



Attachment 3 Madrone Terrace Grounds for Denial



We welcome your application to rent an apartment at Madrone Terrace. It is the responsibility of each applicant to provide all information required to determine eligibility. Madrone Terrace will consider each application on an individual basis. The following list provides the reasons why an application *may* be denied.

In application of Housing First principles for the 20 NPLH CES referred applicants, any findings of the following grounds for denial will not on their own be grounds for denial.

Additionally, if you fall into any of the categories below due to a disability, you are encouraged to submit a Request for Reasonable Accommodation with your application.

- 1) Credit
 - (a) Total unmet credit problems (including governmental tax liens) in excess of \$5,000.
 - (b) A bankruptcy within the last three years.
 - (c) A total of five unmet credit obligations of any value.

An exception for extraordinary medical and/or student loan expenses may be permitted. An exception for a foreclosure or short sale may be permitted at the discretion of the Owner/Management Agent if prior credit history is acceptable and does not include those reasons for rejection detailed above.

- 2) Rental History
 - (a) A judgment against an applicant obtained by the current or previous landlord.
 - (b) An unmet obligation owed to a previous landlord.
 - (c) The applicant failed to make one or more timely payments during the last two year's rental payments.
 - (d) Negative landlord reference.

- 3) Criminal Background Check & Personal History

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

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

- 4) Full Time Student Status

Units comprised of full-time students do not qualify to reside in tax credit properties. However, there are exceptions as outlined by the IRS under IRC §42(i)(3)(D) that include:

 - (a) Receiving assistance under Title IV of the Social Security Act (AFDC, TANF);
 - (b) Enrolled in a job training program receiving assistance under the Work Force Investment Act (WIA), (formerly the Job Training Partnership Act) or under another similar federal, state, or local laws;

- (c) Single parents with minor children, all of whom are full-time students and such parents and children are not dependents of another individual (children in household may only be claimed as dependents on the Applicant parent's tax return in order for the household to qualify).
 - (d) All members of household are married and have filed a joint tax return or are entitled to file a joint tax return.
- 5) Annual Income/Occupancy standard/other program regulations
- (a) Annual Income (including assets) not within the established restrictions of the property.
 - (b) Household size does not meet the established occupancy standard for the property.
 - (c) Applicant does not meet all program regulated eligibility factors.
- 6) Documentation
- Each potential occupant must provide all documentation required by the selection process. If an applicant does not show up for an interview, or provide at a minimum the following documentation, it is grounds for denying your application.
- (a) Completed and signed application, release of information, grounds for denial, and application fee (if required).
 - (b) Landlord references covering the last TWO (2) years of residency. Please note: Applicants who have not held a rental agreement for a minimum period of twelve months within the last five years will be required to provide references from a person not related to the applicant who has known the applicant for at least five years. This criterion is waived for applicants meeting any of the homeless-related eligibility requirements of the Resident Selection Criteria in application of Housing First.
 - (c) Proof of all income sources and assets, including the most recent income payments (e.g., paycheck stub, social security or other independent verifications).
 - (d) Copy of most recent bank statements and/or other accounts (IRA, stocks, mutual funds, etc.)
- 7) Offer of an Apartment
- The applicant may turn down the first unit he/she is offered and retain his/her spot on the waiting list. The second time an applicant declines to move into a unit will result in the person being removed from the waiting list and the applicant will have to re-apply.
- 8) Nondiscrimination
- In the performance of its obligations Owner and the Management Agent will comply with the provisions of any federal, state or local law prohibiting discrimination in housing.
- 9) **Program regulated eligibility**
- The Applicant will be denied if he/she does not meet all program regulated eligibility factors including but not limited to applicant qualification as homeless and at risk of homelessness.
- 10) **Appeal**
- Applicants who are not accepted will have 14 days to appeal. During the hearing, mitigating circumstances will be considered. Persons with a disability have the right to request reasonable accommodations to participate in the hearing process. No unit will be held**

during the appeal process. If the appeal is successful, applicants will be offered the next available unit of the applicable unit type.

I HAVE READ AND UNDERSTAND THE FOREGOING AND FIND THEM TO BE REASONABLE REASONS MY RENTAL APPLICATION CAN BE DENIED. I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE ATTACHED HOUSING AND INCOME STATEMENTS ARE TRUE AND CORRECT.

Applicant #1: _____ Date: _____

Applicant #2: _____ Date: _____

Applicant #3: _____ Date: _____

NOTE: Any change to this document must be approved by the Regional Vice President in writing.

This document must be attached to all applications.