BEDROOM UNITS AVAILABLE FOR RENT TO ALL FAMILY TYPES.

Project Specific	Bedroom Size	Minimum Family Size	Maximum Family Size
☒	1	1	3
☒	2	2	5

To be eligible for occupancy at this property, there must be a match between the applicant's household size and the unit size available in the property See page 9 for additional information on Occupancy standards. Occupancy limits for this building differ from the household size and maximum occupancy standards do not include children under the age of six (6) years old. All household members are included to determine maximum income limit.

Management Agent
This property is managed by Mercy Housing Management Group ("Management"). For any questions, please call **415-549-0537**.

This property is subject to a utility allowance **Yes** ☒ **No** ☐

When a household is entitled to a utility reimbursement, the Landlord shall provide the reimbursement to the tenant within five (5) business days of receipt of the assistance payment from HUD. If the tenant fails to either pick up the check, cash the check, or moves out, the money is returned to HUD. The Landlord will endeavor to notify the household of the reimbursement.

This Property can accept Section 8 Housing Choice Vouchers **Yes** ☒ **No** ☐

This Property is subject to the LIHTC program **Yes** ☒ **No** ☐

Purpose of Criteria
The purpose of this Resident Selection Criteria is to establish guidelines for the selection of residents from a pool of applicants in accordance with applicable regulations and state/federal civil rights and fair housing legislation.

Availability of Criteria
This Resident Selection Criteria is available to the public upon request. It may be reviewed in the site rental office at the address listed above during normal office hours.

RESIDENT SELECTION CRITERIA

I Introduction

This community is funded through the Office of Community Investment and Infrastructure, the Infill Infrastructure Grant Program, and the Internal Revenue Service's Section 42 Low Income Housing Tax Credit Program. There may be other programs that restrict this community. Please see Exhibit A for additional criteria. The policies and procedures established in this document are used in the selection of residents for this community. Common policies that apply to all units will be in the body of this document; (exceptions will be noted). Policies and selection procedures for specific programs are provided for in the exhibits and include the lease-up procedure for all units. All procedures will be implemented in conjunction with applicable program guidelines such as the IRS Section 42 regulations, as amended, and other applicable federal and local statutes and regulations, including but not limited to the following:

A. MOHCD's Housing Preference and Lottery Procedures Manual

B. SFHA Housing Choice Voucher Administrative Plan

C. Federal Register Notices/Final Rules

D. Code of Federal Regulations (CFR)

E. The Fair Housing Act (Title VIII of the Civil Rights Act of 1968)

F. Section 504 of the Rehabilitation Act of 1973

G. Americans with Disabilities Act of 1990

H. State of California Fair Housing Laws

I. The Federal Fair Credit Reporting Act and state/local credit reporting laws

J. California Tax Credit Allocation Committee Compliance Manual

II Non-Discrimination

A. Equal Opportunity Housing

This community fully adheres to applicable federal, state, and local fair housing and civil rights laws, which provide that it is illegal to discriminate against any person due to race, color, religion, creed, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, physical or mental disability, genetic information, age, height, weight, AIDS/HIV status, sexual orientation, pregnancy status, place you were born or any other arbitrary personal characteristic in all housing related activities.

If an applicant believes that he/she has been discriminated against or treated unfairly in the application process, he/she may contact us in writing at the address below:

Name:	Barbara Crain, Area Director Mercy Housing Management Group
Address:	1256 Market St. Suite 200, San Francisco CA 94102
Phone Number:	415-355-7163

B. **Additional Protection for Individuals with Disabilities**

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 Rehab Act of 1973, the property will make reasonable accommodations or modifications for individuals with handicaps or disabilities (applicants or residents). Such accommodations may include changes in the method of administering policies, procedures, or services at this property where such changes would be necessary to afford full access to the housing program for qualified individuals with handicaps.

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

(1) Make structural alterations that require the removal or altering of a load-bearing structural member;

(2) Provide support services that are not already part of its housing programs;

(3) Take any action that would result in a fundamental alteration in the nature of the program or service;

(4) 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). Requests that may result in regarding undue financial and administrative burden on the property will be reviewed by the Area Director and forwarded to the 504ADACoordinator for decision.

(5) If the Owner, Management and Project employ 15 or more people, regardless of their location or duties, a Section 504 Coordinator must be designated.

(6) The Section 504 Coordinator for the Project is available at the following:

Email: 504adacoordinator@mercyhousing.org
Telephone: (303) 830-3300
TTY Number: (800) 877-8973 or 8711
Fax: (877) 245-7121

Assistance Animals: Management will allow assistive animals as verified pursuant to applicable law, which are defined as animals that are used to assist, support, or provide service to persons with disabilities. Assistance animals – often referred to as "service animals," "assistive animals," "support animals," or "therapy animals" – perform many disability-related functions including but not limited to guiding individuals who are blind or have low vision, alerting individuals who are deaf or hard of hearing to sounds, providing minimal protection, or rescue assistance, pulling a wheelchair, fetching items, alerting persons to impeding seizures, or providing emotional support to persons with disabilities who have a disability-related need for such support.

C. **Additional Protection for Individuals with Limited English Proficiency**

Executive Order 13166 requires all recipients of federal funds to take reasonable steps to ensure that persons with limited English proficiency (LEP persons) have meaningful access to federal programs and activities. In response to this executive order, this community has created a Language Access Plan which details the steps taken to ensure meaningful access including but not limited to providing for oral translation services for applicants who need language assistance. Copies of the Language Access Plan are available for review in our leasing office.

III Privacy Act Notice

It is the policy of the community 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 community.

The applicant's income and other information are being collected to determine his/her eligibility, the appropriate bedroom size, and the amount the applicant family will pay towards rent and utilities. This information may be released to appropriate federal, state, and local agencies, when relevant, and to civil, criminal, or regulatory investigators and prosecutors. However, the information will not be otherwise disclosed or released except as permitted by law.

IV Definitions

A. **Accessible Unit**

A unit that is located on an accessible route and when designed, constructed, altered or adapted can be approached, entered, and used by individuals with a physical impairment.

B. **Affordable Unit**

A unit that is designated for low income households that is funded through the Internal Revenue Service's Section 42 Low Income Housing Tax Credit Program and are regulated per Tax Credit compliance regulations and the current SFHA Housing Choice Voucher Program Administrative Plan.

C. **City Median Income**

The "Maximum Income by Household Size" derived by the Mayor's Office of Housing and Community Development and published annually based on the unadjusted area median income for the Area, as determined annually by HUD.

D. **Family**

A 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 (at least 50 years old but below the age of 62), 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 (head, co-head, spouse, or sole member is at least 50 years old but below the age of 62);

(iv) A disabled family;

(v) A displaced family; and

(vi) The remaining member of a resident family. (24 CFR 5.403)

E. Pet Policy

No pets, dogs, cats, birds, fish, strays, or other animals are allowed in or about the Premises, even temporarily or with a visiting guest, without prior written consent of Owner, except as allowed by law. In the event no written consent is given and Resident or his or her guest violates this provision, Resident agrees that within three days after receiving written notice of said violation, to cure the violation. Failure to abide by this provision will be deemed a material breach of this lease. If written consent is given to Resident to maintain one or more pets, Resident acknowledges and agrees that Landlord may place restrictions on such permission, which must be followed. Such restrictions could include requiring that any dogs be maintained on a leash at all times when on the premises, or that no birds be let out of a cage, or that any fish tanks not exceed 5 gallons, etc. A violation of any restrictions limiting written consent to have a pet herein may be deemed a material breach of this lease. Please be aware that service/support animals are not pets. Requests for service/support animal should follow Reasonable Accommodation / Modification policy and procedures.

F. **Live-In Aide**

A Live-In Aide is a person who resides with one or more elderly persons, near-elderly persons, or persons with disabilities and who:

(1) Is determined essential to the care and well-being of the persons;

(2) Is not obligated for the support of the persons; and

(3) Would not be living in the unit except to provide the necessary supportive services.

The need for the live-in aide will be verified before move-in. Prior to acceptance as a Live-In Aide, all candidates must be screened for drug abuse, criminal activity and status as a state lifetime sex offender following the same requirements used for applicants. A Live-In Aide qualifies for occupancy only as long as the individual needs support services and cannot qualify for continued occupancy as a remaining household member. It is the resident's responsibility to ensure that the Live-In Aide follows the Community House Rules.

G. **Violence Against Women Act (VAWA)**

The VAWA protections apply to households applying for or receiving housing under any HUD or LIHTC housing program. The law protects victims of domestic violence, dating violence, sexual assault, or stalking, as well as their immediate household members, from eviction or denial of housing assistance if an incident of violence is reported and confirmed.

To receive protection under VAWA after an applicant or resident identifies such a need, the Landlord will request in writing that the victim, or a household member on the victim's behalf, certify that the individual is a victim of abuse through the submission of a Form HUD-5382 "Certification of Domestic Violence, Dating Violence, Sexual Assault or Stalking," , or other documentation as noted on Form HUD-5382, be completed and submitted within 14 business days, or an agreed upon extension date.. If the applicant or resident needs alternative arrangements regarding the delivery of these documents, management will work with the applicant or resident on other acceptable ways for providing the information. All information regarding the victim's status will be kept confidential and in a separate file in a secure location in accordance with Mercy Housing's Housing Policies and Procedures pertaining to Victims of Domestic Violence, Dating Violence, Stalking, Human Trafficking, Sexual Assault, or Abuse of Elder or Dependent Adult.

V Community Eligibility Requirements

A. Community Requirements

(1) Screening Criteria

It is the policy of Management to deny admission to applicants whose habits and practices may reasonably be expected to have a detrimental effect on the operations of the property or on the quality of life for its residents. As a part of the final eligibility determination, Management will screen each applicant household to assess suitability. The same criteria will be used to screen new move-ins as well as live-in aides and new additions to an existing household. Police officers and other security or management personnel that reside in subsidized units must also pass the same screening criteria as other applicants. Factors to be considered in the screening are housekeeping habits, care of property, rent paying habits and credit records, prior history as a tenant, household income, and criminal records, as applicable (i.e., homeless with no landlord references will not be disqualified). Management, working in tandem with any service providers involved, will use its discretion in making recommendations to the Owner about making exceptions to certain standards as a reasonable accommodation for applicants based on specific circumstances, while treating all applicants consistently and fairly. Negative information or rental history, including but not limited to the examples listed below, will be grounds for rejection, unless applicant can demonstrate that the history was due to issues that have been addressed—or will be addressed—such that they will not interfere with other residents' right to quiet enjoyment of China Basin Senior Apartments.

(2) Identification

Positive identification with a picture will be required for all adult applicants (photocopy may be kept on file). Applications must include the date of birth of all applicants to be considered complete.

(3) Landlord History

Applicants must have an acceptable landlord history that demonstrates a history of cooperation with management regarding house rules and regulations; abiding by lease terms; and care of property. Landlord history must show that the applicants' conduct in present or prior housing has been such that the admission to the property would not negatively affect the health, safety, or welfare of other residents, or the physical environment, or financial stability of the property.

If the applicant or any member of the applicant household fails to fully and accurately disclose rental history, the application may be denied based on the misrepresentation of information.

Staff will request written references from all the applicant's current landlord and previous landlords for the past two (2 years, if any. Based upon these verifications, the staff will determine if the applicant is able and willing to maintain an apartment in a clean and sanitary manner, refraining from damaging the unit.

The applicant will not be held accountable for conditions which are or could be the responsibility of the property owner, or conditions which are otherwise not within the control of the applicant to remedy, or were due to economic or other issues that the applicant can demonstrate have been addressed such that they will not interfere with other residents' health and safety and right to quiet enjoyment.

The absence of previous rental history by itself will not be reason to deny an applicant household.

(4) **Interference/Fraud**

Any applicant whose conduct interferes with, hinders, delays, obstructs or otherwise prevents the application process from being completed may be denied. Interference includes harassment, threats or intimidation of Management staff. 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 by HUD as an applicant or resident knowingly providing inaccurate or incomplete information.

(5) **Occupancy Standards**

The occupancy standard is the minimum and maximum number of household members that may reside in a specific size unit. When counting household members, every member listed on the application, TIC, or lease, as applicable, is counted including all full-time members, persons temporarily absent from the unit, children anticipated to live with the family, children away at school, live-in aides, foster children, and foster adults.

In the event an applicant household member, or someone associated with that household, has a physical or mental disability, which requires a variance from these occupancy standards, the applicant should make a request for accommodation which may be granted if it does not create an undue financial and administrative burden or create a fundamental change to the nature of the property. As with all accommodation requests, whether the request is reasonable will be evaluated on a case-by-case basis.

The property has adopted a bedroom size standard of two persons per bedroom, plus one. 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 residents are treated fairly and consistently in order to receive adequate housing space.

Upon initial occupancy, no more than two persons will be assigned to a bedroom, plus one adult. Children under six years of age do not count toward the occupancy maximum. Maximum household size cannot exceed San Francisco Department of Building Inspection occupancy standards with regard to square footage per occupant.

The Occupancy Standards for this community are found in Exhibit A-Community Eligibility.

(6) **Prohibition against Denying 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 for Unit Size

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:

(i) Children expected to be born to a pregnant woman;

(ii) Children in the process of being adopted by an adult family member;

(iii) Children whose custody is being obtained by an adult family member;

(iv) Children who are temporarily in a foster home who will return to the family;

(v) Children in joint custody arrangements who are present in the household 50% or more of the time, but see below;

(vi) Children who are away at school and who live at home during recesses, but see below;

(vii) Children that are temporarily in a correctional facility/detention center who will return to the family.

(7) **Anticipated Children Due to Adoption, Pregnancy, or Foster Child**

Anticipated children due to adoption, pregnancy or foster child that are not currently living in the unit will not be taken into consideration when determining 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.

(8) **Joint Custody Agreements**

In cases where a household member has indicated that he/she is sharing custody of a minor household member with an adult who is/will not occupy the affordable unit, determination must be made whether to count minors in shared custody for 1) eligibility; 2) unit size; 3) household income. The guidance in HUD Handbook 4350.3 outlines the rules to be followed with regard to counting minors in shared custody and the requirements relative to potential income based on the presence of the minor(s). If a minor will live in a unit at least 50% of the year, the minor may be counted for all purposes (i.e., eligibility and unit size). If the minor is counted, any unearned income of the minor (e.g., SSI, child support, TANF) is also be counted for the household. However, even if the minor lives only half the year in the unit, the full amount of unearned income (not a prorated amount) is counted. (Regulatory guidance may be found in HUD Handbook 4350.3, Change 4, Para. 3-6(E)(4)(b), and Exhibit 5-1).If a minor will live in a unit less than 50% of the year (e.g., weekends or during school recess months only), the minor is treated as a guest and not counted for any purpose. Any income paid on behalf of the minor is not to be counted. If the amount of time a minor spends in the unit is not clear, reasonable documentation will be requested to demonstrate the residency of the minor.

Court ordered legal custody is not required.

(9) **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 as evidenced by a lease agreement. The new address is considered the student's principle place of residence.

(10) **Income Requirements**

For Affordable Housing Units, applicants must meet the minimum income requirements for the unit. The minimum monthly income is set at two (2) times the rent for the unit.

(11) **Credit Requirements**

Management will initiate an eviction history and credit report. The applicant shall be notified of such action in advance. Applicants over 18 years of age will be charged $25.00 for the credit and criminal records reports.

This property evaluates each person applying to live at its community based on a report is provided by an independent consumer-reporting agency and consistently applied to all of the applicants. The Credit Standard is: no unpaid landlord or utility debts for twelve months exceeding $2,500, excluding medical bills and student loans. Mitigating circumstances will be considered if there are collections, judgements or liens (within the past twelve months above $2,500) a plan to address debt may include but is not limited to enrollment in a credit counseling program or 3rd party payee program).
Bankruptcies are permitted if they have been cleared. Each applicant's credit-report will be compared to the acceptance policies to determine whether or not the applicant may be accepted. If the application is denied the applicant will be advised what factors most adversely affected the score and the applicant will be given the name, address, and telephone number of the consumer reporting agency that provided the report to this property. An applicant who is denied based on his/her credit report may obtain a copy of the consumer report(s) on which the information was based, and may initiate an investigation to have any erroneous information contained in such reports corrected. The consumer-reporting agency will advise the applicant of the actions that he/she may take in order to do so, (currently Leasing Desk Screening, which can be contacted at 866.934.1124 or https://www.realpage.com/consumer-dispute). Available units will not be held open during any such investigation by the applicant. The absence of credit history by itself will not be reason to deny an applicant household.

(12) **Rental History**

The applicant's rental history must be acceptable to the property's standards, which are as follows:

(i) Applicants should have at least two years of rental history to contact, unless applying to a homeless unit. No rental history is not a disqualifying factor.

(ii) The rental history with both the applicant's current landlord, and previous landlord will be reviewed as applicable.

(iii) Applicants must not have a history of more than four (4) documented late payments per year, or any evictions within the last two (2) years.

(iv) Applicants who owe balances of uncollected rent or misc. housing or utility charges may be ineligible unless paid off or paid down prior (to $2500 credit limit) prior to move in.

(v) If the applicant's current living arrangements are with a family member, additional information on the applicant's ability to comply with lease terms will be collected from other sources.

(vi) If an applicant's current housing is "owner occupied" or "homeless" criteria related to prior housing is waived.

(vii) Management will check with the current landlord and at least one former landlord for documented instances of disturbance of neighbors or destruction of property. For applicants who have occupied the same residence for more than the two (2) most recent years Management may choose to only contact current landlord but reserve the right to contact prior landlord if unable to contact current landlord.

(viii) An applicant's behavior toward Management staff or former 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.

(ix) An applicant will in no way 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.

(x) Staff will consider the date and circumstances of any past eviction or termination in determining its relevance to property tenancy.

(13) **Background Screening Requirements**

Prior to final acceptance of any application and after the credit and rental history screening, this community will conduct a criminal background search on each household member age eighteen (18) years or older, including emancipated minors, using an independent consumer-reporting agency.

The purpose of these checks is to obtain information on the applicant's documented past history of meeting financial obligations and future ability to make timely rent payments and to abide by the federal laws regarding the prohibition of admitting any applicant with specific criminal activity including drug-related activity. These standards are established to comply with federal and state laws, in compliance with Article 49 of the San Francisco Police Code: Fair Chance Ordinance, and a household member who has been involved in the following will not be admitted, except under the specified circumstances:

(i) Any household containing a member(s) who was evicted in the last three (3) years from federally assisted housing for drug-related criminal activity. To be admitted, the household member would have to provide the following;

(a) Proof of successful completion of an approved supervised drug rehabilitation program; or

(b) Proof that the circumstance leading to the eviction and/or conviction no longer exists and the applicant has been clean and sober for at least one (1) year.

(ii) A household in which any member is currently engaged in illegal use of drugs and where 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;

(iii) A household member has a felony conviction for the illegal manufacturing or distribution of a controlled substance within the last 7 years;

(iv) A household member has a felony conviction for bodily harm, intentional damage or destruction of property within the last 5 years;

(v) A household member has a felony conviction for a sex related offense or terrorism within the last 7 years;

(vi) Any household member who is subject to a nationwide sex offender lifetime registration requirement (this applies only to the VASH and PBV units);

(vii) Any household member if there is a 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 are based on behavior, not the condition of alcoholism or alcohol abuse.

If the application is denied based on this criminal background search, the applicant will be given the name, address, and telephone number of the consumer-reporting agency that provided the criminal background report. An applicant who is denied based on a criminal background search may obtain a copy of the report and may initiate an investigation to have any erroneous information contained in the report corrected. The consumer-reporting agency will advise the applicant of the actions that he/she may take in order to do so. Available units will not be held open during any such investigation by the applicant. An applicant has 14 calendar days to appeal a criminal denial and a comparable unit must be held open until their appeal deadline expires or their appeal is resolved.

Management will conduct an individualized assessment of the application and only consider Directly-Related Convictions and Unresolved Arrests (as those terms are defined in San Francisco Police Code §4901), the time elapsed since the Directly-Related Convictions and Unresolved Arrests, evidence of any inaccuracy in the Background Check Report, Evidence of Rehabilitation (as define in San Francisco Police Code §4901) and Other Mitigating Factors (as defined in San Francisco Police Code §4901). Criminal records check and assessment will adhere to Fair Chance Ordinance (FCO) Article 49 San Francisco Police Code–Protections for People with Prior Arrests or Conviction Records. A Management staff person who has no authority over the applications for review, approval or denial will obtain the criminal record upon provisional approval of the application. Each report request and response will be time and date stamped via email or via hand stamped to ensure review was completed after the provisional approval of the application.

Under the Fair Chance Ordinance, the applicant has the right to the following:

(viii) All other qualifications for affordable housing will be decided BEFORE Management knows anything about prior arrest or conviction record. Management may run a criminal history report at the same time as a rental or credit history but will not look at it prior to determining the applicant is qualified.

(ix) Management will not ask the applicant about a prior record through a rental application form.

(x) The applicant will be provided with a copy of Fair Chance Ordinance notice before Management runs the background report.

(xi) The following six "off-limits" categories will not be requested or considered on the criminal records check:

(a) arrests that did not result in conviction;

(b) participation in a diversion or deferral judgment program;

(c) expunged, judicially dismissed, invalidated or otherwise inoperative convictions;

(d) juvenile record;

(e) a conviction more than 7 years old; or

(f) an infraction.

(xii) Each record will be assessed individually, in which only the "directly-related" convictions and unresolved arrests in the record are considered. In considering whether a conviction / unresolved arrest is directly-related, Management shall look at whether the conduct has a direct and specific negative bearing on the safety of persons or property, given the nature of the housing, whether the housing offers the opportunity for the same/similar offense to occur, whether circumstances leading to the conduct will recur at the Property and whether supportive services that might reduce the likelihood of a recurrence are available onsite.

(xiii) The applicant will be provided with a copy of the background report and told which conviction or unresolved arrest is the basis for the potential denial. The applicant will have 14 days to respond orally or in writing to show that there shouldn't be a denial. The applicant can respond by:

(a) Pointing out any inaccuracies in the report.

(b) Providing evidence of rehabilitation. Evidence of rehabilitation include satisfying parole/probation, receiving education/training, participating in

(xiv) The applicant has a right to call the Human Rights Commission to understand their rights or file a complaint (within 60 days of violation) without any negative action or retaliation taken against the applicant by Management. For more information, contact the Human Rights Commission at (415) 252-2500 or email hrc.info@sfgov.org.

(14) **Final Eligibility**

Staff will make a final eligibility determination on each applicant only after all factors have been adequately verified including household's annual income. Eligible applicants will be notified in writing of their status and given an approximate date when they can expect to receive an offer of a unit. Ineligible applicants will be notified of their ineligibility in writing along with the basis for denial, and informed of their right to an informal review.

Once final eligibility is determined, the staff will proceed to calculate the rent, execute lease documents, and assign the next unit available for which the household has been deemed eligible. The Applicant who has been approved and notified in writing, shall have at least five (5) calendar days after notification to enter into a lease agreement for the available unit. If the applicant fails to affirmatively respond, the application shall be considered "cancelled" by the applicant. Written notice will be provided to applicants whose applications are closed due to a lack of response. Rejection has no consequence on an applicant's eligibility for future affordable housing units through MOHCD.

Applicants determined ineligible for admission by staff may respond in writing or request an informal review of the determination (also known as an appeal). They must make the request within 5 calendar days of the date of the notice of ineligibility; 14 calendar days for criminal appeals. Persons with disabilities have the right to request reasonable accommodations to participate in the informal hearing process. Within 5 days of receiving the request, the staff must schedule the review and notify the applicant of the place, date and time.

Appeals or Informal reviews will be conducted by an impartial review officer who had no involvement in the ineligibility determination. The review officer will be selected by the Area Director of Operations. The applicant may bring to the review any documentation or evidence he/she wishes and the evidence along with the data compiled by staff will be considered by the review officer.

The review officer will make a determination based upon the merits of the evidence presented by both sides. Within 5 business days of the date of the review or response, the review officer will mail a written decision to the applicant and place a copy of the decision in the applicant's file.

If an applicant is deemed ineligible. The applicant will be notified in writing of his/her ineligibility. The ineligibility letter will include: (i) the reason for the disqualification, (ii) notification that the applicant has a right to an informal grievance review, (iii) the process for an informal review.

B. **Policy for Unit Transfers**

(1) **Requests from Residents**

Once an applicant has become a resident, a transfer of units may be warranted. Please see page 1 of this document for unit sizes at this property. If a resident has a change 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.

Current tenants requesting a unit transfer for any other reason will be added to the Internal Transfer Waiting List of applicants provided there is no record of consistent late payments or unpaid rental obligations, no record of police activity (except VAWA related incidents) and inspection of the tenant's current unit must indicate that there is no damage to property or poor housekeeping habits resulting in health or safety violations. Transfers of current tenants from one unit to another unit within the property will have priority over new move ins in filling vacancies.

When a household requests to transfer one or more lessees out of an existing household into another unit on the property, the transferring lessee will be treated as a new applicant. He/she must be 18 years of age or older, or an emancipated minor, complete an application, and then they will be placed at the bottom of the Internal Waiting List. As any other applicant, they must meet eligibility and qualify as a new move-in by going through the screening process regarding verifying income, criminal and credit history, etc.

NOTE: Should a household member have a disability which prevents the household from requesting the transfers in writing, a reasonable accommodation can be made upon request.

(2) **Requirement by Owner**

On occasion an owner may require a resident to transfer to a different unit size. This may occur when the family composition changes and the family no longer qualifies for the unit size in which they are dwelling. If a unit of appropriate size is not available, management will not evict the family, and will not increase the family's rent to the market rent. The family will be placed on a unit transfer list and be required to move when an appropriate size unit is available. However, if an appropriately sized unit is available and the family refuses to move, management will take legal action to evict the family if the family fails to move to the unit available.

(3) **Acceptable Reasons for Transfers**

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

(i) Medical/health conditions, including inability to use stairs, or the need for a live-in attendant;

(ii) Emergency transfer requests for households members who are victims of VAWA crimes;

(iii) Family size increases or decreases, or composition changes due to birth, adoption, custody, or foster children;

(iv) There is a need for a unit with special design features for a person with disabilities; or

(v) Other potential conditions not related to health, which will be reviewed on a case-by-case basis by management.

(vi) Transfers for tenant based on the need for deeper subsidy (if applicable).

(4) **Placement on Transfer Waiting List**

While residents may request unit transfers at any time during tenancy and management may approve such requests within thirty (30) calendar days of submission of a Unit Transfer Request, management makes no guarantee on the timing by which a unit transfer will take place. If management approves a request for a transfer to a different unit, and there is no current unit available, the resident will be placed on the property's transfer waiting list.

For program and lawful related reasons, management will initiate unit transfers in the following order:

(i) Households who have members with a disability who require accessibility features or changes in apartment size as a result of an approved Request for a Reasonable Accommodation (see Accessible

Unit Policy for more information regarding transfers to Accessible Units); then,

(ii) Emergency transfer requests for household members who are victims of VAWA crimes; then,

(iii) Households who, as a result of changes in household composition, require a smaller, then a larger apartment than is currently occupied.

NOTE: Residents needing transfers due to medical reasons must have a written physician's statement. Site staff will work with the household through the management's Reasonable Accommodation Request procedures to assure the household is placed in an accessible unit.

(5) **Procedures for Filling Vacancies**

If a request for a transfer to a different unit is approved, the resident agrees to pay all transfer costs prior to the move. Costs may include damages that are beyond normal wear and tear. However, if a resident is transferred as an accommodation to a household member's disability, then management may be obligated to pay the costs associated with the transfer as discussed under Section 504 of the Rehabilitation Act of 1973.

(6) **Priority for Filling Vacancies**

Transfers from one unit to another type of unit within the Property will take precedence over new move-ins. Unit transfers that are required by management will take priority over resident requested transfers.

(7) **Emergency Transfers under VAWA**

In order to qualify for an emergency transfer under VAWA 2013, a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking must reasonably believe there is a threat of imminent harm from further violence. It does not matter when an initial act occurred if the current belief of a threat of imminent harm is reasonable, or, in cases of sexual assault, the assault occurred on the premises during the 90-calendar-day period preceding the transfer request. Property management may require that tenants who request emergency transfers under VAWA submit a written transfer request where the tenant certifies that he or she believes there is a threat of imminent harm from further violence, or that he or she was a victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the transfer request. For further information on VAWA, see Section IX of this Plan.

(i) **Making Emergency Transfer Plans Available upon Request**

VAWA 2013 requires housing providers to prepare a workable emergency transfer plan, which must be made available upon request, and must detail the measure of any priority given to tenants who qualify for an emergency transfer under VAWA in relation to other categories of individuals seeking transfers or placement on waiting lists. Management's Emergency Transfer Plan, which describes policies for assisting tenants to make emergency transfers, is available for review at the property office upon request.

(ii) **Eligibility Occupancy Requirements May Not Be Superseded**

Emergency transfer obligations under VAWA do not supersede any eligibility or other occupancy requirements that may apply under a covered housing program. For example, the tenancy priority for an available accessible unit required to be accessible under HUD's Section 504 regulation must still be applied to maximize the utilization of accessible units by individuals who need the accessibility features. The objective of the emergency transfer plan is to develop a plan for how to fill an available unit cognizant of the need to transfer an individual who qualifies for an emergency transfer as quickly as possible while meeting other obligations and balancing competing needs.

C. **Assigning Units for Persons with Physical Disabilities**

Management will always give a family that has indicated a need for certain unit accommodations because of a disability, the opportunity to decide for itself, in compliance with Section 504 of the Rehabilitation Act, whether a unit meets the needs of the family. The property will notify the household whenever any unit becomes available, without regard to unit accessibility. The property will never prohibit an eligible family with a member who has a disability from accepting a suitable non-accessible unit if no accessible unit is available when the family reaches the top of the waiting list. If the applicant decides to accept a standard unit, s/he may request some modification to the unit as a reasonable accommodation.

D. **Accessible Unit Policy**

If a unit becomes available that has either been made accessible under Section 504, or was originally designed for disabled households when the property was approved for funding, the property will first offer the unit to an individual with disabilities who is currently residing in a non-accessible unit who requires the features of the unit. If there is no such current resident, the property will offer the unit to the next qualified applicant on the waiting list who needs the features of the accessible unit. When neither a current resident nor a qualified applicant require the features of an available accessible unit, the property will offer the unit to another resident or applicant, and will incorporate as an addendum to the lease an agreement that the resident will move to a non-accessible unit within the property when one becomes available. This addendum will also cover whether the resident or the property will pay for the cost of such a move.

E. **Reasonable Accommodations**

The property will consider requests for reasonable accommodations from applicants/residents with disabilities, in order that they may benefit from the use and enjoyment of the dwelling units. The applicant/resident 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 or nature of services provided by the housing provider by significantly modifying, eliminating, or adding to the services offered. Mercy Housing Management will engage with the household in an interactive process to determine if there is an alternative solution.

VI Application Procedures

A. **Priority Processing Order**

Priority determines the order of processing only, and in no way changes the requirement that all potential tenants must meet the other criteria for resident selection. Applications will be ranked for consideration (and units will be offered) according to the following descending order of priorities:

1. COP Certificate Holder
2. DTHP Certificate Holder (20% of total units)
3. General Population

Please see the Property's San Francisco Housing Portal – DAHLIA project posting and the MOHCD Housing Preference and Lottery Procedures Manual for information on where applications will be provided, website address, and discussion about number of times Developer/Management will contact initial lease-up application and the number of days an initial lease-up applicant has to respond to Management's request.

B. Complete an Application for Housing

To apply to live at this community in an Affordable Housing Unit, an applicant family must complete an application and certify that the supplied information is complete and accurate. Based on the household size, the applicant must designate the number of bedrooms requested. The applicant may request more than one unit type at the time of the initial application provided the household meets the occupancy standards or an accommodation has been requested (entitlement to the accommodation and the reasonableness of the accommodation requested will be determined when a unit is available), and the specific bedroom size waiting list is open**.** If the applicant requires assistance in completing the application, please contact the Community Manager/Leasing Office.

C. Submit Application

The application must be signed and dated by **all adult members** for the application to be considered. Applications can be submitted by mail, by submission through established secure file sharing system or in person at the community leasing office during normal business hours.

D. Interview

As an applicant's name approaches the top of the Waiting List, an interview will be scheduled. All members of the applicant household must attend the interview. Two failures to schedule and/or attend an agreed-upon time for an interview will be grounds for denial. For applicants with limited English proficiency, language assistance can be requested. Please make a request at least three business days prior to the interview.

During the interview, the applicant household will be asked to update the information on their original application. All forms of income and assets must be disclosed. During the interview, all items on the application will be discussed and confirmed, and third-party verification of each factor will be attempted, per program and/or IRS regulations and procedures. Until all items are verified, eligibility cannot be determined, nor any housing offered. Third party verification includes original or authentic documents generated by a third-party source that are dated within 120 days from the date of move in by the owner, verification forms sent by the owner directly to the source and returned to the owner through mail, email, or fax, and oral verification.

During the interview, the staff person will do the following:

(1) Clarify any information provided by the applicant;

(2) Income qualification verification, including self-employment: soliciting third-party verification from all sources in order to determine annual household income (the maximum income levels apply to the Tax Credit and PBV programs), and all assets, including bank accounts;

(3) Make copies of photo identification, i.e., Driver's License or state I.D. card, passport, travel visa, I-94s or employment cards for adults 18 years of age and older, Social Security cards (for those persons who have been issued a social security number) or other acceptable alternative as determined by Mercy Housing and birth certificates for children under the age of 18 years of age; If applicant only has recently expired ID or has lost their Social Security card, they may submit documentation showing that they have requested/applied for a new/replacement one at the time of interview and the actual new/replacement item no later than 90 days from date of lease

(4) Answer any questions the applicant may have

(5) Provide Fair Chance Ordinance ("FCO") language.

Eligibility for housing can only be confirmed after all items of income, assets, household composition, etc., which may have any bearing on the rent that is paid or subsidy received, are verified.

E. **Ineligibility**

Households may be ineligible for occupancy for various reasons including, but not limited to, the following:

1. The applicant/household does not meet the program/community eligibility requirements listed in Exhibit A and Exhibit A (1) of this plan;
2. The household gross income (using the HUD definition of income) is over the applicable income limit published by HUD (Exhibit C);
3. The applicant/household's monthly income does not meet the minimum income standard established for this community and the household will not receive Section 8 Voucher or other rent subsidy assistance;
4. A negative landlord or other reference based on document lease violations, encompassing failure to comply with the lease, poor payment history, poor housekeeping habits, or evictions for cause including current notices to pay or quit;
5. The applicant/household has an unacceptable credit history as reported by a consumer-reporting agency, including but not limited to any household member with an open bankruptcy;
6. The applicant/household contain a student enrolled in an Institute of Higher Education who does not meet the criteria specified in this plan;
7. There is submission of false, misleading or untrue information on the application;
8. Failure to cooperate in the verification process, including failure to provide requested information;
9. Failure to schedule and/or attend two interviews;
10. The applicant/household has refused two offered apartments and does not have a valid medical reason, or the household has refused three offered apartments with a valid medical reason;

11. The applicant/household has an unacceptable criminal background as reported by a consumer-reporting agency and in compliance with the Fair Chance Ordinance;

12. The applicant/household has an unacceptable reference from a current or previous landlord;

13. Household size does not conform to the stated minimum and maximum sizes as described in Exhibit A;

14. Failure to sign designated or required forms and/or documents upon request;

15. This will not be the only residence for the applicant/household;

16. The applicant/household is not willing to pay the rent as calculated under the subsidy program.

17. Failure to present all applicants during the interview with the Community Manager;

18. Blatant disrespect or disruptive behavior, or demonstrable history of such behavior, towards management, the property, or other residents exhibited by an applicant or household member or friend any time prior to move-in;

19. Misrepresentation of any information related to eligibility, allowance, household composition or rent;

20. Other cause, including, but not limited to, failure to meet any of the selection criteria in this document.

21. Credit & Unlawful Detainers**:** Total unmet credit problems, including governmental tax liens, within the last twelve (12) months, must not be in excess of $2,500. No evictions (Unlawful detainers) in the most recent 2 years. See page 9.

F. **Appeal Procedure**

Applicants have five ***[5]*** calendar days for income and credit denials, and fourteen **[14]** calendar days for criminal denials, after the date of denial letter to notify management in writing or request a meeting if he/she would like to appeal the denial decision. If a denial letter is sent to an applicant, and no response or new evidence is received within the requisite timeframe, the file will be closed permanently.

If the applicant submits a written notice of appeal or requests an appeal meeting within the requisite timeframe after the date of the denial letter, a management representative who was not a party to the original decision to deny will handle the appeal. This representative will review the application and any new facts or information that the applicant feels would have an effect on their application. Management will notify the applicant of their final decision within five ***[5]*** business days of receiving the applicant's written appeal or the date of the appeal meeting. Persons with disabilities have the right to request reasonable accommodations to participate in the appeal process.

A comparable unit will be held open during the appeal procedure until the appeal deadline expires or the appeal is resolved.

A complete Grievance Procedure and Policy is available for anyone who wishes to file a grievance and/or requires detailed information about this subject. This policy is included with the denial letter.

The applicant has the right to dispute the accuracy of any information provided to property by the Consumer Reporting Agency or Screening Company. A copy of the report will be provided to the applicant.

For all Affordable Housing Units, Management will report all applicant denials and appeals to MOHCD Below Market Rate on a weekly basis through the lease up.

A comparable unit will be held while the applicant is going through the appeals process.

VII Revision of Resident Selection Criteria

We reserve the right to make modification to this resident selection criteria as necessary. When the plan is revised, the effective date of the new plan will be noted on the cover page. In addition, any time a new resident selection criteria is implemented, all applicants on the wait list and current residents will be provided with notice that a revised plan is being implemented and that they may request a copy from the management office.

I/We certify that I/we have been given an opportunity to review the Resident Selection Criteria for housing at Natalie Gubb Commons II.

1. Applicant Signature	Applicant Printed Name	Date
2. Applicant Signature	Applicant Printed Name	Date
3. Applicant Signature	Applicant Printed Name	Date

VIII Exhibits

Exhibit A: Community Eligibility- Natalie Gubb Commons II

This community is funded under the following programs and adheres to all regulatory requirements, income and rent restrictions:

- IRS Section 42 Low Income Housing Tax Credit Program (All Units)
- MOHCD/OCII (Applies to all units)
- CDLAC (All units)
- AHP (All Units)

To live in an Affordable Housing Program unit at Natalie Gubb Commons II the applicant must be:

- At or below the Low-Income Limit (50% AMI); and
- Within the Occupancy Standards for our unit sizes using the chart below.
- Occupancy Standards

UNIT SIZE	MINIMUM HOUSEHOLD SIZE	MAXIMUM HOUSEHOLD SIZE
1 bedroom	**1 person**	**3 persons**
2 bedroom	**2 persons**	**5 persons**

- A Live-In Aide is allowed to live in the apartment due to a reasonable accommodation.
- Children under six years of age may not be counted for maximum occupancy but are counted for income limit.

EXHIBIT A(1): AFFORDABLE HOUSING UNIT ELIGIBILITY REQUIREMENTS

Program Eligibility determines whether applicants are eligible for program rental assistance. This Property will not admit ineligible applicants. In order to be eligible a family must meet **all** of the following requirements.

A. Eligibility Requirements

Applicants who apply to any unit at the Property must meet income and eligibility tests for the unit type first, before any further screening steps are taken regarding selection criteria. The program income and eligibility tests include:

(1) Management has received a completed application form, or pre-application form, and all accompanying consent forms for release of information signed.

(2) Applicants for Affordable Housing Units must meet the income requirements of Section 42 of the Internal Revenue Code outlined in the Restrictive covenants and CTCAC area median income ("CTCAC AMI") and MOHCD area median income ("MOHCD AMI"). Management will seek third-party verification and second-party documentation in conformance with the IRS code's Restrictive Covenants, as administered by the CTCAC.

B. Income Limits

The household's annual income must not exceed the applicable income limit for the community as established by the MOHCD and/or CTCAC. Current Income Limits are attached as Exhibit C.

C. Consent and Verification Forms

The head of household, the spouse and/or co-head and all other adults (18 and older) in each applicant household must sign an Authorization for Release of Information and as necessary, verification documents, prior to being approved and every year thereafter.

D. Rent Formulas

The applicant family must agree to pay the rent required by the assistance program.

E. Student Eligibility

(1) LIHTC Eligibility

Applicant Households containing full-time students must meet the IRS Section 42 regulations regarding full-time student households at all times or they are not eligible to move in or remain as a tax credit eligible family.

The IRS defines a full-time student as one who attends an educational institution with regular facilities, other than a correspondence or night school, during at least five months of the calendar year for which application for housing has been made. The educational institution determines whether a student is full or part-time.

If a household is comprised entirely of full-time students, they must meet one of the following criteria in order to be eligible for a Tax Credit unit:

(i) All members of the household are married and either file or are entitled to file a joint tax return;

(ii) The household consists of a single parent and his or her minor children, and both the parent and children are not a dependent of a third party other than the parent of such children;

(iii) At least one member of the household receives assistance under Title IV of the Social Security Act. (AFDC, TANF, CalWORKS, etc. Please note: SSA or SSI do not qualify.)

(iv) At least one member is enrolled in a job training program receiving assistance under the Work Investment Act (WIA) formerly known as the Job Training Partnership Act, or similar federal, state, or local laws as defined by HUD 4350.3 REV-1;

(v) The household consists of a tenant under the age of 24, who has exited the Foster Care system within the last 6 years.

F. Waitlist Lottery

Applications for the open waitlist will be submitted on DAHLIA- San Francisco Housing Portal at housing.sfgov.org. Additional information can also be found at housing.sfgov.org.

Waitlist Lottery - MHMG will attempt to contact the applicants in lottery order by email, phone, text and regular mail. MHMG will attempt a second form of contact. If the applicant is unresponsive after two (2) attempts MHMG may contact the next group of applicants in lottery ranked order.

G. Priority Processing Order

Priority determines the order of processing only, and in no way changes the requirement that all potential tenants must meet the other criteria for resident selection. Applicants will be contacted in lottery rank order by housing preference.

H. Income Limit Requirements

All income limits are based on family size and the annual income the family receives and are available for review at the site office.

The unit mix and associated income limits are the following:

AMI Level	Number of Units	Breakdown of Units
50% AMI – MOHCD/OCII/AHP 50% AMI CTCAC/CDLAC 60% AMI CTCAC/CDLAC	69 Units 21 Units 48 Units	55 1-Bedroom 14 2-Bedroom 17 1- Bedroom 4 2 – Bedroom 38 1 – Bedroom 10 2 - Bedroom
TOTAL:	69 Units	

The limits are based on family size and the annual income the family receives and are available for review at the site office. Applicants must have an income that is not greater than the maximum income limits established by CTCAC and MOHCD.

Additional Application Process Information for Affordable Housing Units After Initial Leasing

Priority determines the order of processing applicants after the initial leasing of the Property only, and in no way changes the requirement that all potential tenants must meet the other criteria for resident selection. When a unit becomes available, Management will select the next applicant from the Waiting list based on the unit size available, preferences established for the property, and our screening policies. Management will select the first name on the Waiting List for the appropriate unit size (or list of names for units reserved for disabled applicants) and make a final determination of eligibility and suitability for tenancy, using the criteria described in the Application Procedures section beginning on page 19.

I. Only Residence Requirements

Applicants must agree that their rental unit will be their only residence. When applicants are being interviewed, 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 the Affordable Housing unit.

J. Admissions

Applicants will be considered according to their lottery rank order on the waiting list, unless preferences are described in Exhibit B of this plan. Priority for units will be given to applicants who meet any applicable community preferences. Applicants at the top of a waitlist will be notified of upcoming vacancies of apartments that meet their selected unit preference and will be given the opportunity to set up an appointment for an interview to determine current eligibility. After the interview, the application will be screened and verified prior to being offered a lease. Participating in an interview does not guarantee that the applicant will be eligible or that an apartment will be offered to the applicant.

Apartments designed specifically for a person with disabilities, whenever possible, will be rented to a household or individual needing that specific apartment type. These apartments will be offered first to current residents, and then to applicants, who have noted the need for such an apartment on their application, based on their lottery rank order on the waiting list. In all instances, an apartment designed specifically for a person with disabilities should be rented to a household with a member needing that type of unit. Outreach will be done with community agencies and organizations to accomplish this.

In the unlikely event that no resident or applicant requires that apartment type, the next applicant on the waiting list can be housed there temporarily only after signing a lease addendum that they will move at their own expense within 30 days of written notification by management that there is a need for their particular apartment and an appropriate sized apartment is available.

K. Waiting List Administration

This community maintains one wait list for applicants.

(1) The Waiting List is for Affordable Housing Units that are governed by Tax Credit program, MOHCD/OCII requirements, and local preferences only. This Waiting List will be maintained by Management in lottery rank order. The Waiting List will be maintained according to family size, type of unit for applicant households, and status in relation to preferences. Vacant units will be leased based on the lottery waitlist. Management will have up to 500 applicants on the waiting list who are fully informed of its' length and policies/procedures for selecting individuals. There will also be a Waiting List for current residents who need a transfer to a different unit.

(2) Vacancies

(i) When a unit becomes available, property management will select the next applicant from the Waiting list and will be screened by Management. Management will select the first household on the Waiting List who is appropriately sized for the available unit and will make a final determination of eligibility and suitability for tenancy, using the criteria described in the Applicant Screening section.

(ii) Applicants will be contacted a maximum of two times by mail, email, telephone and text. If the first applicants in the Waiting list do not respond and submit required documentation within 5 calendar days, they will be contacted again and given 5 calendar days. If they do not respond after the second attempt the next set of applicants on Waiting list "A" will be contacted in Waiting List order. Units will not be offered until the preceding Waiting list "A" households have been completely processed.

(iii) If an applicant declines or does not respond to the first offer of an available unit when contacted, his/her name will remain in their current order on the Waiting List. If an applicant declines or does not respond to a second offer of an available unit his/her application may be cancelled. Written notification of the attempt to contact, and cancellation of the application, will be mailed and emailed to the applicant.

L. Final Eligibility Determination

(1) Management will make a final eligibility determination after reviewing the criminal report on each applicant, only after all the household's annual income, rental history, and credit history have been adequately verified, the household will be considered to have met the initial qualification criteria.

(2) Once final eligibility is determined, the staff will proceed to calculate the rent, execute lease documents, and assign the next unit available for which the household has been deemed eligible.

Exhibit B -- Community Preferences

A. State and Local Mandated Preferences

(1) Certificate of Preference Holders are primarily households displaced by Agency action in the Redevelopment Project Areas during the 1960s and 1970s but may also include other persons displaced by Agency action and who meet all qualifications for the unit. The Certificate of Preference Hotline number is: (415) 701-5613. This preference applies at the initial lease-up lottery and to re-renting vacant units up to 100% of the units.

(2) Displaced Tenant Housing Preference (DTHP) for up to 20% of the lottery units at initial lease up and re-rental.

(3) San Francisco Residents or Workers for applicants who either live or work in San Francisco. This preference applies to 100% of all units at the initial lease-up and re-rental.

B. When a Preference Is Denied.

If it is determined that an applicant does not meet the criteria or is not 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 to review this decision. If the applicant requests a meeting, it will be conducted by a person or persons designated by Management. Persons with disabilities have the right to request reasonable accommodations to participate in this meeting.

C. Owner-Adopted Preferences

The property has adopted one or more of the following preferences:

(1) N/A

mercy HOUSING

Exhibit C – Income Limits and Rents (SUBJECT TO CHANGE)

2023
MAXIMUM INCOME BY HOUSEHOLD SIZE
derived from the
Unadjusted Area Median Income (AMI)
for HUD Metro Fair Market Rent Area (HMFA) that Contains San Francisco

Income Definition	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person	9 Person	10 Person	11 Person
15% OF MEDIAN	$15,150	$17,300	$19,450	$21,600	$23,350	$25,050	$26,800	$28,550	$30,250	$32,000	$33,700
20% OF MEDIAN	$20,150	$23,050	$25,950	$28,800	$31,150	$33,450	$35,750	$38,050	$40,350	$42,650	$44,950
25% OF MEDIAN	$25,200	$28,850	$32,450	$36,050	$38,900	$41,800	$44,700	$47,550	$50,450	$53,300	$56,200
30% OF MEDIAN	$30,250	$34,600	$38,900	$43,250	$46,700	$50,150	$53,600	$57,050	$60,550	$64,000	$67,450
35% OF MEDIAN	$35,300	$40,350	$45,400	$50,450	$54,500	$58,500	$62,550	$66,550	$70,600	$74,650	$78,700
40% OF MEDIAN	$40,350	$46,100	$51,900	$57,650	$62,250	$66,850	$71,500	$76,100	$80,700	$85,300	$89,900
45% OF MEDIAN	$45,400	$51,900	$58,350	$64,850	$70,050	$75,200	$80,400	$85,600	$90,800	$95,950	$101,150
50% OF MEDIAN	$50,450	$57,650	$64,850	$72,050	$77,850	$83,600	$89,350	$95,100	$100,900	$106,650	$112,400
55% OF MEDIAN	$55,450	$63,400	$71,350	$79,250	$85,600	$91,950	$98,300	$104,600	$110,950	$117,300	$123,650
60% OF MEDIAN	$60,500	$69,200	$77,800	$86,450	$93,400	$100,300	$107,200	$114,100	$121,050	$127,950	$134,900
65% OF MEDIAN	$65,550	$74,950	$84,300	$93,650	$101,150	$108,650	$116,150	$123,650	$131,150	$138,600	$146,100
70% OF MEDIAN	$70,600	$80,700	$90,800	$100,850	$108,950	$117,000	$125,100	$133,150	$141,250	$149,300	$157,350
72% OF MEDIAN	$72,600	$83,000	$93,400	$103,750	$112,050	$120,350	$128,650	$136,950	$145,250	$153,550	$161,850
74% OF MEDIAN	$74,650	$85,300	$96,000	$106,650	$115,200	$123,700	$132,250	$140,750	$149,300	$157,800	$166,350
75% OF MEDIAN	$75,650	$86,500	$97,300	$108,100	$116,750	$125,350	$134,050	$142,650	$151,300	$159,950	$168,600
80% OF MEDIAN	$80,700	$92,250	$103,750	$115,300	$124,500	$133,700	$142,950	$152,150	$161,400	$170,600	$179,850
85% OF MEDIAN	$85,700	$98,000	$110,250	$122,500	$132,300	$142,100	$151,900	$161,650	$171,500	$181,250	$191,100
90% OF MEDIAN	$90,750	$103,750	$116,750	$129,700	$140,100	$150,450	$160,850	$171,200	$181,600	$191,950	$202,300
95% OF MEDIAN	$95,800	$109,550	$123,200	$136,900	$147,850	$158,800	$169,750	$180,700	$191,650	$202,600	$213,550
100% OF MEDIAN	$100,850	$115,300	$129,700	$144,100	$155,650	$167,150	$178,700	$190,200	$201,750	$213,250	$224,800
103% OF MEDIAN	$103,900	$118,750	$133,600	$148,400	$160,300	$172,150	$184,050	$195,900	$207,800	$219,650	$231,550
105% OF MEDIAN	$105,900	$121,050	$136,200	$151,300	$163,450	$175,500	$187,650	$199,700	$211,850	$223,900	$236,050
110% OF MEDIAN	$110,950	$126,850	$142,650	$158,500	$171,200	$183,850	$196,550	$209,200	$221,950	$234,600	$247,300
115% OF MEDIAN	$116,000	$132,600	$149,150	$165,700	$179,000	$192,200	$205,500	$218,750	$232,000	$245,250	$258,500
120% OF MEDIAN	$121,000	$138,350	$155,650	$172,900	$186,800	$200,600	$214,450	$228,250	$242,100	$255,900	$269,750
130% OF MEDIAN	$131,100	$149,900	$168,600	$187,350	$202,350	$217,300	$232,300	$247,250	$262,300	$277,250	$292,250
135% OF MEDIAN	$136,150	$155,650	$175,100	$194,550	$210,150	$225,650	$241,250	$256,750	$272,350	$287,900	$303,500
140% OF MEDIAN	$141,200	$161,400	$181,600	$201,750	$217,900	$234,000	$250,200	$266,300	$282,450	$298,550	$314,700
145% OF MEDIAN	$146,250	$167,200	$188,050	$208,950	$225,700	$242,350	$259,100	$275,800	$292,550	$309,200	$325,950
150% OF MEDIAN	$151,300	$172,950	$194,550	$216,150	$233,500	$250,750	$268,050	$285,300	$302,650	$319,900	$337,200
160% OF MEDIAN	$161,350	$184,500	$207,500	$230,550	$249,050	$267,450	$285,900	$304,300	$322,800	$341,200	$359,700
175% OF MEDIAN	$176,500	$201,800	$227,000	$252,200	$272,400	$292,500	$312,750	$332,850	$353,050	$373,200	$393,400
200% OF MEDIAN	$201,700	$230,600	$259,400	$288,200	$311,300	$334,300	$357,400	$380,400	$403,500	$426,500	$449,600

San Francisco Mayor's Office of Housing and Community Development

Notes:
1. Source: U.S. Dept. of Housing and Urban Development, published: 05/15/2023
2. Figures derived by SF MOHCD from HUD's 2023 Median Family Income for a 4 person Household for San Francisco ('HMFA'), unadjusted for high housing costs, and are rounded to the nearest $50.
3. Additional information on HUD's defined income limits can be found at: http://www.huduser.org/portal/datasets/il.html
4. Figures above further derived via application of MOHCD AMI Hold Harmless Policy, effective 05/03/2019: https://tinyurl.com/SFAMIHoldHarmless

Effective Date: 05/31/2023

mercy HOUSING

2023
MAXIMUM MONTHLY RENT BY UNIT TYPE
derived from the
Unadjusted Area Median Income (AMI)
for HUD Metro Fair Market Rent Area (HMFA) that Contains San Francisco
Published by the San Francisco Mayor's Office of Housing and Community Development

		SRO	STUDIO	1BR	2BR	3BR	4BR	5BR
15% OF MEDIAN	Max Gross Rent	$284	$379	$433	$486	$540	$584	$626
20% OF MEDIAN	Max Gross Rent	$378	$504	$576	$649	$720	$779	$836
25% OF MEDIAN	Max Gross Rent	$473	$630	$721	$811	$901	$973	$1,045
30% OF MEDIAN	Max Gross Rent	$567	$756	$865	$973	$1,081	$1,168	$1,254
35% OF MEDIAN	Max Gross Rent	$662	$883	$1,009	$1,135	$1,261	$1,363	$1,463
40% OF MEDIAN	Max Gross Rent	$757	$1,009	$1,153	$1,298	$1,441	$1,556	$1,671
45% OF MEDIAN	Max Gross Rent	$851	$1,135	$1,298	$1,459	$1,621	$1,751	$1,880
50% OF MEDIAN	Max Gross Rent	$946	$1,261	$1,441	$1,621	$1,801	$1,946	$2,090
55% OF MEDIAN	Max Gross Rent	$1,040	$1,386	$1,585	$1,784	$1,981	$2,140	$2,299
60% OF MEDIAN	Max Gross Rent	$1,134	$1,513	$1,730	$1,945	$2,161	$2,335	$2,508
65% OF MEDIAN	Max Gross Rent	$1,229	$1,639	$1,874	$2,108	$2,341	$2,529	$2,716
70% OF MEDIAN	Max Gross Rent	$1,324	$1,765	$2,018	$2,270	$2,521	$2,724	$2,925
72% OF MEDIAN	Max Gross Rent	$1,361	$1,815	$2,075	$2,335	$2,594	$2,801	$3,009
74% OF MEDIAN	Max Gross Rent	$1,400	$1,866	$2,133	$2,400	$2,666	$2,880	$3,093
75% OF MEDIAN	Max Gross Rent	$1,418	$1,891	$2,163	$2,433	$2,703	$2,919	$3,134
80% OF MEDIAN	Max Gross Rent	$1,513	$2,018	$2,306	$2,594	$2,883	$3,113	$3,343
90% OF MEDIAN	Max Gross Rent	$1,702	$2,269	$2,594	$2,919	$3,243	$3,503	$3,761
100% OF MEDIAN	Max Gross Rent	$1,891	$2,521	$2,883	$3,243	$3,603	$3,891	$4,179
105% OF MEDIAN	Max Gross Rent	$1,986	$2,648	$3,026	$3,405	$3,783	$4,086	$4,388
110% OF MEDIAN	Max Gross Rent	$2,080	$2,774	$3,171	$3,566	$3,963	$4,280	$4,596
120% OF MEDIAN	Max Gross Rent	$2,269	$3,025	$3,459	$3,891	$4,323	$4,670	$5,015
130% OF MEDIAN	Max Gross Rent	$2,458	$3,278	$3,748	$4,215	$4,684	$5,059	$5,433
135% OF MEDIAN	Max Gross Rent	$2,553	$3,404	$3,891	$4,378	$4,864	$5,254	$5,641
140% OF MEDIAN	Max Gross Rent	$2,648	$3,530	$4,035	$4,540	$5,044	$5,448	$5,850
150% OF MEDIAN	Max Gross Rent	$2,837	$3,783	$4,324	$4,864	$5,404	$5,838	$6,269
160% OF MEDIAN	Max Gross Rent	$3,025	$4,034	$4,613	$5,188	$5,764	$6,226	$6,686
175% OF MEDIAN	Max Gross Rent	$3,309	$4,413	$5,045	$5,675	$6,305	$6,810	$7,313
200% OF MEDIAN	Max Gross Rent	$3,782	$5,043	$5,765	$6,485	$7,205	$7,783	$8,358

Allowable Annual Rent Increase for existing tenants in projects governed by the above MOHCD Rent Limits:		4.00%

These maximum gross rents apply to units for which the owner pays the cost of all utilities. To calculate the maximum rent when the tenant pays for some or all of the utilities, or "net rent," 1) determine which utilities will be the tenant's responsibility, 2) look up the corresponding utility allowances in the chart below, 3) calculate the total of those allowances and 4) subtract the total from the maximum gross rent. The following example is for a 3 BR unit restricted to households with incomes at or below 60% AMI and for which the tenants will have to pay the cost of electricity and gas cooking and the owner will pay for heat and hot water.

Cooking - Natural Gas - 3BR	$11	Maximum Gross Rent - 3BR - 60% AMI	$2,161
Other Electricity - 3BR	$103	Total Utility Allowance	-$114
Total Utility Allowance	$114	Maximum Net Rent	$2,047

Current Utility Allowance Chart
Allowances for Tenant-Furnished Utilities

Utility or Service		Monthly Dollar Allowances					
		STUDIO	1BR	2BR	3BR	4BR	5BR
Heating	a. Natural Gas	15	20	26	32	41	46
	c. Electric	32	45	58	71	91	104
Cooking	a. Natural Gas	5	7	9	11	14	16
	b. Electric	16	23	29	36	46	52
Other Electric		47	65	84	103	131	149
Water Heating	a. Natural Gas	10	18	25	30	35	40
	b. Electric	32	56	76	92	108	124

Utility Allowances approved for the San Francisco Housing Authority, effective 1/1/2023:
https://sfha.org/files/documents/SFHA%20Utility%20Allowance%20-%20HCV%202023%20-%2002.14.23_1.pdf

	SRO	STUDIO	1BR	2BR	3BR	4BR	5BR
FAIR MARKET RENT:	**$1,617**	**$2,156**	**$2,665**	**$3,188**	**$3,912**	**$4,283**	**$4,925**

Source: HUD, effective 9/1/2022
https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2023_code/2023summary.odn

	SRO	STUDIO	1BR	2BR	3BR	4BR	5BR
SFHA Payment Standard:	**$1,940**	**$2,587**	**$3,198**	**$3,826**	**$4,694**	**$5,140**	**$5,910**

*As published by the San Francisco Housing Authority, effective 1/1/2023 for all transactions.
https://sfha.org/files/documents/Payment%20Standards%20-%202023.pdf

	STUDIO	1BR	2BR	3BR	4BR	5BR
LOW HOME RENTS	**$1,631**	**$1,748**	**$2,097**	**$2,423**	**$2,703**	**$2,983**
HIGH HOME RENTS	**$2,101**	**$2,253**	**$2,704**	**$3,116**	**$3,456**	**$3,796**

https://www.huduser.gov/portal/datasets/home-datasets/files/HOME_RentLimits_State_CA_2023.pdf

Allowable annual rent increase for project governed by HOME Rent requirements:	**2.03%**
Maximum Annual Increase of Gross Rent for projects that are subject to limits set by the San Francisco Rent Board:	**3.6%**

https://sf.gov/sites/default/files/2022-11/571%20Allowable%20Annual%20Increases%2023-24%20EN%2011.16.22.pdf

Assumptions/Notes:
1. Rents Calculated at 30% of corresponding monthly income limit amount.
2. Occupancy Standard is one person per bedroom plus one additional person.
3. Maximum Rents are derived via application of MOHCD AMI Hold Harmless Policy, effective 05/03/2019: https://tinyurl.com/SFAMIHoldHarmless

Effective Date: 05/31/2023

Per HUD Notice
Effective: May 15, 2023

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
2023

Maximum Income Levels

For Projects that Place in Service on or after 5/15/2023+

County	One Person	Two Person	Three Person	Four Person	Five Person	Six Person	Seven Person	Eight Person
SAN FRANCISCO								
100% Income Level	$130,100	$148,700	$167,300	$185,800	$200,700	$215,600	$230,400	$245,300
80% Income Level	$104,080	$118,960	$133,840	$148,640	$160,560	$172,480	$184,320	$196,240
70% Income Level	$91,070	$104,090	$117,110	$130,060	$140,490	$150,920	$161,280	$171,710
60% Income Level	$78,060	$89,220	$100,380	$111,480	$120,420	$129,360	$138,240	$147,180
55% Income Level	$71,555	$81,785	$92,015	$102,190	$110,385	$118,580	$126,720	$134,915
50% Income Level	$65,050	$74,350	$83,650	$92,900	$100,350	$107,800	$115,200	$122,650
45% Income Level	$58,545	$66,915	$75,285	$83,610	$90,315	$97,020	$103,680	$110,385
40% Income Level	$52,040	$59,480	$66,920	$74,320	$80,280	$86,240	$92,160	$98,120
35% Income Level	$45,535	$52,045	$58,555	$65,030	$70,245	$75,460	$80,640	$85,855
30% Income Level	$39,030	$44,610	$50,190	$55,740	$60,210	$64,680	$69,120	$73,590
20% Income Level	$26,020	$29,740	$33,460	$37,160	$40,140	$43,120	$46,080	$49,060

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

Per HUD Notice
Effective: May 15, 2023

2023

Maximum Multi-Family Tax Subsidy (MTSP) Rents

for Low Income Housing Tax Credit (LIHTC) Projects

For Projects Placed in Service on or after 5/15/2023+

County	1 BR	2 BR
SAN FRANCISCO		
60% Income Level	$2,091	$2,509
50% Income Level	$1,742	$2,091