Michigan Section 811 Project Rental Assistance (811PRA)

Tenant Selection Plan Addendum

This Addendum supplements the property's existing Tenant Selection Plan (TSP) of the property owner/landlord (Owner) and applies solely to applicants and tenants of Section 811 Project Rental Assistance (811PRA)-assisted units. In the event of a conflict between the Owner's TSP and this Addendum, the provisions of this Addendum govern tenant selection for 811PRA-assisted units.

This Addendum is issued under the U.S. Department of Housing and Urban Development (HUD) Multifamily occupancy requirements, including HUD Handbook 4350.3 REV-1, Change 4, the Frank Melville Supportive Housing Investment Act, the 811PRA Program Guidelines, the Rental Assistance Contract (RAC), and applicable federal civil rights laws.

The 811PRA program is a permanent supportive housing program designed to expand integrated community living opportunities for extremely low-income non-elderly persons with disabilities. Consistent with federal law and program requirements, tenant selection policies for 811PRA-assisted units must be administered in a manner that promotes equal housing opportunity while preserving Owner responsibility to apply reasonable screening criteria.

Owners are reminded that obligations under the Fair Housing Act and Section 504 of the Rehabilitation Act apply throughout the tenant selection process, including when evaluating screening criteria, considering reasonable accommodations, and making admission decisions involving disability-related circumstances.

This Addendum and the Owner's TSP must be applied together when making tenant selection decisions for 811PRA-assisted units.

I. Purpose and Applicability

Authority: Frank Melville Supportive Housing Investment Act; HUD Handbook 4350.3 REV-1, Chg-4; 811PRA Program Guidelines §§ PRA.223, PRA.301–303; RAC; Use Agreement.

The purpose of this Addendum is to establish 811PRA-specific tenant selection requirements that align screening and admission practices with the supportive housing objectives of the 811PRA program while preserving Owner discretion consistent with HUD requirements, federal civil rights laws, and the Owner's TSP, as approved by the Michigan State Housing Development Authority (MSHDA).

Nothing in this Addendum alters or replaces requirements contained in HUD Handbook 4350.3 or other applicable federal law. Rather, it supplements the Owner's TSP by establishing additional requirements applicable only to 811PRA-assisted units.

II. Eligible Population and Referral Process

Authority: 811PRA Program Guidelines § PRA.403; Interagency Partnership Agreement; RAC.

Applicants for 811PRA-assisted units must satisfy all applicable statutory and program eligibility requirements and be referred through Michigan's approved 811PRA referral process.

Eligible populations include individuals who meet the 811PRA eligibility criteria established by the Cooperative Agreement, RAC, and Michigan's Interagency Partnership Agreement, including individuals exiting institutional settings, experiencing or at risk of homelessness, or otherwise meeting the program's target population requirements.

MSHDA administers the centralized 811PRA waiting list and referral process. Owners must process referrals received from MSHDA in accordance with this Addendum and the Owner's MSHDA-approved TSP. Owners may not lease an 811PRA-assisted unit outside the MSHDA referral process unless expressly authorized by MSHDA.

III. Waiting List Administration

Authority: 811PRA Program Guidelines § PRA.403; HUD Handbook 4350.3 REV-1, Chg-4, Chapter 4.

MSHDA maintains the centralized waiting list and referral process for 811PRA-assisted units. Owners must process referrals received from MSHDA, using this Addendum and the property's MSHDA-approved TSP.

Selection from the waiting list shall be based on the date and time a complete and eligible application is received, consistent with HUD requirements and the MSHDA referral process.

Applicants denied by an individual Owner remain eligible for future referrals through the MSHDA 811PRA referral process unless otherwise determined ineligible for the program.

IV. Screening Standards for 811PRA Applicants

Authority: HUD Handbook 4350.3 REV-1, Chg-4, Chapter 4; 811PRA Program Guidelines §§ PRA.402–403; RAC; Fair Housing Act; Section 504.

Owners may apply their existing screening criteria to applicants for 811PRA-assisted units provided those criteria are applied consistently, comply with HUD requirements and applicable civil rights laws, and do not create unnecessary barriers to participation for individuals the program is intended to serve.

Screening decisions shall be based upon an individualized review of each applicant and shall consider all relevant information, including mitigating circumstances, current circumstances, available supports, and reasonable accommodations where applicable.

A. Applicants Exiting Homelessness or Other Unstable Housing Situations

Applicants exiting homelessness or other unstable or nontraditional housing situations—including, but not limited to, emergency shelter, transitional housing, institutional settings, doubled-up living arrangements, or other temporary housing—may be unable to provide traditional landlord references, rental payment histories, or other standard documentation.

In such cases, Owners shall consider alternative forms of verification. Acceptable documentation may include verification from a service provider, case manager, shelter, transitional housing program, institutional discharge planner, or another knowledgeable third party familiar with the applicant's housing history and current supports.

The absence of traditional rental history, by itself, shall not serve as the sole basis for denying admission to an otherwise eligible 811PRA applicant without documented consideration of available alternative verification and reasonable accommodation, where applicable.

B. Individualized Assessment

When screening concerns are identified, Owners shall conduct an individualized assessment ***before*** making an admission decision.

The assessment should consider, as applicable:

- the nature and relevance of the screening concern;
- the length of time since the conduct occurred;
- evidence of rehabilitation or changed circumstances;
- mitigating circumstances;
- disability-related factors;
- available supportive services; and
- whether the circumstances giving rise to the screening concern are likely to recur.

Owners should document the individualized assessment as part of the applicant file.

C. Criminal History

Owners shall conduct criminal background screening in accordance with HUD requirements and applicable law.

An arrest record, by itself, shall not serve as the sole basis for denial.

Where criminal history is considered, Owners should evaluate the relevance of the conduct, the age of the offense, evidence of rehabilitation, mitigating circumstances, disability-related considerations, and reasonable accommodations, where applicable. Nothing in this Addendum limits or alters any mandatory federal prohibitions on admission established by HUD or federal law.

V. Reasonable Accommodation

Authority: Fair Housing Act; Section 504; HUD Handbook 4350.3 REV-1, Chg-4; 811PRA Program Guidelines §§ PRA.209, PRA.410.

Applicants for 811PRA-assisted units shall be informed of their right to request a reasonable accommodation during the tenant selection process. Owners shall consider reasonable accommodation requests whenever an applicant's disability may affect the application of screening criteria.

Owners shall consider reasonable accommodation requests in accordance with the Fair Housing Act, Section 504, and applicable HUD requirements. When a screening condition, policy, practice, or procedure may affect an applicant because of a disability, Owners shall evaluate whether a reasonable accommodation is necessary to provide the applicant an equal opportunity to participate in the program.

Nothing in this Addendum requires an Owner to waive mandatory federal eligibility or admission requirements; however, Owners must consider reasonable modifications to policies, practices, or procedures when required by applicable law.

VI. Denials and Appeals

Authority: HUD Handbook 4350.3 REV-1, Chg-4, Chapter 4; 811PRA Program Guidelines § PRA.403; RAC; Violence Against Women Act (VAWA).

When an applicant for an 811PRA-assisted unit is denied admission, the Owner shall provide written notice stating the reason(s) for the denial and advising the applicant of any review or appeal rights available under HUD requirements and the Owner's TSP.

Prior to issuing a denial based on screening concerns, Owners should ensure that:

- an individualized assessment has been completed, where applicable;
- alternative verification has been considered, when appropriate;
- any requested or identified reasonable accommodation has been reviewed; and
- the admission decision is consistent with applicable HUD requirements and federal civil rights laws.

Owners shall administer admissions and lease administration consistence with applicable VAWA requirements. An applicant may not be denied admission solely

because they are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

VII. Compliance and Oversight

Authority: 811PRA Program Guidelines §§ PRA.223, PRA.406; RAC; HUD Handbook 4350.3 REV-1, Chg-4.

Owners shall administer tenant selection for 811PRA-assisted units in accordance with this Addendum, the Owner's MSHDA-approved TSP, the RAC, and applicable HUD requirements.

Owners shall maintain documentation sufficient to demonstrate compliance with this Addendum, including, as applicable:

- alternative verification considered;
- individualized assessments;
- reasonable accommodation reviews; and
- admission and denial determinations.

MSHDA may review such documentation as part of its compliance monitoring responsibilities.

Revisions affecting tenant selection policies, screening criteria, rejection standards, or applicant evaluation practices for 811PRA-assisted units shall be submitted to MSHDA for review and approval ***prior*** to implementation.

VIII. Eviction Prevention and Housing Stability

Authority: HUD Handbook 4350.3 REV-1, Chg-4; Fair Housing Act; Section 504; 811PRA Program Guidelines §§ PRA.223, PRA.403; RAC and Use Agreement.
The 811PRA program is a permanent supportive housing program intended to promote successful community living and housing stability for eligible tenants.

When lease compliance issues arise involving an 811PRA-assisted tenant, Owners are expected to initiate timely communication and coordination with the tenant and the assigned service coordinator or case manager. Owners shall consider reasonable accommodation obligations under the Fair Housing Act and Section 504 when disability-related circumstances may affect a tenant's ability to comply with lease requirements.

Prior to initiating termination of tenancy, Owners should consider, as appropriate:

- any requested or identified reasonable accommodations;
- adjustments to expectations, timelines, or processes that may support lease compliance; and
- coordination with the assigned service coordinator or case manager to identify or implement additional available supports.

These efforts should be documented as part of the Owner's lease compliance process.

Nothing in this Addendum limits an Owner's right to enforce the lease or pursue termination of tenancy in accordance with HUD requirements and state law. Any such action must remain consistent with the Owner's MSHDA-approved TSP, applicable federal civil rights laws, and the obligations established under the RAC and Use Agreement.