

Modified 7/15/2024

## **Tenant Selection Criteria**

**EQUAL HOUSING:** Community Corp. complies with Title III of the Americans with Disabilities Act of 1990 and is an equal housing opportunity provider. We do not discriminate on the basis of Race, Color, Religion, National Origin, Familial Status, Disability, Marital Status, Age, Ancestry, Sexual Orientation, Medical Condition, Source of Income, Gender, Gender Identity, Gender Expression, Genetic Information, Citizenship, Immigration Status, Primary Language Spoken, Veteran and/or Military Status, or on Any Arbitrary Basis, and/or any other protected class under federal, state, and/or local laws.

**LEVEL ONE:**      **All of the following must be adhered to before an application is eligible for consideration:**

- A complete application: Rental applications are to be completed for *each* individual applicant 18 years of age or over (and emancipated minors with written proof of legal emancipation). Landlord reserves the right to reject any application that is incomplete, falsified or fails to meet the qualifying criteria.
- Availability: Each completed and submitted application will be accepted on a first-come first-serve basis and subject to the availability of the apartment requested. The first completed application in time which meets these criteria will be offered the vacant unit for rent.
  - Waitlist Disclosure:
    - For Properties in Santa Monica: Community Corp of Santa Monica receives referrals for our available units through the City of Santa Monica Below Market Housing (BMH) Waitlist. To learn more, please visit: <https://www.santamonica.gov/housing-bmh>
    - For Properties in Los Angeles: Community Corp processes applications as defined herein. See provision “Availability” above.
- Identification: Each applicant must present a valid, government-issued photo ID when the application is approved, and prior to a lease is presented, for signature and residency.
- Income Requirements: Community Corp provides affordable housing. Community Corp. accepts all sources of income that are both **lawful and verifiable**. Applicants will be required to present lawful, verifiable income paid to the applicant, a representative of the applicant, or on behalf of the applicant (such as a government rental subsidies and public assistance).
  - Applicants must satisfy income requirements set forth in the Regulatory Agreement between Community Corp and the applicable regulatory agencies and their affordable housing regulations, including HUD and HOTMA.

- Community Corp uses current income to assess and calculate household income, asset income, exclusions, and limitations in accordance with applicable regulatory requirements, and the January 1, 2024, implementation of The Housing Opportunity Through Modernization Act (HOTMA) amendments stated therein. Applicants who own net family assets that exceed \$100,000 (as adjusted for inflation) and/or real property that is suitable for occupancy are not permitted under HOTMA.
- Lawful, verifiable income includes, but is not limited to, employment, gross income received through self-employment, bank accounts, alimony/child support, trust accounts, social security payments, VA payments, student scholarships, unemployment, welfare, grants/loans, 1099's, retirement income, disability, Section 8, VASH vouchers, or other federal, state or local public assistance or rental subsidies or any other legal, verifiable income paid to the applicant or the applicant's representative, or paid to a landlord on behalf of a tenant
  - Proper Documentation: Any source of income that cannot be verified will be excluded from consideration for residency. If verified income does not meet these criteria, the application may be denied.
- Household income, including asset income, must meet minimum income requirements, generally ranging between 30 – 42% rent-to-income ratio and may not exceed the *maximum* income requirements set forth in the Regulatory Agreement and governing regulations and laws. The Regulatory Agreement specifies applicant eligibility and whether the household is eligible to occupy the unit.
- Household Assets: Per the applicable program regulations, assets must be verified to determine household's specific asset income.
- Occupancy Standards: Community Corp follows the general guidelines set forth by the State of California's Civil Rights Department (CCRD). CCRD uses the "two-plus-one" formula (i.e., 2 persons per bedroom, plus 1 additional person for the household. For example, a 1-bedroom unit can be leased to 1, 2 or 3 person(s) (certain exceptions may apply). Community Corp acknowledges that special circumstances or local ordinances may require deviations from the CCRD standard, and will apply adjustments accordingly.
- As set forth in the Regulatory Agreement, a household comprised entirely of full-time students may be ineligible for residency, unless each member meets one of the following exceptions:
  - Receives assistance under Title IV of the Social Security Act (AFDC/TANF not SSA/SSI)
  - Currently enrolled in a job training program receiving assistance through the Job Training Participation Act (JTPA) or other similar program
  - Married and filing (or are entitled to file) a joint tax return
  - Independent parent with a dependent minor/minor and neither you nor



- your minor(s) are dependent of another individual.
  - Previously enrolled in the Foster Care program (currently age 18-24)
- Verifiable Rental/Housing History: Community Corp generally requires proof of two (2) years of rental/housing /history and must be verified by previous/current landlord(s) and/or transitional housing shelters. It is the applicants' responsibility to provide **verifiable** contact information of current and past (if applicable) landlord(s). Community Corp. reserves the right to disqualify applicants, if, after a good faith effort, Community Corp. is unable to verify rental/housing history. All information provided by the applicant in the application, documents, and interview must be truthful. Providing false or misleading information will result in automatic disqualification. **If false or misleading information is discovered after signing a lease, Community Corp reserves the right to void the rental/lease agreement.**
  - Conditional Acceptance:

If there is a break in rental/housing history or the applicant has no verifiable rental/housing history (but meets all other criteria herein), the application will still be considered with submission of three (3) personal/character letters. All reference letters must be provided by a credible third-party, generally excluding relatives of the applicant. Applicants who are conditionally accepted must submit the requested documentation within one (1) week to preserve the status of the application. If applicant is homeless, applicant may be conditionally approved if applicant can provide written verification establishing that applicant is currently participating/residing in a transitional housing/homeless shelter and is abiding by all rules and regulations therein.

Community Corp encourages applicant to meet with Community Corp Resident Services and third-party case managers/providers to establish an updated support program. If the applicant's current place of residency is without a lease, proof of residency is still required, Applicant can furnish copies of bills, mail addressed to the applicant, or school records to verify current place of residency.

**LEVEL 2: Once applicant has satisfied LEVEL 1 requirements, applicant will be evaluated under the following general guidelines:**

1. Past and Present Ability to Pay Rent

- a. Credit History - A credit report will be processed on each applicant.
  - i. If you are an applicant with a government rent subsidy, such as a Section 8 Housing Choice Voucher, you have the option of authorizing us to either use your credit history per our normal policies or permitting you the opportunity to submit lawful, verifiable alternative evidence of ability to pay the rent, including, but not limited to, bank statements, pay records, government benefit payments, and verification of any other sources of income to



demonstrate ability to pay the rent each month. *If this applies to you, please contact the management office directly to discuss to elect your screening method (i.e., authorize credit check or provide alternative evidence of your ability to meet the Criteria).* If you are an applicant with government rent subsidy and elect to provide lawful, verifiable alternative evidence of ability to pay the rent, we will provide you a reasonable opportunity to respond with that evidence and will reasonably consider that evidence in lieu of your credit history in determining whether to approve your application.

- ii. Applicants with submitted credit history will be evaluated based upon the considerations listed below. COVID-19 related rental debt, as defined under California law, will be excluded from any credit calculations.

1. The last two (2) years of credit history will be evaluated
2. No open bankruptcies within the last two years
3. Medical bills and Student Loans are not considered negative
4. Negative credit balance must not exceed \$7,000.00 for each applicant in the household who is 18 years of age or older.
5. Applicants with valid credit reports that show no credit history or applicants without credit history may be conditionally accepted.
6. Guarantors or co-signers may be considered if application is deemed conditionally accepted based on the above findings.

b. Rental Payment History

- i. Landlord reference must indicate a timely rental payment record (4 late rental payments within the last 12 months are grounds for denial).
- ii. If their previous residence was owned, home ownership must be verified by presentation of mortgage company references and proof of ownership or transfer.
- iii. Applicants who lived out of the country during the 2-year period must show reasonable verification of foreign residency (e.g., passport with date stamps, education/housing records, etc.)
- iv. Prior unlawful detainer judgment(s) against the tenants, on the merits, and for cause within the last 4 years will automatically result in denial.

2. Willingness and Ability to Abide by the Lease & Basic Rules:

- a. Landlord Reference – If applicable, Community Corp. must receive a verified landlord reference stating that the applicant(s) followed the lease provisions and house rules at their previous residence(s).
  - i. If references are from shelter or transitional housing sources, applicants must provide written verification demonstrating responsibility and satisfaction in any financial plan engaged in (such as savings or cash management plans).
- b. **Applicants must disclose any previous tenancy with Community Corp.,** including all dates and locations, for each and every current household member applying for residency. If such an applicant has any prior or current negative rental



history, or if the tenancy resulted in an unlawful detainer judgment against applicant for Community Corp., the application will be denied.

3. “Interview” or Verbal Discussions re: Application Decision If applicant is offered residency by Community Corp, each and every adult (age 18 years and older) household member must be present on the scheduled lease signing date.
4. Applicant Conduct: Applicant and all members of households must:
  - a. Display appropriate and acceptable behavior at all stages of the application process, during any and all interactions with Community Corp. staff, and at all times on any Community Corp property.
  - b. Unacceptable behavior includes, but is not limited to, verbal abuse, threats, improper decorum (such as screaming and yelling), harassment towards Community Corp staff, and engaging in nuisance behavior on any Community Corp property. At the discretion of Community Corp, inappropriate and unreasonable behavior may result in the denial of application.
5. **Criminal History:** Community Corp will process criminal records through an automated system. All members of an applicant’s household aged 18 and over, including live-in aids, caretakers, and additional members will be subjected to a criminal background check. Your application may be denied if the following findings are revealed:
  - a. **Personal Felonies:** Homicide; kidnapping/abduction; sex related offenses (forcible and non-forcible); assault/battery; and the sale, trafficking, manufacturing, and/or distribution of illegal narcotics.
  - b. **Property Felonies:** Arson; burglary/breaking and entering; robbery; destruction/damage/vandalism; and/or larceny/theft.

The individual assessment will consider relevant mitigating factors, such as: 1) the facts and circumstances surrounding the criminal conduct; 2) the applicant's age at the time of the criminal conduct; 3) evidence that the applicant has maintained a good tenant history before and after the criminal conduct; and (4) evidence of rehabilitation efforts, including the applicants’ satisfactory compliance with all terms and conditions of parole and/or probation; successful completion of parole, probation, mandatory supervision, or Post Release Community Supervision; a Certificate of Rehabilitation under Penal Code Section 4852.01, or other conduct demonstrating rehabilitation, such as maintenance of steady employment; (5) whether the conduct that led to the criminal conviction arose from the applicant’s status as a survivor of domestic violence, sexual assault, dating violence, stalking, or comparable offenses against the applicant; (6) whether the conduct arose from an individual's disability and/or any risks related to such conduct, which could be sufficiently mitigated or eliminated by a reasonable accommodation; or (7) other relevant facts or circumstances surrounding the criminal conduct and/or conduct after the conviction.

Applicant will have the opportunity to present individualized mitigating information in writing or in person. Applicant will also have the opportunity to present



information regarding the factual accuracy of the criminal history information (including whether the information contains outdated, incorrect, or falsified information or information that is erroneously attributed to the applicant). If the felony conviction relates to resident or property safety as mentioned above, and the applicant fails to provide proof that the threats posed from such a felony conviction have not been mitigated or eliminated, the application will be denied for that criminal history.

6. Application Determination: Based on all applicant's submitted documentation and information, Community Corp's third-party auditing system, Right Source, or Community Corp's Management, will review and either approve or deny the application. If your application has been denied, you, as the applicant, may write an appeal to the Deputy Director of Property Management within 14 days of the rejection letter's date.

a. If the applicant's appeal is denied by the Deputy Director of Property Management, the applicant may request a final appeal in writing within 14 days of the Deputy Director's response. This request should be sent to the Director of Property Management, who may respond directly or bring the issue to a vote at the next Community Corp. Board of Directors/Operations Committee meeting. The appeal must include supporting documentation; without it, Community Corp. may consider the appeal incomplete and invalid.

a. Please be advised, during the appeal process, Community Corp does not guarantee to hold the applicant's priority slot. Community Corp will continue processing other applications and will choose the occupant based on the first applicant to successfully complete the entire application process.

7. This Tenant Selection Criteria is intended as a guideline. Community Corp. acknowledges that there are certain extenuating circumstances that require deviations from our traditional screening methods. Such applications will be handled accordingly and as a matter of policy under relevant fair housing laws.

8. This Tenant Selection Criteria may be modified by Community Corp. at any time. Community Corp. maintains this Tenant Selection Criteria is current as of the date shown at the top of the first page of this document.

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